



Demat by NSDL
Towards a secure future

* NEST UPDATE

May 2005

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Subscription to SPEED-e

The following Depository Participants (DPs) have subscribed to the SPEED-e facility of NSDL in the month of April 2005:

- Microsec India Ltd.
- J. M. Morgan Stanley Retail Services Pvt. Ltd.

Clients of the above mentioned DPs can now avail of the facility of submitting various instructions through SPEED-e facility.

This takes the total number of DPs who have subscribed to SPEED-e to 49.

Subscription to IDeAS

The following DPs have subscribed to the IDeAS facility of NSDL in the month of April 2005:

- The Surat People's Co-operative Bank Ltd.
- Zen Securities Ltd.

This takes the total number of DPs who have subscribed to IDeAS to 97.

*For
private circulation only*

* National Electronic Settlement and Transfer

Performance Summary

Investors :

Table 1

Month - Year	Client Accounts
	No. of Accounts (lakhs)
Apr-03	37.89
Apr-04	52.90
Apr-05	64.13

As on April 30, 2005, there are 64,13,566 Investor accounts from within the country and abroad. 2,028 clearing member accounts have been opened to facilitate trading and settlement of demat shares in the stock exchanges connected to NSDL. Table 1 shows the growth in investor accounts over a period of three years.

Dematerialisation :

As on April 30, 2005, 13,045 cr. securities having a value of Rs.14,18,056 cr. were dematerialised. Table 2 shows the dematerialisation figures over the last three years.

Table 2

Month - Year	Demat Quantity (Cr.)	Demat Value (Rs. Cr.)
Apr-03	6,924	551,102
Apr-04	8,463	1,005,636
Apr-05	13,045	1,418,056

Settlement :

Table 3

Month - Year	Settlement Quantity (Cr.)	Settlement Value (Rs. Cr.)
Apr-03	110	10,840
Apr-04	194	29,507
Apr-05	261	31,835

In April 2005, a total quantity of 261 cr. shares having a value of Rs. 31,835 cr. were settled in demat form in the stock exchanges connected to NSDL. Table 3 shows the settlement figures over the past three years.

Companies :

EQUITY

As on April 30, 2005, 5,582 companies are available for demat. Table 4 indicates the increase in the number of companies joined NSDL over a period of three years.

Month - Year	No. of Companies Operational
Apr-03	4,806
Apr-04	5,254
Apr-05	5,582

DEBENTURES / BONDS

Month - Year	No. of Issuers	No. of active Instruments	Demat Value (Rs. Cr.)
Feb-05	603	6,999	276,466
Mar-05	600	6,986	281,824
Apr-05	603	6,957	285,873

As on April 30, 2005, 603 issuers have issued 15,283 debentures/bonds in demat form. 8,326 instruments have been redeemed and 6,957 instruments are available for dematerialisation. Table 4A shows the growth over a period of last three months.

COMMERCIAL PAPER

As on April 30, 2005, 366 issuers have issued 6,391 commercial papers in demat form. 5,917 instruments have been redeemed and 474 commercial papers are available for dematerialisation. Table 4B shows the growth over a period of last three months

Month - Year	No. of Issuers	No. of active Instruments
Feb-05	365	458
Mar-05	365	432
Apr-05	366	474

Depository Participants :

Month - Year	No. of DPs
Apr-03	213
Apr-04	215
Apr-05	218

As on April 30, 2005, 218 Depository Participants are offering depository services. DP services are provided from 2819 locations across the length and breadth of the country. Table 5 shows the increase in the number of DPs.

Corporate Action Statistics

Sr. No.	Description	During April 2005		For the F.Y. 2005-2006	
		No. of Allottees	No. of Securities	No. of Allottees	No. of Securities
1	Equity Shares	668,606	1,982,059,718	668,606	1,982,059,718
2	Preference Shares	1	4,000,000	1	4,000,000
3	Bonds	15,047	11,922,141	15,047	11,922,141
4	Commercial Papers	145	70,996	145	70,996
5	Certificate Of Deposits	80	258,000	80	258,000
6	Securitized Instruments	33	1,390	33	1,390
7	Mutual Fund Units	593	211,813	593	211,813
8	Postal Savings Certificates	1,388	906,133,200*	1,388	906,133,200*
9	Commodities	130	8,264	130	8,264
Total		686,023	2,904,665,522	686,023	2,904,665,522

*Value in Rupees

List of Companies that have changed Names

(During April 2005)

