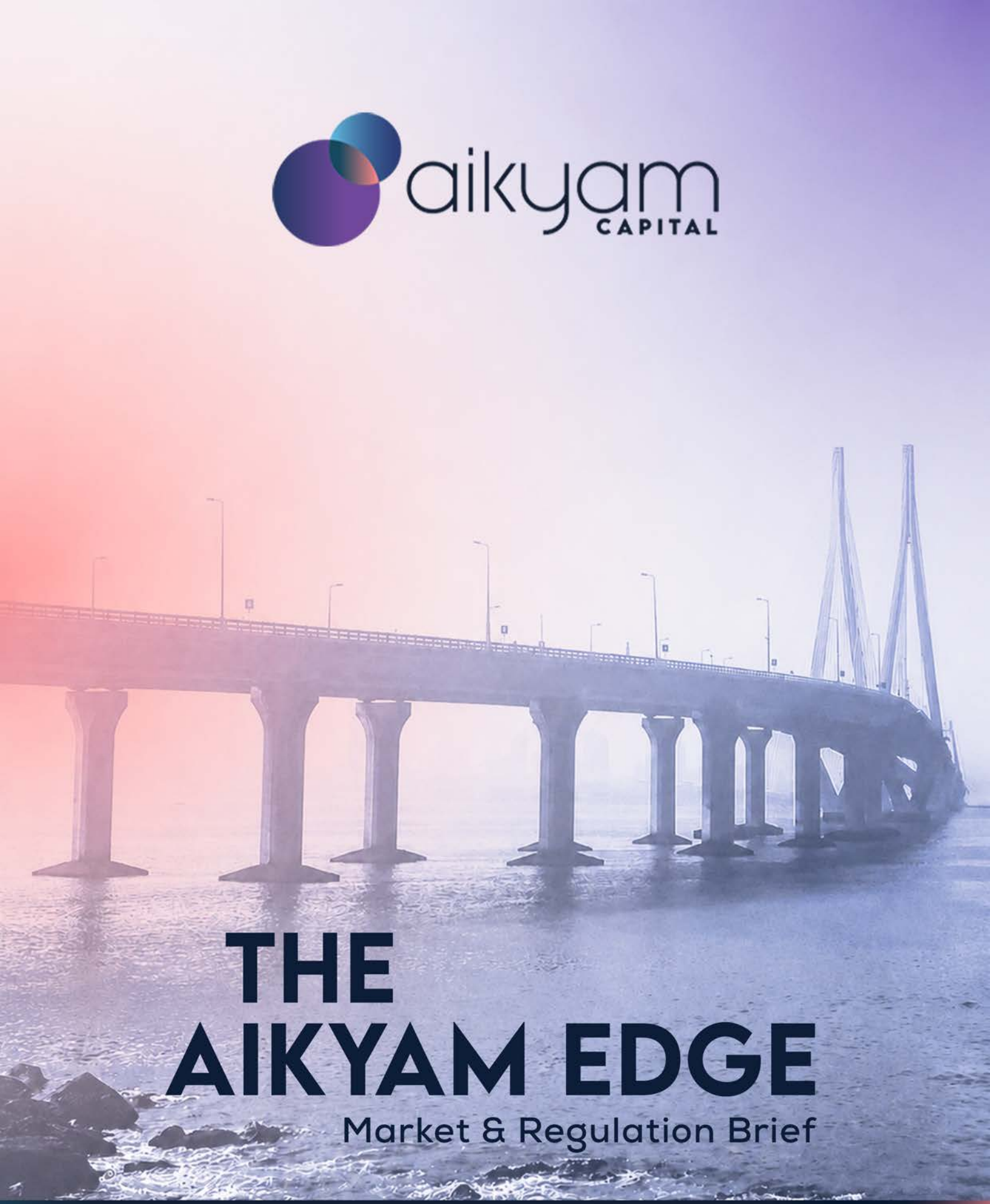

THE AIKYAM EDGE

Market & Regulation Brief

Aikyam Capital Private Limited

CIN: U67100MH2022PTC394087

GST: 27AAXCA9480C1Z5

SEBI Registration Number: INZ000321232

Depository Participant: NSDL - IN305066

Clearing Membership Codes:
BSECL – 6899 | NCL – M70106
MCXCCL – 8135

Exchange Membership Codes:
BSE – 6899 | NSE – 90419
MCX – 8136 | MSEI – 80750

JULY 2026 BULLETIN

Handling of Client's Unpaid Securities by Trading Members

Relevant to: All recognized Stock Exchanges, All Depositories & All Stock Brokers

