

## NSE Clearing Limited

(Formerly known as National Securities Clearing Corporation Ltd.)

### Circular

Department: CAPITAL MARKET SEGMENT	
Download Ref No: NCL/CMPT/49974	Date: Oct 14, 2021
Circular Ref. No: 315/2021	

All Members/ Custodians,

#### Sub:- Clearing and Settlement for T+1 Settlement in Capital Market Segment

This is reference to SEBI circular ref. no: SEBI/HO/MRD2/DCAP/P/CIR/2021/628 dated September 07, 2021 and further to our consolidated circular reference number NCL/CMPT/46880 dated January 01, 2021 and circular reference number NCL/CMPT/49534 dated September 07, 2021.

In accordance with the said SEBI circular, Exchanges may choose to offer T+1 settlement cycle on any of the securities. In respect of securities traded with T+1 settlement cycle, Members are requested to note procedure for clearing and settlement.

#### 1. Clearing:

- 1.1. The settlement cycle decided by the Exchanges for a security shall form part of Applicable\_Symbol.csv file shared by NCL. Settlement cycle selected by the Exchanges shall be applicable to all the eligible series of that security in the Exchange.
- 1.2. OTR window shall be available till on T day as per the timings given below
- 1.3. In case of Custodial Participant trades including Institutional and non-institutional, the confirmation of the trades will have to be done by custodians on T day as per timings given below.

Process	Day	Timings
Obligation Transfer Request (OTR)	T day	Upto 7:00 PM
Trade Confirmation by Custodian	T day	Upto 7:30 PM

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- 1.4. Custodians will be required to provide margins or make early pay-in of funds/ securities as per the existing procedure.
- 1.5. In respect of custodial transactions which are non-allocated/ rejected/ not-confirmed by custodian on T day, such positions shall be considered as obligation of the executing member and their respective clearing member.
- 1.6. There shall be no netting between T+1 and T+2 settlements. Final Obligation with respect to funds and securities for T+1 settlement and other reports related to settlement shall be provided to members and Custodians on the T day.
- 1.7. Corporate Action: In case of different settlement cycles on different Exchanges ex-date of the security shall be as per settlement cycle followed by a particular Exchange. The mark-to-market margin in cash market will be based on respective exchange's price if the security is trading on cum basis on one exchange and ex basis in another exchange.

### **2. Settlement:**

- 2.1. Clearing Corporation shall define the scheduled pay-in day, in accordance with the settlement calendar periodically issued.
- 2.2. The existing settlement timelines for settlement shall be applicable for both T+1 and T+2 cycles; on regular settlement days as well as multiple settlement days and there shall be no netting.
- 2.3. Clearing Corporation/Depositories shall provide different settlement type/ number for making pay-in for the respective settlements.
- 2.4. Process of providing early pay-in shall remain unchanged

### **3. Auction:**

- 3.1. Auction for any shortage shall be conducted by clearing corporation on settlement day. The settlement of the same shall happen on the subsequent day.
- 3.2. In case of multiple settlements conducted on the same day, the auction session for the first settlement shall be conducted on the same day and settled on the next day. The auction for the second settlement shall be conducted on the next day along with the shortages/auction of that day.

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Changes with respect to existing report structure/ additional reports structure shall be informed through a separate circular.

**For and on behalf of  
NSE Clearing Limited**

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