Sr. No.	Old Name	New Name
1	DCM Technologies Limited	Unison International IT Services Limited
2	PPN Power Generating Company Limited	PPN Power Generating Company Private Limited
3	ASIL Industries Limited	Anil Special Steel Industries Limited
4	Investsmart India Limited	IL&FS Investsmart Limited
5	The Premier Automobiles Limited	Premier Limited
6	Ramsarup Engineering Industries Limited	Ramsarup Industries Limited
7	Shrivatsa International Limited	Shri Lakshmi Cotsyn Limited

Securities admitted for Dematerialisation during April 2005

COMPANY	ISIN
Balsara Hygiene Products Limited	INE937G01012
Career Forum Private Ltd	INE949G01017
Deutsche Asset Management (India) Private Limited	INE944G01018
Deutsche Equities India Private Limited	INE960G01014
Fortis Finvest Limited	INE958G01018
Fortis Securities Limited	INE945G01015
Golden Greens Golf And Resorts Limited	INE954G01017
Griffin Chemicals Limited	INE528E01014

COMPANY	ISIN
Gujarat Narmada Flyash Company Limited	INE955G01014
I Services India Private Limited	INE957G01010
Interlink Petroleum Limited	INE959G01016
James Hotels Limited	INE510D01014
Jaybharat Sarees Limited	INE091E01013
Krish Trexim Private Limited	INE961G01012
Lynx Machinery And Commercials Limited	INE732D01014
McLeod Russel India Limited	INE942G01012
Mercury Laboratories Limited	INE947G01011
Mukesh Steels Limited	INE953G01019
Mukesh Strips Limited	INE946G01013
Paradyne Infotech Limited	INE932G01013
Powersurfer Interactive (India) Private Limited	INE927G04017
Rajesh Marketing Services Limited	INE951G01013
Rasoya Proteins Limited	INE904G01012
Reliance Energy Global Private Limited	INE926G04019
Reliance Energy Management Services Private Limited	INE925G04011
San Finlease And Investment Private Limited	INE952G01011
Sbec Sugar Limited	INE948G01019
Siemens Public Communication Networks Private Limited	INE943G01010
Tele Atlas India Private Limited	INE931G01015
Triochem Products Limited	INE331E01013
Turner Morrison Limited	INE929G01019
Uniply Industries Limited	INE950G01015
Va Tech Wabag Limited	INE956G01012

Topic of Interest

Importance of Transaction Statement

In the NSDL depository system, the transfers and holdings of accountholders are reflected in the demat accounts as accounting entries. The details of transactions done through the depository account are given in the 'Transaction Statement'. An accountholder should receive Transaction Statement from its Depository Participant (DP) every month. However, if there is no transaction in the account during the month, then the DP has to provide the Transaction Statement to the accountholder atleast once a quarter. The format of the Transaction Statement is given at the end of this article.

Contents of Transaction Statement

- **Period** – The Transaction Statement contains debits & credits for a specified period. If the statements for consecutive periods are preserved, they serve as complete record of the account of a client/investor.
- **Category** – This is shown as 'Non-House' for any client/investor. The account is categorised as 'House' for the accounts belonging to the DP.

