What Your Mutual Fund Distributor
Can and Cannot Do For You

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A plain-language summary of AMFI's official guidance on the role of Mutual Fund Distributors (MFDs), so you know exactly what to expect from this relationship.

CAN — Permitted

- Recommend a curated list of MF schemes based on your risk profile, and help you choose ("incidental advice").
- Help execute your mutual fund transactions and provide after-sales support — nomination, bank detail changes, KYC updates.
- Review your MF portfolio periodically and suggest changes based on your goals.
- Advise on goal-based SIPs or lumpsum investments, limited to mutual fund schemes.
- Conduct your risk profiling and maintain a record of it for future reference.
- Advertise distribution services across digital, print and social media, within SEBI/AMFI rules.
- Share fund performance comparison reports sourced from AMC fact sheets or reliable sources.
- Run an educational YouTube/social media channel about mutual funds and investing in general.
- Clearly disclose their ARN and affiliation as a mutual fund distributor.

CANNOT — Not Permitted

- Offer detailed financial planning or holistic investment advice — only a SEBI-registered Investment Adviser (RIA) can.
- Use the terms "financial planning", "financial advisor" or "financial planner" in marketing material.
- Give scheme-specific recommendations or performance predictions to unknown viewers on YouTube or social media.
- Offer "free advice" or "free portfolio review", or attract investors with rebates, gifts or gift-vouchers.
- Design their own scheme marketing material, or use an AMC's name/logo, without the AMC's prior written approval.
- Accept any upfront commission or incentive in kind — only trail commission, paid in monetary terms, is allowed.
- Run sub-distributor training or recognition programs at exotic tourist destinations.
- Approach or attract another distributor's existing clients through inducements.
- Provide investment advice beyond "incidental advice" unless separately SEBI-registered as an IA.

This is a plain-language summary, not the full text of AMFI's FAQ — for the complete document, see the "Role of MFDs — Do's & Don'ts (AMFI FAQ)" link wherever this summary is linked from.

Source: AMFI — "FAQs on Do's & Don'ts for MFDs". This summary does not replace, and is not a substitute for, professional or legal advice.