CDSL/OPS/DP/POLCY/2026/489 **July 21, 2026**

SEBI CIR - CREATING STANDING INSTRUCTIONS FOR SWP, STP FOR MUTUAL FUND UNITS HEALD IN DEMAT FORM

DPs and investors are advised to refer to the 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 [refer Annexure].**

DPs and investors are advised to take note of the same.

Queries regarding this communiqué may be addressed to: CDSL – Helpdesk Emails may be sent to: dprtasupport@cdslindia.com and connect through our **IVR Number 022-62343333**.

For and on behalf of
Central Depository Services (India) Limited

sd/-

Nilesh Shah
Vice President

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,

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

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
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