- **Status** – Status of account is normally shown as ‘Active’. If the account is frozen by the accountholder, the status will be ‘Suspended for Debit’ or ‘Suspended for Debit & Credit’, as the case may be. Any change of status can be monitored by comparing the text information printed under ‘Status’ in two consecutive Transaction Statements.
- **Account Freezing** - If an accountholder does not intend to operate his account for some time, he may freeze the entire account, a particular ISIN or specific number of securities under an ISIN. An account level Freeze is shown in ‘Status’ as explained above. In case a particular ISIN is frozen for debit, the ISIN level freeze is shown after the ISIN Description in the Transaction Statement. Quantity level freeze is shown as a separate entry alongwith other debits/credits in the Transaction Statement. Whenever an accountholder wants to remove the freeze, he can give un-freeze instruction to its DP. It is also possible to give freeze/unfreeze instructions through internet by the accountholder himself if he has subscribed to SPEED-e facility of NSDL, as a smart card user.
- **Address Change** - The address given by the accountholder for a demat account is printed on the Transaction Statement. Any change in the address can be verified by comparing the text information printed under the address field in two consecutive Transaction Statements.
- **ISIN Information** - In the depository system, securities of different companies are identified by a unique 12 digit code, called ISIN. The Transaction Statement shows the ISIN for each security held in the account. This ISIN is required for filling in the delivery instruction slip.
- **Booking Date & Transaction Number** - Booking date is the date on which a transaction is booked in the account by the depository system. Events like submitting certificates for dematerialisation, confirmation of dematerialisation requests, transferring securities out of the account, receiving securities into the account, pledging, closing/ invocation of pledge, etc. are considered as a transaction in the depository system. Each such transaction is identified with a booking date and a transaction number.
- **Settlement Information:** Transaction Statement indicates the settlement number and market type under which the securities are debited from or credited to the demat account. This information may be compared with settlement number details given in the contract note to know whether broker has delivered the securities purchased in the same settlement cycle in which they were purchased.
- **Details of Demat pendency** - Transaction Statement help clients to keep a track of the securities sent for dematerialisation. On initiation of a demat request, it is reflected in the Transaction Statement as ‘By Dematerialisation Request’ and is shown under the head ‘Pending Demat Request’. Upon confirmation of demat request by Issuer/ R&T Agent, the quantity is deducted from ‘Pending for demat’ balance and is shown as ‘By Dematerialisation Request Confirmation’ under ‘free Balance’.
- **Opening & Closing Balance** – Apart from transactions during the period, the Transaction Statement shows the opening balance as on the start date of the period mentioned in the Transaction Statement and closing balance as on the end date of the period.
- **Corporate Actions** - Generally, companies inform the accountholders (shareholders) about impending non-cash corporate actions like Bonus Issue, Share Split/ Consolidation, etc. Accountholders can verify whether corresponding debits/credits are effected as per the intimation given by the companies. The following items may be verified in this context:
 - a) Date of transaction
 - b) Quantity of credit/ debit as per the ratio intimated by the company
- **Verification of Debits & Credits** - Accountholders may check every debit reflected in the Transaction Statement with counterfoil/ acknowledgment copy of the Delivery Instruction Slip issued by him. In case the accountholder has issued Power of Attorney in favour of a broker or DP, the accountholder may see whether debit in the account correspond to his/her trade (sell) order. Any debit in the account by way of transfer without the authorisation of the accountholder should be brought to the notice of NSDL/ DP. Similarly, accountholder may check the credit of securities in the account. He should satisfy himself that only expected credits have been received into the account. Any unexpected credit creeping into the account should be brought to the notice of DP/ NSDL.
- **Pledge** - Upon initiation of pledge, securities are debited from the free balance and credited to the pledge account. This is shown as a separate entry in the Transaction Statement as ‘By Pledge request Pending Confirmation’, till the time pledge request is confirmed by Pledgee. Upon confirmation of pledge request, the securities are pledged in favour of Pledgee and the status changes to ‘By Pledge request’ in the Transaction Statement. All the transactions are shown in the Transaction Statement alongwith the date of creation of pledge and the details of Pledgee. If the pledge is closed, the closed quantity is deducted from pledged balance and added to free balance. If pledge is invoked by Pledgee, securities will be debited from Pledgor’s account and transferred to the Pledgee’s account.

Transaction Statement v/s Holding Statement

Accountholders should insist for a Transaction Statement from the DP. A Transaction Statement gives complete details about transactions

done. In case there was no transaction, opening balance and closing balance will be the same with a message that there was no transaction for the period whereas, a Holding Statement will merely show the balance as on a given date.

Review of Transaction Statement

Only the account holder can vouch for authenticity of entries in its account. Therefore, an account holder should review the Transaction Statement as soon as he receives the same. As a measure of an additional check, NSDL generates a Statement from its own records for a few account holders, selected on a random basis. This Statement is generated on a monthly basis and sent directly to account holders. If an account holder receives a statement from NSDL, he should verify whether balance in the statement sent by NSDL and closing balance in Transaction Statement given by the DP are equal for the given period. In case of any discrepancy, it should be brought to the notice of the DP or NSDL.

