**Reporting Unpaid/ MTF**

1. A facility shall be provided to Self-Clearing member (SCM), Trading cum Clearing member (TM-CM) and Professional Clearing member (PCM) of cash and F&O segment to provide request to release payout under pledge for unpaid/ margin trading facility clients. Files from custodian clearing members and Trading members shall not be accepted.
2. Member can specify following flags against each request:

|  |  |
| --- | --- |
| **Flag** | **Action by CC** |
| C | Pay-out to be released in client account with pledge in favour of clearing member CUSPA account |
| T | Pay-out to be released in client account with pledge in favour of Trading member CUSPA account |
| M | Pay-out to be released in client account with pledge in favour of Trading member Margin trading funding account |

1. Member shall be required to report Unpaid/ MTF for a settlement post market hours on T day till 10:00 am on settlement day. Any request received thereafter shall not be considered. In case of multiple settlement member shall report unpaid/MTF till 1:00 pm, for second settlement.
2. Member can upload multiple files during the window. Member shall provide incremental records in case of multiple file upload. File uploaded by members shall be processed at regular interval.
3. If member wants to remove an existing request, it shall upload the request again with flag N. If an existing record is uploaded again, without N flag, the same shall be updated with latest requested quantity.
4. The format of Upload file is as below
   1. File name: UNPAIDMTF\_<sett type>\_<settno>.Tnn

UNPAIDMTF as a constant must be in upper case only

Settlement type and settlement number combination must be valid i.e. Normal T+1 (M), Trade for trade T+1 (Z) and ITP T+1 (B)

T in the file extension is a constant and must be in upper case only

For load control, ‘nn’ as a batch number in the extension must be unique for settlement type and settlement number combination.

* 1. File format

|  |  |
| --- | --- |
| TM CODE/ CP CODE |  |
| CLIENT CODE | Null if CP code is specified |
| SYMBOL |  |
| SERIES |  |
| REQUESTED QUANTITY | If provided, should be multiple in lots |
| FLAG | ‘T’ or ‘C’ or ‘M’ |
| REMOVE FLAG | * ‘N’ if member want to remove/ nullify earlier request else, * blank for new or update request |

1. Unpaid/ MTF request in the file shall be considered subject to following rules and validations:
   1. Only Clearing Members (SCM, CM-TM and PCM) shall be allowed to upload the file.
   2. Clearing members shall not report unpaid/MTF flag for settlement type ‘A’ (Auction market). Flag reported for sett type ‘M’ shall be carried forward to settlement type ‘A’.
   3. Members shall not report unpaid/ MTF flag for UPI clients. UPI clients will remain out of the purview of this circular and the existing provisions will continue to be applicable.
   4. Rules for reporting C Flag:
      1. C Flag shall be reported by PCM/ CM-TM only for other trading members prop a/c or their clients and for Custodial participant (CP) clients.
      2. Records reported by SCM/ CM-TM for its inhouse clients with C flag shall be rejected.
      3. If Clearing member wishes to mark entire payout of a trading member/ CP Code as pledge to CM CUSPA, then it shall specify TM code/ CP Code keeping client code, symbol series and quantity as null.
      4. If the Clearing member wishes to mark entire pay-out of a client of a TM as pledge to CM CUSPA, it shall specify TM and client code but keep symbol, series and quantity as null.
      5. If the Clearing member wishes to mark pay-out of a client of a TM as pledge to CM CUSPA for specific security, then TM, client code, symbol, series and quantity needs to be provided. Records without quantity shall be rejected.
   5. Rules for reporting T flag:
      1. T Flag shall be reported by SCM/ CM-TM for their own clients and by CM-TM/ PCM for other trading member’s client.
      2. T flag shall not be reported for proprietary account of self or other Trading member and for CP clients.
      3. If a Clearing member wishes to mark entire pay-out of its client as pledge to TM CUSPA, it shall specify client code but keep symbol, series and quantity as null.
      4. If a Clearing member wishes to mark pay-out of a client of a TM as pledge to TM CUSPA for specific security, then client code, symbol, series and quantity needs to be provided. Records without quantity shall be rejected.
   6. Rules for reporting M Flag:
      1. In case of clients having margin trading facility arrangement with trading members then Clearing Members (PCM, SCM, TM-CM) can report ‘M flag’ to release pay-out to such clients with pledge in favour of Margin Trading Funding account of the trading member.
      2. Clearing Members (PCM, SCM, TM-CM) can report ‘M flag’ for their inhouse clients or for clients of other trading member they clear for, as applicable.
      3. M flag shall not be provided for any proprietary account of self or other trading members and for and for CP clients.
      4. If a clearing member wishes to mark entire pay-out of a client of a TM as pledge to TM MTF a/c, it shall specify client code but keep symbol, series and quantity as null.
      5. If a Clearing member wishes to mark pay-out of a client of a TM as pledge to TM MTF a/c for specific security, then client code, symbol series and quantity needs to be provided. Records without quantity shall be rejected.
2. Response file
   1. The response file shall be generated upon fetching and processing of file provided by member.
   2. The file shall have success and reject code against each record in response file.
   3. File name: <mem code>\_UNPAIDMTF\_Setttype\_<settno>\_Snn if all are successful and UNPAIDMTF\_ Setttype\_<settno>.Rnn if **all or partial** records are unsuccessful. Member may note that even if one record of the file is rejected while others are success the response file shall have extension of Rnn.

