



ISO 27001 Certified



NSDL - Trusted by more than One Crore account holders

'KNOWLEDGE WINS' contest. Kindly refer to pg. No.7 for more information

Account opening information to Client through email

Upon opening of a depository account, Participants are required to provide information such as Client Master Report alongwith a copy of the Agreement including charge structure to the Client. Participants can now provide such information to the Client at the email address recorded in the depository system.

Further details about this circular are posted on NSDL website www.nsd.co.in.

(Ref: Circular No. NSDL/POLICY/2013/0031 dated February 22, 2013)

Procedure for change of name in individual Beneficial Owner's (BO) account

SEBI had vide Circular No. CIR/MRD/DP/27/2012 dated November 1, 2012 informed that an individual BO may be allowed to change his/her name, subject to the submission of specified documents. In this context, for effecting change in name in the depository account of an individual BO, a request letter duly signed by the holder, whose name is changing alongwith self attested copies of the

specified document(s) needs to be submitted to the Participant.

Further details about this circular are posted on NSDL website www.nsd.co.in.

(Ref: Circular Nos. NSDL/POLICY/2012/0125 dated November 2, 2012 and NSDL/POLICY/2013/0033 dated February 27, 2013)

Relaxation in frequency of providing transaction statements to Clients

In accordance with SEBI guidelines, the frequency of providing transaction statements by Participants to Clients has been relaxed. Now, the Participants are required to provide the transaction statements to their Clients on annual basis (*instead of quarterly*) if there is no transaction in the account. However, in case there are transactions in the account, the requirement of providing transaction statements at monthly intervals remains unchanged.

Further details about this circular are posted on NSDL website www.nsd.co.in

(Ref: Circular No. NSDL/POLICY/2013/0034 dated February 27, 2013)

Inside :

➤ Performance Summary

Investor Accounts	12,632,085
Participants	282
Participant Service Centres	14,590
Demat Custody	₹ 76,62,269 Cr.
Settlement	₹ 1,28,315 Cr.
Companies available for demat	10,668
Instruments	
❖ Debentures/Bonds	8,869
❖ Securitised Instruments	845
❖ Commercial Papers	1,579
❖ Certificates of Deposit	1,195

➤ List of New Participant Centres

➤ Corporate Action Statistics

➤ Companies Name Change

➤ Securities Admitted For Dematerialisation

➤ Calendar of Events

➤ Topic of Interest

Training Programmes for Participants:

➤ **NCDO/NISM training / certification programmes for Participants**

NSDL has made arrangements with NISM to facilitate staff of Participants to get certified for NISM-Series VI Depository Operations Certification Examination (DOCE) as per SEBI requirements. A training programme is conducted by NSDL for Participant's staff followed by NISM-Series VI-DOCE online test conducted by NISM. In February 2013, NSDL conducted five such training programmes at Kolkata, Mumbai and New Delhi which were attended by 250 officials nominated by various Participants.

➤ **CPE Training Programme for Participants**

NSDL, an approved NISM Accredited Continuing Professional Education (CPE) Provider offers CPE programmes for associated persons of market intermediaries who are holding one of the valid certificates such as NCFM (NSE's Certification in Financial Markets), NCDO (NSDL's Certification in Depository Operations), BCCD (BSE's Certification on Central Depository), Certificate on completion of CDSL's DP training programme on Central Depository Services (India) Limited & NISM Series VI- Depository Operations Certification Examination (DOCE). In February 2013, NSDL conducted four such training programmes at Chennai, Mumbai and New Delhi which were attended by 70 officials nominated by various Participants.

➤ **Rajiv Gandhi Equity Savings Scheme (RGESS) Training Programme for Participants**

Rajiv Gandhi Equity Savings Scheme, 2012 (RGESS), is a tax saving scheme announced in the Union Budget 2012-13. The scheme is designed exclusively for the first time retail individual investors in securities market, whose gross total income for the year is less than or equal to ₹10 lakh*. The investor would get tax benefit (i.e. deduction) upto ₹25,000 under Section 80CCG of the Income Tax Act, a 50% deduction of the amount so invested, up to a maximum investment of ₹50,000, from his/her taxable income for that financial year*. In February 2013, NSDL conducted four such training programmes at Mumbai which were attended by 92 officials nominated by various Participants.

