

NSE Clearing Limited

(Formerly known as National Securities Clearing Corporation Limited)

Department : CAPITAL MARKET SEGMENT

Download Ref No: NCL/CMPT/40612

Date : April 01, 2019

Circular Ref. No: 085/2019

To All Members/Custodians/PCMs,

Sub: Clearing & Settlement for Real Estate Investment Trusts (REITs)

This is with reference to Exchange circular ref no. 31/2019 (Download Ref No. NSE/CMTR/40540) dated March 26, 2019 regarding "Trading in Real Estate Investment Trusts (REITs)". Members are requested to note that the clearing & settlement provisions applicable in the Capital Market segment shall apply mutatis mutandis to the clearing & settlement of REITs securities.

However, members are requested to note the following for clearing & settlement of REITs securities:

- All clearing members in CM segment shall be eligible for REITs settlement.
- Margining framework for REITs shall be as applicable to other securities in CM Segment.
- The OTR allocations for INST trades shall be done in applicable market lot only.
- Trades executed in 'RR' series shall be cleared and settled on a net obligations basis within series. All trades shall be settled under settlement type 'N'.
- Trades executed in 'RT' series shall be cleared and settled on a trade for trade basis and there shall be no netting of transactions. All trades shall be settled under settlement type 'W'.
- Trades executed in REITs shall be settled on a T+2 rolling basis.
- Settlement guarantee shall be provided for trades and settlement shall be compulsorily done in dematerialised mode.
- The delivery for securities pay-in shall be done in applicable market lot only. Anything in excess or short of the market lot shall be returned to the member.
- Shortages resulting out of failure of the seller to deliver securities shall result in auction and shall be cleared and settled on a trade for trade basis under settlement type "A". Close out shall be as per existing provision of CM Segment.

**For and on behalf of
NSE Clearing Limited
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