

**DEPARTMENT: CAPITAL MARKET**

Download Ref No: NCL/CMPT/64464

Date: Oct 09, 2024

Circular Ref. No: 221/2024

All Members/ PCMs,

**Sub: Direct payout of securities to client demat account – Go live date**

This has reference to NCL circular NCL/CMPT/63669 dated 30-Sep-2024 and other circulars issued in this regard from time to time.

Kindly note that 'Direct payout of securities to client demat account' functionality shall be implemented as follows:

Market type (Settlement type)	Trade date	Settlement date	Settlement number from
Normal T+1 (M) Trade for trade T+1 (Z) ITP T+1 (B)	11-Oct-2024**	14-Oct-2024	2024193
Auction (A)	14-Oct-2024	15-Oct-2024	2024193

\*\*The payout of Auction conducted on Trade date 11-Oct-2024 (A 2024192) for shortages of Normal market (M 2014192) shall be credited to members pool as existing.

**Unpaid/ MTF reporting:** Members shall be able to perform role management for Unpaid/MTF service in NMASS from 10-Oct 2024. The facility to upload unpaid/MTF file shall start from 11-Oct-2024 from 3:30 pm onwards till 10:00 am on T+1. The response file shall be provided at regular interval. The UNPAIDMTFSTATUS report shall be provided on hourly basis post generation of provisional obligation on T Day (post 6:00 pm).

**Internal shortage reporting for Auction:** The file can be uploaded from T Day till 11:45 AM on T+1 day. Members shall upload the request for internal auction with date in file

nomenclature as date of auction trading day. The response file shall be provided at regular interval post generation of final obligation on T+1 day (post 9:00 am).

**Auction for Internal shortage:** The process to conduct auction for internal shortage is as specified in NCL/CMPT/61800 dated April 29, 2024. The same is reproduced in Annexure 1. The valuation price for internal shortages is settlement price of the security on settlement-1 day and an additional mark up of 20%.

In case of non-upload or incorrect upload or upload of partial requests of internal shortage or where internal shortage was reported but auction was not successful, the guidelines specified by exchanges (NSE circular NSE/INSP/64381, BSE notice 20241004-58 dated Oct 04, 2024, or any circular issued thereafter) to close out such internal shortage shall be applicable.

Members shall refer to MTM prices in existing CM\_MTM\_Prices\_DDMMYYYY.csv report for settlement price. The format of report is provided in Annexure 2.

Member shall refer to CSQR\_<StpType><settno>DDMMYYYY.csv report for Close-out prices. The format of the report is provided in Annexure 3.

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

Rana Usman  
Chief Operating Officer - C&S

Telephone No	Email id
18002660050 (IVR Option 2)	securities_ops@nsccl.co.in

## **Annexure 1: Mandatory Auction for Internal Shortage**

Clearing Corporation shall provide facility where its clearing member to include their internal shortages in the auction conducted by the Clearing Corporation.

Auction shall be conducted in respect of internal shortages in capital market segment, physical settlement of equity derivatives. Clearing members shall provide a list of securities to be auctioned along with shortage quantity to Clearing Corporation through a file upload. The file should be uploaded prior to 11:45 AM on settlement date.

Clearing Corporation shall validate the records and provide a return file with status success/reject to the Clearing Members. Only successful records shall be taken up for further processing.

If file uploaded is successful and any revisions are to be made, members should upload file with next consecutive batch number. If file is revised by member, only latest uploaded and processed file shall be considered by NCL. If the earlier file is rejected, then file should be uploaded with same batch number. Members should ensure that every file should contain all records. The date in file nomenclature shall be date when auction is being conducted. In case of multiple settlement where shortages of higher settlement are conducted along with shortages of settlement on next day, member shall upload a single file for shortages of respective settlement numbers.

Clearing Corporation shall debit from the settlement account an amount equal to the valuation of the securities provided towards auction. Clearing Members are required to provide valuation amount in their settlement account by 11:45 AM. In case of successful auction, valuation amount so collected shall be utilized towards auction pay-in on auction settlement day. Excess, if any, shall be returned to clearing member after making necessary adjustments and shortfall, if any, shall be recovered from the clearing member. In case of unsuccessful auction, the entire valuation amount shall be returned to the clearing member on next day.

