



The Securities Exchange Board of India vide circular no SEBI/HO/IMD/DF3/CIR/P/2020/229 dated November 06, 2020 has issued Norms regarding holding of liquid assets in open ended debt schemes & stress testing of open-ended debt schemes.

- a) SEBI vide circular no SEBI/HO/IMD/DF3/CIR/P/2020/229 dated November 06, 2020 has issued Norms regarding holding of liquid assets in open ended debt schemes & stress testing of open-ended debt schemes.
- b) It has been decided that all open-ended debt schemes (except Overnight Fund, Liquid Fund, Gilt Fund and Gilt Fund with 10 year constant duration) shall hold at least 10% of their net assets in liquid assets. For this purpose, 'liquid assets' shall include Cash, Government Securities, T-bills and Repo on Government Securities.
- c) This circular is issued in exercise of the powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act 1992, read with the provision of Regulation 77 of SEBI (Mutual Funds) Regulation, 1996 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.