

PRESS RELEASE

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Roadmap for introduction of T+1 rolling settlement cycle in equity market

Securities and Exchange Board of India (SEBI), on September 07, 2021, permitted Stock exchanges to introduce T+1 settlement cycle from January 01, 2022 on any of the securities available in the equity segment.

Market Infrastructure Institutions “MIIs” (Stock Exchanges, Clearing Corporations and Depositories) have finalized the roadmap for the implementation of T+1 settlement cycle as detailed below:

The T+1 settlement cycle will be implemented in a phased manner and the first list of securities with T+1 settlement cycle will begin from trade date starting from February 25, 2022.

The schedule of securities to be transitioned to T+1 settlement cycle will be decided as follows:

- 1) All listed stocks, across stock exchanges (BSE, NSE & MSEI), shall be ranked in descending order based on daily market capitalization averaged for month of October 2021.
- 2) Where a stock is listed on multiple exchanges, the market capitalization shall be calculated based on the price of stock at the stock exchange with highest trading volume during the above-mentioned period.
- 3) The list of stocks and exchanges where they are available for trading shall be published on website of all exchanges
- 4) Based on the ranking arrived as mentioned at above paras, the bottom 100 stocks shall be available for introduction of T+1 settlement, from trade date February 25, 2022.
- 5) Thereafter, from March 2022 onwards, on the last Friday (trade day) of every month, the next bottom 500 stocks from the list of stocks ranked as mentioned above, shall be available for introduction to T+1 settlement. In case Friday is a trading holiday, the same shall be introduced on immediate next trading day.
- 6) Any new stock getting listed after October 2021, shall be added to list, as mentioned in above paras, based on the market capitalization calculated on the basis of average trading price of 30 days after commencement of trading. In case, based on market capitalization, if the stock falls under the category (in terms of market capitalization) of stocks already under T+1 settlement then that stock also becomes eligible for T+1 settlement and will be introduced in T+1 settlement cycle on the last Friday (trade day) of next month.
- 7) New stock getting listed may be on account of initial public offering (IPO), corporate action or any other reason would be handled as mentioned in point (6) and the date of transition will be announced jointly by all exchanges on which the stock is available for trading.
- 8) Securities such as Preference shares, Warrants, Right entitlements, Partly paid shares and securities issued under differential voting rights (DVR) will be transitioned to T+1 settlement along with the stock of parent company.

- 9) All other securities listed below in the equity segment of exchange will be transitioned to T+1 settlement cycle along with the last scheduled batch of securities as determined in point (6) above for transition to T+1 settlement cycle
- Close ended mutual fund schemes
 - Debt Securities (including corporate bonds)
 - Sovereign Gold bonds (SGB)
 - Government Securities (G-Sec), Treasury bill (T-Bill) and State Development loan (SDL)
 - Real estate investment trusts (REITs)
 - Infrastructure investment trusts (InvITs)
 - All other existing securities trading in normal segment or trade for trade segment and not covered under the above points such as exchange traded funds (ETFs), depository receipts (IDR), etc.

The security wise list along with the transition date is available [here](#).

Any security getting listed post the trade date of last scheduled batch of securities based on the ranking arrived as mentioned at above paras will be directly introduced with T+1 settlement cycle.

The press release is jointly issued by all MIIs.

NSE NCL BSE ICCL MSE MCCIL NSDL CDSL

About National Stock Exchange of India Limited (NSE):

National Stock Exchange of India (NSE) is the world's largest derivatives exchange by trading volume (contracts) as per the statistics maintained by Futures Industry Association (FIA) for calendar year 2020. NSE is ranked 4th in the world in the cash equities by number of trades as per the statistics maintained by the World Federation of Exchanges (WFE) for calendar year 2020. NSE was the first exchange in India to implement electronic or screen-based trading. It began operations in 1994 and is ranked as the largest stock exchange in India in terms of total and average daily turnover for equity shares every year since 1995, based on SEBI data. NSE has a fully integrated business model comprising exchange listings, trading services, clearing and settlement services, indices, market data feeds, technology solutions and financial education offerings. NSE also oversees compliance by trading, clearing members and listed companies with the rules and regulations of SEBI and the exchange. NSE is a pioneer in technology and ensures the reliability and performance of its systems through a culture of innovation and investment in technology.

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