

## NSE Clearing Limited

### Circular

Department: CAPITAL MARKET	
Download Ref No: NCL/CMPT/61301	Date: March 22, 2024
Circular Ref. No: 0056/2024	

All Members,

**Sub: Operational guidelines for introduction of Beta version of T+0 rolling settlement cycle on optional basis in addition to the existing T+1 settlement cycle in Equity Cash Markets**

This is with reference to SEBI circular ref. no: SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/20 dated March 21, 2024, NCL circular NCL/CMPT/61271 dated March 21, 2024, and Exchange circular no. NSE/CMTR/61293 dated March 22, 2024.

Salient features of T+0 settlement cycle:

1. Securities forming part of T+0 settlement shall be part of Applicable\_Symbol.csv file shared by NCL and settlement indicator shall be '0' for such securities.
2. There shall be no give up/ take up facility provided for T+0 settlement.
- 3. Collaterals:**
  - a. There will be no change in the extant provisions for collateral addition, valuation and release.
  - b. The facility for cash release towards pay-in shall not be applicable for cash pay-in obligation in T0 settlement.
- 4. Margins:**
  - a. VaR rate, ELM rate and Additional margin rate shall be same as applicable for T+1 securities.
  - b. The computation of Var, ELM, ICMTM including capping of margins, Risk Reduction Mode etc. shall be as per current mechanism.
  - c. Exemption of margins on account of early pay-in of funds/securities shall be available as per current mechanism.
  - d. Positions in constituent stocks in T+0 settlement shall not be eligible for cross margining benefit.

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- e. Reporting for margins and short allocation shall be as per current mechanism.
- f. Margins for T+0 settlement shall be considered for intraday peak margin/short allocation reports.
- g. There will not be any change in timing/ process for Margin reporting.

### 5. Clearing

- a. Final Obligation with respect to funds and securities for T+0 settlement and other reports related to settlement shall be provided to members on the T-day.
- b. Obligation of T+0 shall not be considered for netting with T+1 settlement or F&O physical Obligation on Expiry days for purpose of settlement.

### 6. Securities Settlement

- a. Clearing Corporation shall define the scheduled pay-in day, in accordance with the settlement calendar periodically issued.
- b. Clearing Corporation/Depositories shall provide different settlement type/ number for making pay-in for the respective settlements. The Settlement type for T+0 shall be '5'
- c. Pay-in of securities will only be in the form of early pay-in by way of block mechanism. Process of providing early pay-in shall remain unchanged.
- d. Members shall upload separate client direct payout (CPD) request for T+0. There is no change in format of CPD request. The nomenclature of the upload file shall be on existing lines for e.g. CPD52024501.T01
- e. Securities pay-out shall be given to client's account directly for UPI client and to member pool account for non-UPI client.
- f. Auction shall not be conducted in case of securities shortage. Security shortages shall be directly closed out at 10% above the highest price of the day across all exchanges for T+0 market.
- g. Tentative timelines for T+0 settlement is provided in **Annexure A**.
- h. Members shall report securities Pay-in / Pay-out shortages of T+0 with market type 05. There shall be no changes in reporting format.
- i. Action on shortages will continue as per existing rules for cash market.

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### 7. Funds Settlement:

- a. Clearing members shall ensure to have clear funds in existing capital market primary settlement account towards T+0 settlement obligation by settlement time specified by SEBI/ Clearing Corporation from time to time. Members failing to fulfil their funds obligations by schedule time to Clearing Corporation shall be treated as violation and subjected to the penalty/action as specified by clearing corporation from time to time.
  - b. Trading supported by block amount:
    - i. Clients using the trading supported by block amount facility shall be required to ensure availability of sufficient amount of UPI block to the extent of their funds pay-in obligation by 1:45 PM on the trade date, or such time as specified from time to time. In case of funds shortage, i.e., if funds pay-in requirement on account of trades executed by clients cannot be met through the UPI block by the cut-off time, the same shall form part of the consolidated funds pay-in obligation of the clearing member. This shall also include the STT and stamp duty requirements but exclude the Trading Member charges (TM Charges).
    - ii. For T+0 settlement, TM charges based on fixed percentage shall be collected from the client on T+0. While providing the actual charges trading members should ensure to provide client-wise data of actual charges for both T+0 and T+1 trades in the existing file namely <TMCODE>\_ TMCHARGES\_DDMMYYYY\_nn.csv by 6:00 PM. In case actual charges are lower than the fixed percentage the excess amount shall be returned to client account on T+1 day after netting any other settlement obligation. TM charges for T+0 and T+1 shall be settled to clearing member of the trading member on T+1.
    - iii. Details of facility for trading member charges is available in circular NCL/CMPT/59852 dated December 20, 2023.
8. Settlement guarantee shall be provided for trades and settlement shall be compulsorily done in dematerialised mode.

### 9. Reports

- a. Separate reports shall be provided with settlement type and number for securities settling on T+0 basis as per Annexure B. There are no changes in existing file format for these reports.
- b. List of report in which no changes on account of T+0 settlement mechanism is as per Annexure C. Information pertaining to trades executed for securities settling on T+0 and T+1 shall be incorporated in same reports.

The members are requested to take note of the same.

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### Annexures enclosed:

1. Timelines for T+0 Clearing and Settlement – Annexure A
2. Additional reports with respect to securities settling on T+0 basis – Annexure B
3. List of report in which no changes on account of T+0 settlement- Annexure C
4. A list of frequently asked questions (FAQ) has been enclosed as Annexure D for clarification on various aspects of clearing, settlement and risk management of T+0.