In case where auction is successful but there is settlement shortage i.e. auction seller fails to deliver the securities on auction settlement day, Clearing Corporation shall conduct financial close out in accordance with the extant procedures.

It shall be sole responsibility of the Clearing Member to ensure correctness and completeness of the settlement shortages reported to Clearing Corporation for auction. Further this is only a facility, and no settlement guarantee shall be provided. There shall be a facilitation fees of 1% on the value of security considering the price of security on day prior to auction. The amount including applicable taxes shall be collected on monthly basis.

Clearing Member active in both Capital market and F&O shall upload the request for voluntary auction from Capital market extranet as per format specified. If the request is uploaded in both Capital market and F&O segment, the request in Capital market segment shall be considered.

Clearing Member active exclusively in either Capital market or F&O shall upload the request for voluntary auction from Capital market or F&O extranet respectively as per format specified.

The settlement type and settlement number in the request shall be that of Normal market irrespective of the obligation in Capital market or F&O physical segment and series in the request shall be EQ only.

The upload and response file format for the same has been specified below:

### **A. File to be uploaded by the member**

File nomenclature: CM\_SA\_<DDMMYYYY>\_nn.csv

Where DDMMYYYY = Auction Date

and nn is batch number of file (example 01)

File upload path on Member portal/extranet\_upld/SA/upld File

File Format:

Sr.No	Field Name	Data Type	Size	Remarks
1	Settlement Type	Char	1	M (Normal Market)
2	Settlement Number	Number	7	
3	Security Symbol	Char	10	For BSE exclusive symbol, member shall specify 'script code' such as '500306'
4	Security Series	Char	2	As specified in 'Obligation' report
5	CM Code	Char	6	Clearing member code for e.g M12345
6	TM Code	Char	5	Primary member code of member for eg. 12345
7	Filler			NULL
8	Quantity for auction	Number	7	Not exceeding the internal shortage

### B. Return File to member

File nomenclature: <Primary Member Code>\_CM\_SA\_<R/S>\_DDMMYYYY\_nn.csv

Where DDMMYYYY = Auction Date

and nn is batch number of file (example 01)

path on Member portal/extranet\_dnld/SA/dnld File

File Format:

Sr.No	Field Name	Data Type	Size	Remarks
1	Settlement Type	Char	1	
2	Settlement Number	Number	7	
3	Security Symbol	Char	10	
4	Security Series	Char	2	
5	CM Code	Char	6	
6	TM Code	Char	5	
7	Filler			NULL
8	Quantity for auction	Number	7	

9	Response Code	Char	2	
10	Valuation Amount in Rupees	Number	(7,2)	

Rejection Code	Rejection Reason
1	Member not permitted for auction
2	The settlement type mentioned in detailed record is not eligible for auction.
3	Mismatch in file nomenclature date and auction start date for mentioned settlement type number combination in detail record
4	Invalid Batch Number
5	Obligation not yet generated for mentioned settlement type number combination in detail record
6	Symbol series combination mentioned in detail record not valid on T day
7	Security not eligible for auction at permitted Exchange
8	Invalid CM code or Primary Member Code
9	Invalid quantity mentioned in file
10	Quantity mentioned not in accordance with market lot
11	Invalid detail record format
12	Window closed for settlement type and number
13	Security not eligible in auction
14	Duplicate Record

## Annexure 2

**File name:** CSQR\_<Settlement type><Settlement number>\_<Trade date>.csv

For eg: CSQR\_M202417\_20092024.csv

**File download path:** Member portal/ Extranet-Common/ auction

Sr. No	Field Name	Data Type	Size	Remarks
1	Security Symbol	Char	10	
2	Security Series	Char	2	
3	Settlement type	Char	1	
4	Settlement Number	Number	7	
5	Close out price	Number	(7,2)	

### **Annexure 3: Cash market MTM prices**

**File Name** - CM\_MTM\_Prices\_DDMMYYYY.csv

For eg: CM\_MTM\_Prices\_20092024.csv

**File Location:** Member portal/ Extranet-Common/ clearing

<b>Sr. No</b>	<b>Field Name</b>	<b>Data Type</b>	<b>Size</b>
1	Security Symbol	Char	10
2	Security Series	Char	2
3	Security ISIN	Char	12
4	MTM Price	Number	(7,2)