** In the Union Budget 2013-14, the limit of gross total income for the year is proposed to be increased from ₹10 lakh to ₹12 lakh w.e.f. April 1, 2013.*

Investor Education initiatives undertaken by NSDL

➤ **Joint Awareness Programme for RGESS:** To promote "Rajiv Gandhi Equity Savings Scheme" (RGESS) introduced for the 'new retail investors' & to spread awareness about RGESS in the securities market, NSDL conducted Investor Awareness Programme for targeted groups which were attended by 205 persons.

➤ **Joint Awareness Programmes with Securities and Exchange Board of India (SEBI) & National Stock Exchange of India Limited (NSE):** In order to reach out to investors that are spread across the country and to apprise them about the facilities available in NSDL depository system, NSDL conducted Joint Awareness Programmes with SEBI & NSE in February 2013 & March 2013 at Jamshedpur and Port Blair which were attended by 675 persons.

➤ **Joint Awareness Programmes with Institutions:** In order to reach out to investors that are spread across the country and to apprise them about the facilities available in NSDL depository system, NSDL conducted Joint Awareness Programme with Maharashtra Seva Sangh in March 2013 at Mumbai which was attended by 140 persons.

➤ **Participation in events conducted by Institutions:** In February 2013, NSDL participated in 'Finance Fair' event organised by Maharashtra Seva Sangh at Mumbai which was attended by 256 persons.

NSDL UPDATE

1 2 3 4 5 6 7 8

Various aspects on Financial Markets were addressed to investors attending this event.

- **Stock Clinic Programme with Participant:** To spread awareness about Depository related services & the new features introduced in NSDL Depository system, NSDL conducted Stock Clinic Programme with Bank of India to educate employees and investors regarding benefits of dematerialization. In February 2013, NSDL conducted one such training programme in Pune which was attended by 25 persons.
- **Training Programme for Colleges:** Investor Awareness Programmes were conducted in educational institutes like Brihan Maharashtra College of Commerce (BMCC) - Pune, H.R. College of Commerce and Economics - Mumbai & Shri Ram College of Commerce - Delhi to educate students regarding depository related services. In February 2013, NSDL conducted three such training programmes in Delhi, Mumbai & Pune which were attended by 723 persons.

Performance Summary

Investors :

Month -Year	Client Accounts
	No. of Accounts (lakh)
Feb-11	114.79
Feb-12	119.82
Feb-13	126.32

Participants :

Month - Year	No. of Participants	Service Centres	Cities / Towns
Feb-11	293	12,640	1,400
Feb-12	283	14,007	1,542
Feb-13	282	14,590	1,575

Dematerialisation :

Month - Year	No. of Dematerialised Securities (Cr.)	Value of Dematerialised Securities (₹ Cr.)
Feb-11	45,884	61,57,776
Feb-12	56,951	72,00,513
Feb-13	67,878	76,62,269

Settlement :

Month - Year	Quantity of shares settled in dematerialised form (Cr.)	Value of shares settled in dematerialised form (₹ Cr.)
Feb-11	635	1,14,402
Feb-12	798	1,42,938
Feb-13	700	1,28,315

(Single Side)

Companies

EQUITY

Month - Year	No. of Companies Operational
Feb-11	8,766
Feb-12	9,655
Feb-13	10,668

DEBENTURES / BONDS

Month - Year	No. of Issuers	No. of active instruments	Demat Value (₹ Cr.)
Feb-11	578	6,900	8,43,797
Feb-12	602	7,631	10,04,681
Feb-13	726	8,869	12,23,375

SECURITISED INSTRUMENTS

Month - Year	No. of Issuers	No. of active instruments	Demat Value (₹ Cr.)
Feb-11	575	858	41,558
Feb-12	560	855	39,067
Feb-13	550	845	42,995