This circular amends Paragraph 46 of the SEBI Master Circular for Stock Brokers dated June 17, 2025, to align the handling of clients' unpaid securities with current regulatory and market practices. It mandates direct credit of unpaid securities to the client's demat account followed by an automatic pledge in favour of the Trading Member's Client Unpaid Securities Pledgee Account (CUSPA). The circular also requires Trading Members to implement a transparent policy for creation, release, invocation and liquidation of such pledges, introduces timelines for liquidation and automatic release, permits pledge extensions only in specified exceptional circumstances, and prohibits further pledging of CUSPA-held securities. These amendments aim to enhance investor protection, improve operational efficiency, and facilitate ease of doing business for stockbrokers.

Effective Date: Paragraphs 46.1–46.11 shall become effective **three months from the date of issuance of operational guidelines by stock exchanges**, while **Paragraphs 46.12–46.14** shall come into force **from January 3, 2027** (i.e., six months from the date of the circular, **July 3, 2026**).

SEBI Circular No.: HO/38/11/(9)2026-MIRSD-POD/I/15382/2026

Review of norms for utilization of interest or income from IPF of the Depositories

Relevant to: All Depositories

SEBI has amended the Investor Protection Fund (IPF) guidelines for depositories to provide greater flexibility in the utilisation of income earned from IPF investments. Under the revised framework, at least 95% of the annual interest or income from IPF investments must be reinvested into the IPF corpus, while up to 5% may be utilised towards administrative and statutory expenses of the IPF Trust, with any excess expenses to be borne by the depository. The amendment aims to bring uniformity and consistency in IPF utilisation norms across depositories and stock exchanges.

Effective date: September 1, 2026

SEBI Circular No.: HO/47/14/13(4)2026-MRD-POD3/ I/15577/2026

Intraday borrowing facility availed by mutual funds

Relevant to: All Mutual Funds, All Asset Management Companies (AMCs), All Trustee Companies, Board of Trustees of Mutual Funds & Association of Mutual Funds in India (AMFI)

SEBI has introduced a framework permitting **intraday borrowings by mutual funds** to address liquidity mismatches arising from differences in market settlement timings. The circular specifies the permitted purposes for such borrowings, prescribes limits based on receivables and redemption requirements, mandates same-day repayment, requires AMCs to establish a Board-approved policy and maintain scheme-wise records, and clarifies that the cost or any loss arising from intraday borrowings shall be borne by the AMC.

Effective Date: September 1, 2026

SEBI Circular No.: HO/(92)2026-IMD-POD-2/I/16006/2026

Master Circular for Merchant Bankers

Relevant to: All Registered Merchant Bankers

The **SEBI Master Circular for Merchant Bankers dated July 14, 2026** consolidates and updates the regulatory framework applicable to merchant bankers by incorporating all relevant circulars issued up to **July 11, 2026**. It prescribes comprehensive requirements relating to registration, change in control, capital adequacy and liquid net worth, governance, certifications, compliance reporting, underwriting limits, core activity outsourcing, conflict of interest management, investor grievance redressal, disclosure obligations, and operational standards, while also incorporating the revised regulatory framework introduced under the **SEBI (Merchant Bankers) Regulations, 2026**.

Effective Date: Immediate effect

SEBI Circular No.: HO/49/14/15(3)2026-CFD-POD1/I/16178/2026

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

Relevant 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)

SEBI has introduced a framework to enable **Systematic Withdrawal Plan (SWP)** and **Systematic Transfer Plan (STP)** mandates for **mutual fund units held in demat form**, thereby extending a facility that was previously available only for units held in non-demat form. The implementation will be carried out in two phases, with **Phase I** covering **unit-based SWP/STP** and **Phase II** covering **amount-based SWP/STP**, while depositories will act as the nodal facilitators for operationalising the framework.

Effective Date: Immediate effect

SEBI Circular No.: HO/47/14/13(2)2026-MRD-POD2/I/16590/2026

Certification Requirements for Distribution of Specialized Investment Funds (SIFs)

Relevant to: All Mutual Funds (MFs), All Asset Management Companies (AMCs), All Trustee Companies, All Registrar to an Issue and Share Transfer Agents (RTAs) & Association of Mutual Funds in India (AMFI)

SEBI has revised the **certification framework for the distribution of Specialized Investment Funds (SIFs)** by introducing the **NISM Series V-D – Mutual Fund–Specialized Investment Fund Distributors Certification** as the mandatory certification for SIF distributors. Entities engaged in the sale and/or distribution of only Mutual Fund products shall continue to comply with **NISM Series V-A certification**. The circular also provides a transition framework for existing distributors holding **NISM Series XIII – Common Derivatives Certification**, clarifies the certification requirements for mutual fund-only distributors, and requires **AMFI and AMCs** to ensure compliance with the revised certification norms after **September 21, 2026**.

