



भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
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SEBI/HO/IMD/IMD-POD-2/P/OW/2023/23603/1

June 8, 2023

To
Chief Executive Officer,
Association of Mutual Funds in India,
Naman Corporate Link, Wing C, Unit No. 701,
Plot Nos. C-31 / C-32, G Block,
Bandra Kurla Complex,
Bandra – East,
Mumbai – 400 051

Dear Sir/Madam,

Sub: AMFI Best Practices Guidelines – Prudential norms for Liquidity Risk Management for Open-ended Debt schemes

1. This is in reference to the request of AMFI on the captioned subject vide email dated March 23, 2023 and AMFI comments on Liquidity Risk Management for exposure through repo on corporate debt securities vide email dated May 18, 2023.
2. In respect of AMFI comments vide email dated May 18, 2023, regarding repo on corporate debt securities where settlement is guaranteed by Clearing Corporation, such exposure with residual maturity upto 30 days may be considered for the purpose of LR-CRaR (for both Liquid and other schemes).
3. Further, in respect of AMFI email dated March 23, 2023 requesting to consider certain instruments for calculation of LR-CRaR, the same is noted. It is however informed that the AAA rated securities with maturity less than or equal to 30 days shall be without bespoke structures/structured obligations, credit enhancements or embedded options or any other structure / feature which increase the liquidity risk of the instrument.
4. You are advised to issue necessary guidelines in this regard.

Yours faithfully,


Pranay Agrawal