



*NEST UPDATE

Demat by NSDL

Towards a secure future

July 2005

Inside:

> Performance summary

- ⇒ Investor Accounts
65,47,006
- ⇒ Demat Custody -
Rs. 15,85,069 Cr.
- ⇒ Settlement -
Rs. 47,777 Cr.
- ⇒ Companies
 - ❖ Equity - 5,663
 - ❖ Debentures/
Bonds - 6,980
 - ❖ Commercial
Paper- 482
- ⇒ DPs - 218
- ⇒ DP service
centres - 2,855

> Corporate Action Statistics

> Companies Name Change

> Securities admitted for dematerialisation

> Topic of Interest - FAQs on accounts held by minors

> Calendar of Events

Subscription to SPEED-e

The following Depository Participant (DP) has subscribed to the SPEED-e facility of NSDL in the month of June 2005:

- Centurion Bank Limited

Clients of the above mentioned DP 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 51.

Subscription to IDeAS

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

- Indian Overseas Bank
- Consortium Securities Private Limited

This takes the total number of DPs who have subscribed to IDeAS to 102. This is inclusive of 51 DPs who have subscribed to SPEED-e.

Revised Application forms for opening demat account

NSDL has enhanced its application software to record additional details of account holders. Account holders can now register their correspondence address, in addition to the local address. However, proof of address will have to be submitted for such address if it has to be recorded in the depository system. Also, facility to capture details such as MAPIN Id, Mobile number, intent to avail SMS facility, e-mail address and an indicator on whether the account is operated through Power of Attorney (POA) are incorporated.

In order to obtain above details, existing forms for individuals and corporates/clearing members have been amended. NSDL has advised its DPs to incorporate the changes in their application forms. However, in case DPs have old forms in stock, they can use the same till December 31, 2005 and the above said additional information can be obtained in an enclosure in the following format:

*For
private circulation only*

* National Electronic Settlement and Transfer

For Individuals

- 1) Account to be operated through Power of Attorney (PoA): Yes No .
- 2) Sole/First Holder's Details

Correspondence Address					
	Pin Code	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

- 3) Sole / First Holder's Details, Second Holder and Third Holder:

Sole / First Holder's Details

Mobile No.					
E-mail ID :					
MAPIN ID:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
SMS facility	Yes <input type="checkbox"/>				No <input type="checkbox"/>

Second Holder

Mobile No.					
E-mail ID :					
MAPIN ID:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
SMS facility	Yes <input type="checkbox"/>				No <input type="checkbox"/>

Third Holder

Mobile No.					
E-mail ID :					
MAPIN ID:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
SMS facility	Yes <input type="checkbox"/>				No <input type="checkbox"/>

- 4)

Address for communication / Corporate Benefits (Default option is Local Address)	Local / Permanent Address	<input type="checkbox"/>
	Correspondence Address / Foreign Address	<input type="checkbox"/>

For Corporates / Clearing Members

- 1) Account to be operated through Power of Attorney (PoA) : Yes No .
- 2) Sole / First Holder's Details, Second Holder and Third Holder:

Sole / First Holder's Details

Mobile No.					
E-mail ID :					
MAPIN ID:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
SMS facility	Yes <input type="checkbox"/>				No <input type="checkbox"/>

Second Holder

Mobile No.					
E-mail ID :					
MAPIN ID:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
SMS facility	Yes <input type="checkbox"/>				No <input type="checkbox"/>

Third Holder

Mobile No.					
E-mail ID :					
MAPIN ID:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
SMS facility	Yes <input type="checkbox"/>				No <input type="checkbox"/>

3) Address for communication / Corporate Benefits (Default option is Registered office Address)	Registered / Permanent Address <input type="checkbox"/>
	Correspondence Address / Foreign Address <input type="checkbox"/>

4) Introduction by an existing account holder / applicant's bank

Introduction	
(by an existing account holder / applicant's bank)	
DP ID: _____ Client ID: _____ (Incase of existing account holder)	
I confirm the identity and address of the applicant(s)	
Name: _____	Signature of Introducer / Signature and Seal incase of Bank (To be verified by DP official)

This has been intimated to the DPs vide circular nos. NSDL/PI/2005/1051 and NSDL/PI/2005/1102 dated June 15, 2005 and June 22, 2005 respectively.