Effective Date: Immediate Effect

SEBI Circular No.: HO/24/13/17(1)2026-IMD-POD-1/I/16895/2026

Operationalisation of freezing of holdings of promoter and promoter group including their associates (promoter holdings) at the ISIN level under Regulation 24(i)(ea) of the SEBI (Buy-back of Securities) Regulations, 2018 dated July 21, 2026

Relevant to: All Listed Companies, All Recognised Stock Exchanges, All Depositories & All Registered Merchant Bankers

SEBI has operationalised the amended **Buy-back Regulations, 2018** by prescribing a framework for **freezing promoter and promoter group holdings at the ISIN level** from the date of approval of a buy-back until the closure of the offer. The framework permits **tendering of securities in buy-backs through the tender offer route** and **invocation of pre-existing encumbrances**, while requiring depositories to establish the necessary

operational procedures and system enhancements for implementation.

Effective Date: Immediate effect

SEBI Circular No: HO/49/14/13(11)2026-CFD-POD1/I/16864/2026

Ease of Doing Investment and Ease of Doing Business – Simplification and standardisation of the framework for transmission of securities

Relevant to: All Listed Companies All Registrars to an Issue and Share Transfer Agents ("RTAs"), All Depositories, All Depository Participants ("DPs"), All Mutual Funds/All Asset Management Companies, ("AMCs") Association of Mutual Funds in India ("AMFI") & All Investors' Associations

SEBI has simplified and standardized the **framework for transmission of securities and mutual fund units** to enhance ease of doing investment and ease of doing business. The circular introduces **uniform transmission request forms, standardized documentation requirements, revised thresholds and claim categories, simplified procedures for nominees and legal heirs, and harmonized indemnity, affidavit and declaration formats** across listed companies, AMCs, RTAs, Depository Participants and Depositories. The framework aims to expedite transmission of securities while reducing procedural complexities and ensuring a consistent investor experience.

Effective Date: January 1, 2027

SEBI Circular No: HO/38/13/11(14)2026-MIRSD-POD/I/17111/2026

'Green-Channel AIF Rollout Upon Document Acknowledgement' (GARUDA) Mechanism for Processing of Placement Memorandum of Alternative Investment Funds (AIFs) filed with SEBI

Relevant to: All Alternative Investment Funds (AIFs) & All Merchant Bankers

SEBI has introduced the **GARUDA (Green-Channel)** mechanism to expedite the launch of AIF schemes. Regular AIF schemes can now be launched **10 working days after filing the Processing of Placement Memorandum (PPM)** through a SEBI-registered Merchant Banker, while **AI-only Funds, LVFs, and Angel Funds** can launch immediately upon filing without Merchant Banker certification, subject to prescribed undertakings. The circular also reinforces accountability of Managers and Merchant Bankers (where applicable) for the accuracy and compliance of PPM disclosures.

Effective date: Immediate effect

SEBI Circular No: HO/19/19/11(2)2026-AFD-RAC2/I/17617/2026

Extension of timelines with respect to compliance of Digital Accessibility Circulars

Relevant to: All Recognised Stock Exchanges, All Recognised Clearing Corporations, All Registered Depositories, All Registered Intermediaries, Association of Mutual Funds in India (AMFI), Association of Portfolio Managers in India (APMI), BSE Limited (Investment Adviser Administration and supervisory body-IAASB) & BSE Limited (Research Analysts Administration and supervisory body-RAASB)

SEBI has extended the timeline for compliance with its Digital Accessibility Circulars issued on July 4, 2025, July 22, 2025, and December 8, 2025, to ensure effective implementation of accessibility requirements under the Rights of Persons with Disabilities Act, 2016. Based on feedback from regulated entities and the recommendations of the Committee on Digital Accessibility, the compliance deadline has been extended from **July 31, 2026, to October 31, 2026**, while all other provisions of the earlier circulars remain unchanged.

Effective Date: October 31, 2026

SEBI Circular No: (HO/(411)2026-ITD-5_DIV2/I/17922/2026)

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