NSDL UPDATE

1 2 3 4 5 6 7 8

COMMERCIAL PAPERS

Month - Year	No. of Issuers	No. of active instruments	Demat Value (₹ Cr.)
Feb-11	213	1,251	1,03,510
Feb-12	252	1,701	1,61,847
Feb-13	233	1,579	2,07,456

CERTIFICATES OF DEPOSIT

Month - Year	No. of Issuers	No. of active instruments	Demat Value (₹ Cr.)
Feb-11	43	1,104	4,38,472
Feb-12	44	1,427	4,27,970
Feb-13	42	1,195	3,22,694

New Participant Centres

ANDHRA PRADESH

KARIMNAGAR

Axis Bank Limited
Kaman Road Peddapalli
Ph.: 08728-224320 -21

SATTENAPALLI

HDFC Bank Limited
Old Bus Stand Road
Ph.: 08641-233996

BIHAR

GOPALGANJ

IDBI Bank Limited
Banjari Road
Ph.: 06156-224049/224050

MUNGER

HDFC Bank Limited
Avantika Road Jamalpur
Ph.: 06344-242051 / 08527393749

PATNA

HDFC Bank Limited
Balmi Chak More, Anisabad
Ph.: 0612-2256786

CHHATTISGARH

RAIPUR

Kotak Mahindra Bank Limited
G. E. Road
Ph.: 0771-4007455

RAJHRA

HDFC Bank Limited
Main Market Opp. Gurudwara
Dalli Rajhra
Ph.: 07836-232364

DELHI

NEW DELHI

Axis Bank Limited
Janakpuri
Ph.: 011-43401115 - 18

GOA

FATORDA

HDFC Bank Limited Lake Plaza
Bldg, Opp Nehru Statdium,
Ph.: 0832-2740744

GUJARAT

AHMEDABAD

Deutsche Bank AG Off. C. G.
Road
Ph.: 079-71015014

IDBI Bank Limited Prahlandnagar,
Ph.: 079-61906400 / 61906415

Kotak Mahindra Bank Limited
Paldi
Ph.: 09825126568

PATAN

HDFC Bank Limited
Palanpur Highway, Radhanpur,
Ph.: 02746-276003

JHARKHAND

CHATRA

HDFC Bank Limited
Gudri Bazar,
Ph.: 06541-222215

RAMGARH

HDFC Bank Limited
Po-Argada, Dist-Ramgarh

KARNATAKA

BANGALORE

Axis Bank Limited
Gnana Bharathi Main Road
Nagara Bhavi Circle
Ph.: 080-23185390 -92

BIDAR

Axis Bank Limited
Main Road, Basavakalyan Town,
Ph.: 08481-250313

KERALA

ERNAKULAM

Navia Markets Limited
Sahodaran Ayyappan Raod
Kadavanthara

KOCHI

IDBI Bank Limited
Chalikkavattom, Geethanjali
Junction
Ph.: 0484-6050417/8

MAHARASHTRA

AMRAVATI

HDFC Bank Limited
Venus Plaza Shegaon Naka,
Ph.: 09370244915 / 09372499428

MUMBAI

Acumen Capital Markets (India)
Limited
S. V. Road, Goregaon (W)
Ph.: 022-32994485

Kotak Mahindra Bank Limited
Veera Desai Road Andheri (West),
Ph.: 022-26761969

Dr. Babasaheb Ambedkar Road
Dadar (East)
Ph.: 022-24167967

NAVI MUMBAI

Kotak Mahindra Bank Limited
Kharghar
Ph.: 09820137221

PUNE

HDFC Bank Limited
Pune Nagar Road, Pabal Chowk,
Shikrapur
Ph.: 021-37286144

Kotak Mahindra Bank Limited
Magarpatta Road, Hadapsar
Ph.: 020-41210915

SATARA

The Saraswat Co-Operative Bank
Limited
New Radhika Road
Ph.: 02162-227455

THANE

Axis Bank Limited
Anand Cinema Station Road
Ph.: 022-25321631

Kotak Mahindra Bank Limited
Agiary Lane, Tembhi Naka,
Thane (W)
Ph.: 022-25339058