Performance Summary

Investors :

Table 1

Month - Year	Client Accounts
	No. of Accounts (lakhs)
Jun-03	38.35
Jun-04	53.80
Jun-05	65.47

As on June 30, 2005, there are 65,47,006 Investor accounts from within the country and abroad. 2,015 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 June 30, 2005, 13,667 cr. securities having a value of Rs. 15,85,069 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.)
Jun-03	6,869	634,972
Jun-04	8,860	935,603
Jun-05	13,667	1,585,069

Settlement :

Table 3

Month - Year	Settlement Quantity (Cr.)	Settlement Value (Rs. Cr.)
Jun-03	204	16,354
Jun-04	126	17,736
Jun-05	450	47,777

In June 2005, a total quantity of 450 cr. shares having a value of Rs. 47,777 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 June 30, 2005, 5,663 companies are available for demat. Table 4 indicates the increase in the number of companies that have joined NSDL over a period of three years.

Table 4

Month - Year	No. of Companies Operational
Jun-03	4,888
Jun-04	5,344
Jun-05	5,663

DEBENTURES / BONDS

Table 4A

Month - Year	No. of Issuers	No. of active Instruments	Demat Value (Rs. Cr.)
Apr-05	603	6,957	285,873
May-05	605	6,968	286,565
Jun-05	605	6,980	291,479

As on June 25, 2005, 605 issuers have issued 15,634 debentures/bonds in demat form. 8,654 instruments have been redeemed and 6,980 instruments are available for dematerialisation. Table 4A shows the growth over a period of last three months.

COMMERCIAL PAPER

As on June 25, 2005, 367 issuers have issued 6,588 commercial papers in demat form. 6,106 instruments have been redeemed and 482 commercial papers are available for dematerialisation. Table 4B shows the growth over a period of last three months.

Table 4B

Month - Year	No. of Issuers	No. of active Instruments
Apr-05	366	474
May-05	366	479
Jun-05	367	482

Depository Participants :

Table 5

Month - Year	No. of DPs
Jun-03	211
Jun-04	217
Jun-05	218

As on June 30, 2005, 218 Depository Participants are offering depository services. DP services are provided from 2,855 locations across the length and breadth of the country.

Corporate Action Statistics

Sr. No.	Description	During June 2005		For the F.Y. 2005-2006 (upto June 2005)	
		No. of Allottees	No. of Securities	No. of Allottees	No. of Securities
1	Equity Shares	527,957	1,741,137,257	1,515,538	4,620,483,453
2	Preference Shares	177,762	190,113,899	179,206	281,935,704
3	Bonds	3,639	6,738,011	31,001	36,163,243
4	Commercial Papers	106	58,142	367	200,508
5	Certificate Of Deposits	143	617,600	278	1,119,600
6	Securitized Instruments	121	863,581	196	198,824,365
7	Mutual Fund Units	323	1,634,893	1,235	2,681,525
8	Postal Savings Certificates	1,250	599,411,300*	3,777	2,348,413,600*
9	Commodities	307	17,720	678	39,482
Total		711,608	2,540,592,403	1,732,276	7,489,861,480

*Value in Rupees

List of Companies that have changed Names

(During June 2005)

Sr. No.	Old Name	New Name
1	IT and T Limited	Axis - IT&T Limited
2	Premier Tyres Limited	PTL Enterprises Limited
3	IKF Software.Com Limited	IKF Technologies Limited
4	Skanska Cementation India Limited	ITD Cementation India Limited
5	Anglo-India Jute Mills Company Limited	AI Champdany Industries Limited
6	Ecosmartindia Limited	IL & FS Ecosmart Limited
7	Interworld.Com Limited	Interworld Digital Limited
8	Bajaj Tempo Limited	Force Motors Limited
9	Jindal Vijayanagar Steel Limited	JSW Steel Limited
10	Inter Link Financial Services Limited	IFSL Limited
11	Mudra Fabrics Limited	Bombay Rayon Fashions Limited
12	Eltrol Limited	Shree Mahaganga Sugar Mills Limited

