

**CIRCULAR**

**HO/24/12/12(5)2026-IMD-SEC-1/I/6373/2026**

**March 06, 2026**

**All Mutual Funds (MFs)/**

**All Asset Management Companies (AMCs)/**

**All Trustee Companies of Mutual Funds**

**Registrar and Transfer Agents of Mutual Funds (RTAs)/**

**Association of Mutual Funds in India (AMFI)**

Sir / Madam,

**Subject: Introduction of Voluntary Lock-in / Debit freeze facility to Mutual Fund folios**

1. In order to promote digital security of units of Mutual Fund investors, in consultation with AMFI, it is decided that a voluntary debit freeze facility be introduced for Mutual Fund investors across demat and non-demat (i.e., Statement of Account) folios to ensure that no units shall be debited from such folios till the time they are unlocked.
2. **Debit freeze facility to be made available for unit holders:**
  - 2.1. An Inter-operable RTA platform named MF Central, was introduced for enhancing investor experience in Mutual Fund Transactions / service requests by SEBI as per Para 16.6 of SEBI Master Circular on Mutual Funds.
  - 2.2. In the first phase, the facility to lock the folio shall be provided to mutual fund investors by the RTAs through MF Central platform.
  - 2.3. The facility shall be enabled only for KYC complied (Registered / Validated) investors having valid Email ID and Mobile number (both mandatory).

- 2.4. AMFI shall prescribe the detailed process for locking and unlocking of folios to all AMCs / RTAs and shall also provide the processes to be followed by different types of investors after due consultation with SEBI.
- 2.5. AMFI is also advised to prescribe the detailed list of financial transactions and non-financial transactions that are allowed during such lock-in period to AMCs / RTAs.
- 2.6. The detailed process of opting for such a facility and impact on different financial transactions and non-financial transactions during the lock in period shall be disclosed by all AMCs / RTAs on their websites and in Statement of Additional Information (SAI).
3. The circular will come into effect from April 30, 2026.
4. 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) Regulations, 1996 to protect the interests of investors in securities market and to promote the development of, and to regulate the securities market.
5. This circular is available at [www.sebi.gov.in](http://www.sebi.gov.in) under the link "Legal ->Circulars".

Yours faithfully,

**Chetan Fumakiya**  
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