ORISSA

BERHAMPUR

Axis Bank Limited
Aska Road, Bara Bazar
Ph.: 0680-2229934 -36

RAJASTHAN

NAGAU

Kotak Mahindra Bank Limited
Fort Road Gandhi Chowk
Ph.: 09672839070

TAMIL NADU

CHENNAI

IDBI Bank Limited
Sahana Complex, Kilkattalai,
Ph.: 044-22471478 -1578 -1678

SALEM

HDFC Bank Limited Trichy Main
Road
Ph.: 0427-2211364

UTTAR PRADESH

ETAWAH

IDBI Bank Limited
Mamta Press Bhawan
Ph.: 05688-250263

GULAOTHI

HDFC Bank Limited
Saidpur Road
Ph.: 05732-228210/11

KUSHINAGAR

HDFC Bank Limited
Karmaha Road, Hata
Ph.: 05567-250873

ORAI

HDFC Bank Limited
Raj Marg, Patel Nagar
Ph.: 05162-250762

WEST BENGAL

KOLKATA

HDFC Bank Limited
Bidhan Nagar Salt Lake City,
Sector -1
Ph.: 033-40030365

Lake Avenue
Ph.: 033-40031134

ICICI Bank Limited
Dist -24 Parganas (North),
Bangaon
Ph.: 03215-259278

NADIA

IDBI Bank Limited
Chakdaha Bongaon Road
Ph.: 03473-245011

Corporate Action Statistics

Sr. No.	Description	During February 2013		For F.Y. 2012 - 13 (Upto February 2013)	
		No. of Allottees	No. of Securities	No. of Allottees	No. of Securities
1	Equity Shares	163,948	5,425,563,253	1,713,654	52,655,435,590
2	Preference Shares	82	100,229,216	1,332	2,748,628,676
3	Bonds	24,400	109,866,698	309,213	940,288,545
4	Commercial Papers	511	1,335,169	6,392	14,094,759
5	Certificates of Deposit	670	7,397,888	6,405	67,800,779
6	Securitised Instruments	32	3,375,613	382	70,824,559
7	Mutual Fund Units	17,702	213,751,205	200,889	2,634,666,672
8	Warrants	0	0	2	16,500,000
9	Commodities	194	462,983	2,743	16,407,845
10	Mutual Fund Units (Trase)	10,583	44,922,115	101,977	536,767,260
	Total	218,122	5,906,904,140	2,342,989	59,701,414,685

List of Companies that have changed Names

(During February 2013)

Sr. No.	Old Name	New Name
1	Keane India Limited	NTT DATA Global Delivery Services Limited
2	Godrej Hershey Limited	Godrej Hershey Private Limited
3	Infotel Broadband Services Limited	Reliance Jio Infocomm Limited
4	Raval Finance Limited	Advantage Finvest Limited
5	Regency Park Property Management Services Limited	DLF Emporio Limited
6	Muskan Ferro Silicons Limited	MFS Intercorp Limited
7	Shri Ganesh Spinners Limited	Yantra Natural Resources Limited
8	Narth Karnataka Power Private Limited	North Karnataka Powergen Private Limited
9	Reliance Strategic Investments Private Limited	Reliance Strategic Investments Limited
10	Leighton Contractors India Private Limited	Leighton Welspun Contractors Private Limited
11	Reliance Power Ventures Limited	Reliance Retail Finance Limited
12	PGC Corporation Private Limited	PGC Corporation Limited
13	Mudra Integrated Retail Services Private Limited	Chuo Senko Advertising India Private Limited
14	Pankhil Finlease Limited	Yuranus Infrastructure Limited
15	JK Agri Genetics Limited	Florence Investech Limited
16	Wonderla Holidays Private Limited	Wonderla Holidays Limited
17	Jacqart Financial Services Limited	GeeCee Investments Limited