Securities admitted for Dematerialisation during June 2005

COMPANY	ISIN
AVTEC Limited	INE051H01010
Binani Cement Limited	INE042H01019
CST Limited	INE033H01018
Deevee Commercials Limited	INE161D01016
Escorts Heart And Super Speciality Institute Limited	INE024H01017
Goa Glass Fibre Limited	INE043H04011
Ind-Agri Commerce Limited	INE115E01010
International Cars & Motors Limited	INE025H01014
JCI Cement Private Limited	INE049H01014
Lanco Amarkantak Power Private Limited	INE039H01015
Lords Securities Limited	INE035H01013
Mahabir Coke Industries Private Limited	INE048H01016
Media Content And Communications Services (India) Private Limited	INE046H01010
Mehta Housing Finance Limited	INE239B01014
Mehta Securities Limited	INE241B01010
Nectar Lifesciences Limited	INE023H01019
Oasis International Private Limited	INE010H01016
Piramyd Retail Limited	INE034H01016
Rajvir Industries Limited	INE011H01014
Ratan Glitter Industries Limited	INE348E01017
SAN Engineering & Locomotive Company Limited	INE031H01012
SKJ Coke Industries Limited	INE036H01011
Sri Vajra Granites Limited	INE047H01018
Sujala Trading & Holdings Limited	INE029H01016
TCP Stock Brokers Limited	INE009H01018
Tecnovate Esolutions Private Limited	INE058H01015
TEK Components Private Limited	INE057H01017
TEK Electromechanical Private Limited	INE056H01019

Topic of Interest

FAQs on accounts held by minors

In order to avail of depository facilities, an investor has to open a beneficiary account with a Depository Participant (DP) of his choice. This is similar to opening a bank account to use the banking services. Just as one can hold funds in a bank account and transfer funds across accounts without actually handling cash, one can hold securities in a depository account and transfer securities across depository accounts without actually handling share certificates. The account holder is called 'beneficial owner' (BO) in a depository system and the account is known as 'beneficiary account'.

BO can open demat account in single name or joint names. A minor can also open a demat account. The procedure for opening and operating account for a minor is given below:

Q.1 Can a minor open a demat account?

Ans. Yes, a minor can open a demat account. However, there is some difference in the documentation relating to opening a demat account for a minor. Details are given under Question no. 2.

Q.2 What is the procedure to open a minor's demat account?

Ans. The procedure for opening a minor's demat account is as follows:

1. Account can be opened in the name of minor and his/her date of birth needs to be filled-in at the time of filling-up application form.
2. Details of the guardian viz.; name, address, financial details, photograph and signature needs to be provided in the application form.
3. Since minor's demat account can be operated only by his/her guardian, prescribed documents (proof of identity and proof of address) of guardian needs to be provided alongwith the application form.
4. The guardian needs to execute an agreement with the DP.

Q.3 Can a minor open joint account?

Ans. No. Minor cannot be a joint account holder of a demat account.

Q.4 Can a minor nominate?

Ans. No, a minor cannot nominate.

Q.5 Can a minor be a nominee?

Ans. Yes, a minor can be a nominee. In such a case, the guardian is required to sign on behalf of the nominee in the nomination form and in addition to the name, address and photograph of the nominee, the name, address and photograph of the guardian also have to be submitted.

Q.6 What is the procedure for dematerialising shares held in physical form jointly with minor?

Ans. In case physical certificates are held jointly with a minor and the shareholder(s) wish to dematerialise the same, such shares should first be transferred in the sole name of minor and then be submitted to a DP for dematerialisation.

Q.7 Is there any procedure to be followed when a minor becomes major?

Ans. When a minor demat account holder attains the age of majority (i.e. 21 years in case of minor whose guardian is court-appointed or 18 years, where minor's account is represented by a natural guardian), the account holder should open a new account and execute an agreement with his/her DP. The account holder should also submit the following documents to the DP at the time of opening new account:

- an application to open and operate a new account;
- an application for transferring securities from the old account to the new account; and
- a copy of birth certificate.

As per NSDL guidelines, DP can claim for waiver of transaction fee charged on transfer of securities from old account to new account of the minor who attained majority.

NSDL Calendar of Events

Investor Depository Meets

July 14, 2005	Visakhapatnam	July 22, 2005	Davangere
July 15, 2005	Kakinada	July 23, 2005	Mangalore
July 16, 2005	Rajahmundry	July 29, 2005	Panaji
July 21, 2005	Udupi (Udipi)	July 30, 2005	Margaon

Business Partner Training

July 19-20, 2005	SHR Training
July 12-14, 2005	DP Training

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NSDL Certification Program

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