|  |  |
| --- | --- |
| TM code/ CP code |  |
| Client code |  |
| Symbol |  |
| Series |  |
| Requested Quantity |  |
| Requested Flag |  |
| Remove Flag |  |
| Response code | S for success record. For rejected record details of error codes (01, 02…) shall be communicated subsequently. |

1. Members shall note that the success response of the above file is only a confirmation of the structural validation and not an indication of acceptance of the record for payout processing. Confirmed records shall be subject to additional following validations for acceptance for payout processing as given below:
   1. The unpaid/MTF request shall be rejected if there is no receivable obligation for the TM/Client in the security. If obligation is less than the requested quantity the request shall be processed to the extent to obligation.
   2. If clearing member has reported TM level or TM -client level or TM-Client-security-qty request or combination thereof then only one of the requests shall be accepted with following priority TM level, TM -client level TM-Client-security-qty level. Other requests shall be rejected.
   3. In case clearing member is reporting ‘C’ flag along with ‘M’ flag and/ or ‘T’ flag for the same Client of a trading member then ‘C’ flag record shall be given priority followed by ‘M’ flag and lastly ‘T’ flag. Record with ‘M’ and ‘T’ flag shall be accepted to the extent of remaining security payout obligation.
   4. In case clearing member is reporting ‘T’ Flag’ along with ‘M’ Flag for its own Client then ‘M’ Flag record shall be given priority. Record with ‘T’ flag shall be accepted to the extent of remaining security payout obligation.

Member may refer to below priority matrix where it has uploaded multiple requests for TM or TM-client or TM-client-security with multiple flags. Records where obligation exist shall be processed as per priority given below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **TM-CM or PCM reporting for client of other TM** | | | | | |
| Priority | TM code | Cli code | Symbol | Qty | Flag |
| 1 | TM |  |  |  | C |
| 2 | TM | Cli1 |  |  | C |
| 3 | TM | Cli1 |  |  | M |
| 4 | TM | Cli1 |  |  | T |
| 5 | TM | Cli1 | Security | 100 | C |
| 6 | TM | Cli1 | Security | 100 | M |
| 7 | TM | Cli1 | Security | 100 | T |
| **TM-CM or PCM reporting for prop of other TM** | | | | | |
| 1 | TM |  |  |  | C |
| 2 | TM | PROP |  |  | C |
| 3 | TM | PROP | Security | 100 | C |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **TM-CM or SCM reporting for inhouse client** | | | | | |
| Priority | TM code | Cli code | Symbol | Qty | Flag |
| 1 | TM | Cli2 |  |  | M |
| 2 | TM | Cli2 |  |  | T |
| 3 | TM | Cli2 | Security | 100 | M |
| 4 | TM | Cli2 | Security | 100 | T |

1. Report for Unpaid/MTF request status
   1. A consolidated report that shall be provided to members at fixed interval after the determination of net client level obligation on the T Day, which will give detail of request accepted for pay-out processing.
   2. The header record of this report will provide extension of last file processed which will indicate files considered by CC for processing till such time and total count of records processed till such time. Member shall refer to the report to get status of request placed by way of files uploaded till such time to take necessary rectification.
   3. Report name:

<mem code>\_UNPAIDMTFSTATUS\_<STPTYPE>\_<STPNO>\_Dnn. Where nn will range from 01, 02…nn

Report format:

|  |  |
| --- | --- |
| Record type | 10 |
| Last file indicator | Tnn i.e. 1, 2,3 ….99 |
| Number of records processed | This count of all records in all files till Tnn |
| Record Type | 20 |
| TM code/ CP code |  |
| Client code |  |
| Symbol |  |
| Series |  |
| Quantity unpaid requested |  |
| Quantity considered for unpaid |  |
| Requested Flag | ‘T’ or  ‘C’ or  ‘M’ |
| Status | S - Success  P - Partial  R - Rejected for validation |
| Reason code | Applicable for status P and R  Details of reason codes (01, 02…) shall be communicated subsequently. |