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

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### Annexure A

#### Timelines for T+0 Clearing and Settlement

Activity	Time
Regular Market Close	13:30
EPI Cut off (for both UPI and non-UPI clients)- Funds/ Securities	13:45
Obligation reports	14:15
Upload of client direct pay-out request (CPD) for T+0	15:00

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### Annexure B

#### Additional reports with respect to securities settling on T+0 basis

**1. Daily Obligation Report (DFOBG)**

File Name for Clearing Member –  
C\_memcode\_DFOBG\_SETTYPNO\_DDMMYYYY.csv

**2. Final Obligation Report (FOBG)**

File Name for Clearing Member –  
C\_memcode\_FOBG\_SETTYPNO\_DDMMYYYY.csv

File Name for Trading Member –  
C\_memcode\_T\_FOBG\_SETTYPNO\_DDMMYYYY.csv

**3. Delivery Report to clearing members (Excluding UPI clients)**

C\_memcode\_DLVR\_<settypno>\_DDMMYYYY.csv

**4. Member wise Client wise Security Delivery Obligation (UPI and non-UPI clients)**

C\_<memcode>\_DEPO\_DEL\_DTLS\_T0\_<DDMMYYYY>.csv

**5. Client-wise final obligation for direct clearing clients (DCFOBG)**

File Name for Clearing Member –  
C\_<memcode>\_DCFOBG\_<settypno>\_<ddmmyyyy>.csv

File Name for Trading Member –  
C\_<memcode>\_T\_DCFOBG\_<settypno>\_<ddmmyyyy>.csv

**6. Client-wise funds obligations for direct clearing clients**

File Name for Clearing Member –  
C\_<membercode>\_DCFUND SOBG\_<settypno>\_<ddmmyyyy>.csv

File Name for Trading Member –  
C\_<membercode>\_T\_DCFUND SOBG\_<settypno>\_<ddmmyyyy>.csv

**7. Client-wise securities obligations for direct clearing clients**

File Name for Clearing Member –  
C\_<membercode>\_DCSECOBG\_<settypno>\_<ddmmyyyy>.csv

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File Name for Trading Member –

C\_<membercode>\_T\_DCSECOBG\_<settypno>\_<ddmmyyyy>.csv

### 8. Direct clearing: funds shortage report

File Name for Clearing Member –

C\_<membercode>\_DCFSHRT\_<settypno>\_<ddmmyyyy>.csv

File Name for Trading Member –

C\_<membercode>\_T\_DCFSHRT\_<settypno>\_<ddmmyyyy>.csv

### 9. Direct clearing: securities shortage report

File Name for Clearing Member –

C\_<membercode>\_DCSSHRT\_<settypno>\_<ddmmyyyy>.csv

File Name for Trading Member –

C\_<membercode>\_T\_DCSSHRT\_<settypno>\_<ddmmyyyy>.csv

### 10. Direct clearing: Client-wise funds debit statement

File Name for Clearing Member –

C\_<membercode>\_DCDEBIT\_<settypno>\_<ddmmyyyy>.csv

File Name for Trading Member –

C\_<membercode>\_T\_DCDEBIT\_<settypno>\_<ddmmyyyy>.csv

### 11. Security wise Demat Delivery Statement (DFDS) to clearing members (Excluding UPI clients)

*C\_DFDS\_T0\_memcode\_DDMMYYYY.csv*

### 12. Security Wise Demat Receipt Statement (DFRS) to clearing members (Excluding UPI clients)

*C\_DFRS\_T0\_memcode\_DDMMYYYY.csv*

### 13. Security Shortages Report to clearing members (Excluding UPI clients)

C\_memcode\_SHRT\_SETTYPNO\_D\_DDMMYYYY.csv or

C\_memcode\_SHRT\_SETTYPNO\_R\_DDMMYYYY.csv

### 14. Client Allocation Details to clearing members

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C\_<\_memcode>\_CADT\_T0\_DD-MMM-YYYY

### **15. Auctions Square Off Debit/ Credit Report to clearing members (Excluding UPI clients)**

C\_memcode\_ASQR\_SETTYPNO\_D\_DDMMYYYYY.CSV or  
C\_memcode\_ASQR\_SETTYPNO\_R\_DDMMYYYYY.CSV

### **16. EPI reversal report**

File Name for Clearing Member –  
C\_<memcode>\_EPIREV\_T0\_DDMMYYYY.nn

File Name for Trading Member –  
C\_<memcode>\_T\_EPIREV\_T0\_DDMMYYYY.nn

### **17. STT report**

File Name for Clearing Member –

MWST\_T0\_memcode\_DDMMYYYYY.csv

File Name for Trading Member –

MWST\_T0\_T\_memcode\_DDMMYYYYY.csv

### **18. Stamp Duty report**

File Name for Clearing Member –

C\_SD01\_T0\_MEMBER CODE\_DDMMYYYYY.CSV

File Name for Trading Member –

C\_SD02\_T0\_T\_MEMBER CODE\_DDMMYYYYY.CSV



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### Annexure C

#### List of reports in which no changes on account of T+0 settlement mechanism-

Sr No.	Particulars
1	Settlement Calendar
2	Settlement Calendar Mapping
3	Trades Report (TRD)
4	Securities Transaction Tax Report (MWST)
5	Stamp duty Report (SD)
6	Cross margin benefit and off-setting positions report (XM01 and XM02)
8	Margin report (MG01, MG02, MG12, MG13 and MG18)
9	Details of Collaterals submitted by Clearing Member (MG05)
10	Client Collateral Benefit (CC01 and CC02)
11	Security Details Report (SEC PLEDGE)
12	Security Release Report (SEC REL)
13	Corporate Action Report (C_CORPACT and CPR)
14	STT Applicability Report (C_STT and C_STT_IND)
15	VAR Margin File (VAR)
16	Cash Market MTM prices
17	Securities category file (CATG)