

**MEMO# 33887**

November 8, 2021

# Announcement Regarding Timing of Implementation of India T+1 Settlement

[33887]

November 9, 2021

TO: Global Investing Subcommittee  
Global Operations Advisory Committee  
Global Operations Advisory Committee - Asia  
Global Regulated Funds Committee  
Global Regulated Funds Committee - Asia  
Securities Operations Advisory Committee RE: Announcement Regarding Timing of Implementation of India T+1 Settlement

As we previously informed you, in September the Securities and Exchange Board of India (SEBI) issued a circular<sup>[1]</sup> introducing T+1 rolling settlement on an optional basis for Indian equities with an effective date of January 1, 2022. On October 18, 2021, ICI Global submitted a letter to SEBI urging SEBI to delay the implementation timeline and to further consider how the move to T+1 settlement should be adjusted to better fit the unique needs of FPIs.<sup>[2]</sup>

On November 8, in response to advocacy by the industry, including ICI Global, both the Bombay Stock Exchange (BSE) and the National Stock Exchange of India (NSE) announced that implementation by them of T+1 settlement will begin on February 25, 2022, instead of January 1, 2022, as permitted in the SEBI circular. They further announced that the implementation will take place in a phased manner, beginning with the 100 stocks listed on the two exchanges that have the lowest average daily market capitalization. An additional 500 stocks will be added each month until all of the slightly more than 5,200 stocks move to T+1 settlement by January 27, 2023.

The press releases issued by the BSE and the NSE, including a link to the T+1 target dates for each stock, are available here:

- BSE Press Release:  
<https://www.bseindia.com/markets/marketinfo/DispMediaRels.aspx?page=1f7083b1-79d2-49c7-a80d-dd5dddebfe91>
- NSE Press Release:  
[https://static.nseindia.com/s3fs-public/2021-11/PR\\_cc\\_08112021.pdf](https://static.nseindia.com/s3fs-public/2021-11/PR_cc_08112021.pdf)

Although the delay in T+1 implementation is welcome, global fund managers will still need to consider how to resolve the operational and compliance challenges presented by T+1 settlement in India. We will continue to follow these developments and assist members as needed.

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#### **endnotes**

[1] The Circular is available at [https://www.sebi.gov.in/legal/circulars/sep-2021/introduction-of-t-1-rolling-settlement-on-an-optional-basis\\_52462.html](https://www.sebi.gov.in/legal/circulars/sep-2021/introduction-of-t-1-rolling-settlement-on-an-optional-basis_52462.html).

[2] See ICI Memorandum 33828, dated October 18, 2021, available at <https://www.ici.org/memo33828>.

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