NSDL
Technology, Trust & Reach

Participant Services Circular

Circular No.: NSDL/POLICY/2026/0100 July 21, 2026

Subject: SEBI Circular regarding, "Extending facility of creating standing instructions for Systematic Withdrawal Plan (SWP)/ Systematic Transfer Plan (STP) for Mutual Fund units held in demat form".

Attention of the Participants is invited to SEBI Circular no. HO/47/14/13(2)2026-MRD-POD2/I/16590/2026 dated July 17, 2026 regarding *"Extending facility of creating standing instructions for Systematic Withdrawal Plan (SWP)/ Systematic Transfer Plan (STP) for Mutual Fund units held in demat form"* **(copy enclosed)**.

Participants are requested to take note of above circular and ensure compliance.

For and on behalf of
National Securities Depository Limited

Rakesh Mehta
Digitally signed by Rakesh Mehta
Date: 2026.07.21 17:36:37 +05'30'

Rakesh Mehta
Vice President

Enclosure: One

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month	Through e-PASS	Para 22 of 'Grievance Redressal' chapter and Para 27 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants
Compliance report w.r.t Same Mobile number and/ or email address captured for multiple accounts. (monthly)	Before 27th of following month	Through Email.	Para 26 of 'Miscellaneous' chapter of NSDL Master Circular for Participants.
Compliance Certificate (half yearly)	July 31st	Through e-PASS	Para 17 of 'Internal Controls/Reporting to NSDL/SEBI' chapter of NSDL Master Circular for Participants.
Reporting of details of NISM qualified Associate persons as on June 30	July 31st	Through e-PASS	Para 16.7 of Internal control/ reporting to NSDL/ SEBI chapter of NSDL Master circular for Participants.
Reporting of status of the alerts generated by Participants (Quarterly)	Within 15 days from end of the quarter	Through e-PASS	Para 11.6 of Internal control/ reporting to NSDL/ SEBI chapter of NSDL Master circular for Participants

HO/47/14/13(2)2026-MRD-POD2/I/16590/2026 **July 17, 2026**

To,

All Depositories

All Recognized Stock Exchanges (SEs)

All Registrar and Transfer Agents (RTAs)

All Depository Participants (DPs)

All Mutual Funds (MFs) / All Asset Management Companies (AMCs)

Association of Mutual Funds in India (AMFI)

Sir/Madam,

<u>Subject: Extending facility of creating standing instructions for Systematic Withdrawal Plan (SWP)/ Systematic Transfer Plan (STP) for Mutual Fund units held in demat form</u>

1. Mutual Fund investors can avail the facility of SWP by creating standing instructions with Mutual Fund or its RTA for periodic redemption of specified number of Mutual Fund units or amount. Mutual Fund investors can also avail the facility of STP by creating standing instructions for transferring their investment in one scheme of Mutual Fund to another scheme of the same Mutual Fund, by way of redemption from one scheme and subscription to the other scheme of the same Mutual Fund.

2. Presently, the facility of creating such standing instructions for SWP / STP mandate is not available for the Mutual Fund units held in demat form.

3. In this context, taking into account the representations received from the Depositories, recommendations of a Working Group setup by SEBI and recommendations of Secondary Market Advisory Committee of SEBI, it has been decided to extend the facility of creating standing instruction for SWP/STP mandate for the Mutual Fund units held in demat form, to facilitate ease of doing business.

4. The aforesaid facility shall be implemented in the following two phases-
    4.1. In Phase - I, the facility shall be made available for “Unit-based SWP / STP” i.e. standing instructions based on fixed number of units to be

redeemed at a specified frequency for withdrawal or for purchasing units of another scheme of the same Mutual Fund.

4.2. In Phase - II, the facility shall be extended to “Amount-based SWP / STP” i.e. standing instruction for fixed amount which is required as pay-out at a specified frequency or for purchasing units of another scheme of the same Mutual Fund.

5. Depositories shall be the nodal facilitator for implementation of this framework and shall ensure the implementation of Phase - I by January 31, 2027 and implementation of Phase - II by April 30, 2027.

6. Further, Depositories are directed to :
   6.1. Jointly publish a standard framework on their website to operationalize the aforesaid facility by October 31, 2026.
   6.2. Make amendments to the relevant bye-laws, rules and regulations for the implementation of the above framework, as may be applicable/necessary;
   6.3. Carry out system changes, if any, to implement the above framework;
   6.4. Disseminate the provisions of this circular on their website.

7. The provisions of this circular shall come into force with immediate effect.

8. This circular is being issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Section 26(3) of Depositories Act, 1996 and Regulation 97 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to protect the interest of investors in securities and to promote development of, and to regulate securities market.

9. This circular is available on SEBI website at www.sebi.gov.in at “Legal Framework - Circulars.”

10. The circular has been issued with the approval of the competent authority.

Yours faithfully,

Sanjay Singh Bhati
General Manager
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