

- e) Existing Pay & Collect netting mechanism **will also not be applied for the settlement of trades to be executed on BATS. Accordingly, NCSS shall generate separate money payable and receivable on gross basis for each Clearing Member for each Balance Order generated on Trade-for-Trade basis.**
- f) On the settlement date, upon fulfillment of **payment obligation** by Clearing Member, securities shall be transferred into respective buying Clearing Member CDS Account.
- g) On the settlement date, upon fulfillment of **delivery obligation** by Clearing Member, NCSS shall credit funds into respective selling Clearing Member's settling bank account.
- h) However, in case of partial payment and partial delivery, settlement shall be processed on the basis of written request by concerned Clearing Members in accordance with the relevant NCCPL Regulations.

2. CHANGES IN THE RISK MANAGEMENT SYSTEM

- a) Existing Margin Slabs applicable for Debt Market will be replaced with the following revised Slabs:

Issue Size of Listed Debt Market Securities	Margin% on Exposure
Upto Rs.1 billion	1%
Between Rs.1 billion and Rs.3 billion	1.5%
Above Rs. 3 billion	2%

- b) Netting regime for the computation of Exposure Margins and Marked-to-Market losses has also been revised whereby, netting shall not be allowed between buy and sell positions of same UIN in the same or different Securities on the same day.
- c) The Exposure Margins and Marked-to-Market losses shall be collected in the form of Cash, Bank Guarantee and Irrevocable Undertaking, in accordance with the NCCPL Regulations.
- d) Existing Capital adequacy requirements for Broker Clearing Member with respect to Debt Market will remain same.