

**NSE Clearing Limited**

(Formerly known as National Securities Clearing Corporation Limited)

<b>DEPARTMENT : CAPITAL MARKET SEGMENT</b>	
Download Ref No : NCL/CMPT/ 43578	Date : February 18, 2020
Circular Ref. No : 081/2020	

All Members/Custodians/PCMs

**Sub: Clearing and Settlement of Rights Entitlement Traded on Stock Exchanges**

Pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 members may note the following for Clearing & Settlement of Rights Entitlement Traded on Stock Exchanges:

- All clearing members in CM segment shall be eligible for clearing and settlement of Rights Entitlement.
- Applicable margin shall be 100% of Rights Entitlement.
- Settlement guarantee shall be provided for trades and settlement shall be compulsorily done in dematerialised mode.
- Trades executed shall be settled on T+2 basis.
- All trades shall be settled under settlement type 'N'.
- Trades executed in '2@' series shall be cleared and settled on gross basis and funds shall be settled in net basis.
- Any shortages in Rights Entitlement shall be directly closed-out at the highest price of Rights Entitlement prevailing across the Exchanges from the day of trading till the T+1 day or 20% above the settlement price of Rights Entitlement on the T+1 day, whichever is higher.

**For and on behalf of  
NSE Clearing Limited****Sunil Bhatia  
Senior Manager**

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