NATIONAL SECURITIES CLEARING CORPORATION LIMITED

SEGMENT: MUTUAL FUND SERVICE SYSTEM	
Download Ref No : NSCCL/MFSS/36293	Date : Nov 13, 2017
Circular Ref. No : 192/2017	

All Participants,

Sub: Settlement procedure for BHARAT 22 ETF - MFSS Segment

With reference to circular no. NSE/MFSS/36288, the Participants of the MFSS are requested to note the procedure for settlement of New Fund Offer of BHARAT 22 ETF subscription orders placed on Mutual Funds Service System.

Fund Settlement Procedure
T day

- Subscription obligation files (SOBG) as per existing file format (Annexure 5.1 of circular NSE/CMPT/ 16506 dated December 10, 2010) will be downloaded to Participants on the T day for all valid subscription orders (Including the Mentioned ETF orders) of mutual fund units.
- All the valid subscription orders (Including the Mentioned ETF orders) shall be posted on Collateral Interface for Members (CIM) for participants after Final order report on T day.
- Participants can cancel the orders before 07:45 AM on T+1 Day. Participants shall be provided a facility to cancel order through frontend as well as through file upload as per existing file format (Annexure 5.2 of circular NSE/CMPT/ 16506 dated December 10, 2010) only upto the cut off time of 07:45 AM on T+1 day.
- The procedure of order cancellation through CIM is provided in **Annexure 1**
  - Participants can upload multiple files for cancellation. However, participants are requested to note the following with respect to Multiple file upload:
  - Participants may upload the COBG for orders to be cancelled and orders to be accepted, or only for orders to be cancelled.
  - Confirmation flag should be mentioned as ‘N’ if the participant wishes to cancel the order. Confirmation flag should be mentioned as ‘Y’ if the participant wishes to accept the order.
  - Records not uploaded/failed records or records against which no confirmation flag ‘Y’ or ‘N’ is provided shall be treated as ‘Y’ i.e. accepted for the purpose of funds allocation.

- If the participant wants to change the confirmation flag once uploaded, the same need to be provided in the next file with revised confirmation flags and the old flags will be updated with the revised flags.
- Return files for Participants will be generated immediately with status of records as accepted / rejected and reason for rejection. The format of return files is same as existing file format (Annexure 5.3 of circular NSE/CMPT/ 16506 dated December 10, 2010)
- Files can be uploaded only till cut off time of 07:45 AM on T+1 day.

T+1 day

- The Clearing Corporation of the Exchange shall debit the designated clearing bank account (in the MFSS segment) of the Participants on T+1 morning by 8:30 AM. Participants are required to provide the payin to the extent of non- cancelled order amount. (Payin amount = Total obligation amount provided in SOBG – Total amount of orders successfully cancelled.)
- In case of partial funds payin, all subscription orders of the participant shall be cancelled.
- Wherever the partial funds are collected from the bank account the same shall be returned to the designated bank account of the Participant.
- Appropriate action as declared by Clearing Corporation from time to time, including levy of penalty, shall be taken on Participants who fail to fulfil their funds obligation.
- Daily Funds report will be downloaded to Participants after completion of funds settlement. There is no change in the format for Daily Funds report.

Unit settlement and allotment

Allotment of units will be done within fifteen days (tentative) after NFO/FFO closure by AMC/RTA. The details of allotment shall be intimated subsequently by NSCCL. For queries on allotment/refund status the Participants are requested to contact respective AMC/RTA. NSEIL/NSCCL shall not be involved in any disputes or queries related to the allotment or refund.

In case of any dispute between the members and the client arising out of their participation in any FFO subscription on the Platform, AMC / RTA shall provide necessary and suitable administrative support for the speedy redressal of the dispute through such mechanism as may be notified by AMC /RTA from time to time. NSEIL/NSCCL shall in no event be made party to such dispute or be liable for any compensation to the participants or the clients.

NATIONAL SECURITIES CLEARING CORPORATION LIMITED

For and on behalf of
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