A format of the Transaction Statement is shown below (Note: Details given in the Statement are illustrative and not real) :

TRANSACTION STATEMENT							Print Date: 10-May-05	11:43 AM
National Securities Depository Limited								
DP Name [DP Id:]								
DP Address								
<u>Selection Criteria:</u>			Transactions From Date : 1/3/2004			To Date : 1/4/2005		
Client Id	10000004	Category	Non House Beneficiary		Status	Active		
Name	SAURAV C CHAVAN							
Address	B/7, TRIVENI TOWERS, MASJID BUNDER MUMBAI							
Pin Code	400003							
Bkg. Date		Trans. No.	Description		Credit	Debit	Balance	
Beneficiary	ISIN	INE062A01012		STATE BANK OF INDIA EQ				
					Opening Balance :		0	
	19/09/2004 00:00:00	37389	By Dematerialisation		16,500		16,500	
	27/09/2004 00:00:00	7307471	To Pledge, DP1 / 10005112			6,500	10,000	
	27/09/2004 00:00:00	7307470	To Pledge, DP1 / 10005112			5,000	5,000	
	27/09/2004 00:00:00	7307469	To Pledge, DP1 / 10005112			5,000	0	
	28/11/2004 00:00:00	48423	By Dematerialisation		900		900	
	15/01/2005 00:00:00	54179	By Dematerialisation		100		1,000	
	31/01/2005 00:00:00	6394323	To DP2 / 10206607			299	701	
	01/02/2005 00:00:00	6396139	To CM1, Physical / 2000026			700	1	
					Closing Balance :		1	
Pending Demat					Opening Balance :		0	
	01/09/2004 00:00:00	37389	By Dematerialisation request		16,500		16,500	
	19/09/2004 00:00:00	37389	To Dematerialisation request confirmation			16,500	0	
	16/11/2004 00:00:00	48423	By Dematerialisation request		900		900	
	28/11/2004 00:00:00	48423	To Dematerialisation request confirmation			900	0	
	29/12/2004 00:00:00	54179	By Dematerialisation request		100		100	
	15/01/2005 00:00:00	54179	To Dematerialisation request confirmation			100	0	
					Closing Balance :		0	
Pledge					Opening Balance :		0	
	27/09/2004 00:00:00	7307471	By Pledge request		6,500		6,500	
	27/09/2004 00:00:00	7307470	By Pledge request		5,000		11,500	
	27/09/2004 00:00:00	7307469	By Pledge request		5,000		16,500	
	07/03/2005 00:00:00	7307471	To Pledge invocation, DP1 / 10005112			6,500	10,000	
	07/03/2005 00:00:00	7307470	To Pledge invocation, DP1 / 10005112			5,000	5,000	
	07/03/2005 00:00:00	7307469	To Pledge invocation, DP1 / 10005112			5,000	0	
No transactions recorded for the following ISINs during the given period and the Closing Balances as of 1/4/2005 are as under:								
	ISIN	INE213A01011		ONGC EQ				
Beneficiary						Closing Balance :	100	
Pending Demat						Closing Balance :	700	
Pledge						Closing Balance :	500	
Depository Participant's Seal & Initials								
							*** End of Report ***	
BKG006/user/10-May-2005 11:55 AM			/	14117045				

NSDL Calendar of Events

Investor Depository Meets

May 12, 2005	Kanchipuram	May 21, 2005	Pune
May 13, 2005	Pondicherry	May 26, 2005	Bhagalpur
May 14, 2005	Chennai	May 27, 2005	Patna
May 19, 2005	Panvel	May 28, 2005	Gaya
May 20, 2005	Nasik		

Business Partner Training

May 17-19, 2005

DP Training

NSDL Offices

Head Office

Mumbai

4th & 5th Floors, A Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai 400013.
Phone: 022-24994200 (60 lines)
Fax: 022-24972993; 24976351
Email: info@nsdl.co.in

Branch Offices

Chennai

6A, 6th Floor, Kences Towers
#1 Ramkrishna Street,
North Usman Road,
T. Nagar, Chennai -17
Tel: (044) 28143917/18
Fax: (044) 28144593
Email: bandams@nsdl.co.in

Kolkata

5th Floor, The Millenium
Flat No. 5W, 235/2A,
Acharya Jagdish Chandra Bose
Road, Kolkata - 700 020
Tel: (033) 22814661/22814662
Fax: (033) 22873706
Email: supratimm@nsdl.co.in

New Delhi

409/410, Ashoka Estate Building,
4th floor, Barakhamba Road,
Connaught Place,
New Delhi 110 001.
Tel: (011) 23353815/23353817
Fax: (011) 23353756
Email: sameerg@nsdl.co.in

Investor Relationship Cell

Officer-In-Charge,

National Securities Depository Ltd.
3rd floor, A Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai -400013
Phone: 022-24994200
Fax: 022-24976351
Email: relations@nsdl.co.in

NSDL Certification Program

Officer-In-Charge,

National Securities Depository Ltd.
3rd floor, A Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai -400013
Phone: 022-24994200
Fax: 022-24976351
Email: ncfm@nsdl.co.in