



Central Depository Services (India) Limited

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COMMUNIQUE TO DEPOSITORY PARTICIPANTS

CDSL/OPS/DP/SETT/2024/549

September 19, 2024

CUSTODIAN PARTICIPATION IN T+0 ROLLING SETTLEMENT

DPs are requested to refer SEBI Circular no. **SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/20** dated **March 21, 2024**, regarding the implementation of T+0 rolling settlement cycle and CDSL communique no. **CDSL/OPS/DP/SETT/2024/164** dated **March 21, 2024**, providing operational guidelines to DPs for T+0 rolling settlement cycle.

DPs are further requested to refer NCL circular no. NCL/CMPT/63165 and ICCL circular no. 20240731-47 dated July 31, 2024, mentioning exchanges shall provide facility to execute trades with custodial participant (CP) code in T+0 settlement cycle effective September 30, 2024.

In this regard, DPs are requested to take note of following **operational guidelines applicable to custodial clients participating in T+0 rolling settlements:**

1. Trades confirmed by Custodians:

- 1) Custodial clients can execute Early Pay-in transactions till 1:45 pm for settlement of T+0 rolling settlement.
- 2) Said EP transactions should be entered with valid CP Code and CMID combination. The same would be considered for processing and further reporting to CC if CP Code-CMID combination matches with the details received from CCs.
- 3) Custodial clients will also be allowed to execute, intra as well as inter-depository on-market transactions (i.e. transfer from demat account of custodial client to CM Pool Account of a custodial client), in T+0 rolling settlement cycle till pay-in cut-off time which shall be intimated separately.
- 4) During pay-in processing, depending upon the securities transferred to the CM Pool Account and quantity of Auto DO received from CC, quantity to the extent of Auto DO will be reported as a pay-in to CC.
- 5) Block mechanism guidelines will not be applicable for the custodial clients.

2. Trades Not Confirmed / Rejected by Custodians:

- 6) In case of non-confirmation / rejection of custodial trade by a custodian, obligation will be devolved on the member executing the custodian trade.



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- 7) CCs would be providing obligation details of rejected trades with UCC allocated by Stock Exchange to the member to settle their proprietary trades.
- 8) For rejected trade by the custodian, members will be required to initiate Normal Pay-in instruction or Inter-depository On-market instruction till pay-in cut-off time.
- 9) In case of rejected trades, as per the block mechanism guidelines, said Normal Pay-in / On-market transactions will be matched with the obligation details received from CCs and quantity to the extent of matched obligation will be reported as a pay-in to CC.
- 10) In case of non-confirmed trades, the securities placed under the specific settlement pocket will be picked up for payin. If Auto DO instructions are uploaded by CC, then the quantity will be picked up to the extent of the quantity in the Auto DO instruction.

3. Trades executed for Non-Custodial Clients:

- 11) DPs, please note that there is no change in the existing T+0 rolling settlement mechanism for non-custodial clients i.e. for non-custodial clients the only way to settle their T+0 trade obligation is Early Pay-in till 1:45 pm. DPs, Members and their non-Custodial Clients are requested to ensure that pay-in instructions entered through Normal Pay-in or On-market mode shall not be considered for pay-in.

DPs are requested to note the content of the communique, disseminate the same to their TM / CM / trading / custodial clients.

- Queries regarding this communique may be addressed to: CDSL – Settlement Desk** on (022) 6234-3565, 6234-3566, 6234-3567, 6234-3571, 6234-3572 or 6234-3573.
Emails may be sent to: operations@cdslindia.com.
- CDSL – Helpdesk** Emails may be sent to: dprtastupport@cdslindia.com and telephone number (022) 6234-3333.

**For and on behalf of
Central Depository Services (India) Limited**

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**Shelton Joseph
Asst. Vice President - Operations**