NSDL UPDATE

1 2 3 4 5 6 7 8

Securities admitted for Dematerialisation during February 2013

COMPANY	ISIN	COMPANY	ISIN
Achyut & Neeta Holdings & Finance Private Limited	INE526001017	Mentorcap Management Private Limited	INE525001019
Adani Vizag Coal Terminal Private Limited	INE438001015	Milestone Lotus Valley Buildwell Private Limited	INE349001014
Agra Etawah Tollways Limited	INE295001019	Narsingh Ispat Limited	INE527001015
Aircel Smart Money Limited	INE447001016	Navayuga Devanahalli Tollway Private Limited	INE540001018
Alpak Investments Private Limited	INE521001018	Navayuga Dibang Infra Projects Private Limited	INE553001011
Amtek Crankshafts (India) Limited	INE490001016	Navayuga Jahnvi Toll Bridge Private Limited	INE539001010
Amtek Ring Gears Limited	INE491001014	Navayuga Udupi Tollway Private Limited	INE538001012
ARSS Engineering Limited	INE475001017	Navsai Investments Private Limited	INE524001012
Ashapura Intimates Fashion Limited	INE428001016	Neuland Pharma Research Private Limited	INE529001011
Atlanta Ropar Tollways Private Limited	INE454001012	Nidhi Polyester Limited	INE450001010
Beetee Textile Industries Limited	INE488001010	Nitesh Indiranagar Retail Private Limited	INE530001019
BLP Vayu (Project 2) Private Limited	INE533001013	North Bengal Eye Centre Private Limited	INE492001012
Brainworks Learning Systems Private Limited	INE516001018	NSL Satara Infratech Private Limited	INE478001011
Bush Foods Overseas Private Limited	INE401001013	Nunlet Projects Private Limited	INE534001011
Central U.P. Gas Limited	INE503001016	P.D.K Impex Private Limited	INE421001011
Charosa Wineries Limited	INE446001018	Panama Wind Energy Developers Private Limited	INE417001019
Computer Sciences Corporation Business Process Services India Limited	INE407001010	Panama Wind Energy Godawari Private Limited	INE416001011
Cosmic Circuits Private Limited	INE429001014	Panama Wind Energy Krishna Private Limited	INE415001013
DSP Adiko Holdings Private Limited	INE483001011	Parikh Packaging Private Limited	INE528001013
DSP HMK Holdings Private Limited	INE509001013	Pennar Engineered Building Systems Limited	INE455001019
DSP Investment Private Limited	INE484001019	Prakar Investments Private Limited	INE522001016
Duet India Hotels (Bangalore) Private Limited	INE510001011	Progressive Constructions Limited	INE489001018
Duet India Hotels (Chennai OMR) Private Limited	INE511001019	Rainbow Agri Industries Limited	INE461001017
Eternal Heart Care Centre & Research Institute Private Limited	INE514001013	Rekvina Laboratories Limited	INE092001010
Euro Solar Power Private Limited	INE486001014	Reliance Universal Ventures Limited	INE299001011
Francolin Infrastructure Private Limited	INE537001014	Renew Wind Energy (Jadeswar) Private Limited	INE456001017
General Seal Company Private Limited	INE462001015	Renew Wind Energy (Rajasthan) Private Limited	INE457001015
Gitanjali Capital Private Limited	INE523001014	Renew Wind Energy (Shivpur) Private Limited	INE460001019
Globe Forex & Travels Limited	INE441001019	Renew Wind Energy (Varekarwadi) Private Limited	INE459001011
Globtech Advisory Services Limited	INE536001016	Renew Wind Energy Delhi Private Limited	INE458001013
High Street Filatex Limited	INE319M01011	Runwal Projects Private Limited	INE367001016
Horizon Projects Private Limited	INE513001015	Santigo Textile Mills Limited	INE496001013
HPC Biosciences Limited	INE507001017	Sare Jubilee Kolathur Private Limited	INE531001017
IMICL Dighi Maritime Limited	INE420001013	Sare Jubilee Shelters Private Limited	INE532001015
Indo Rama Renewables Jath Limited	INE436001019	Satya Miners & Transporters Limited	INE394F01018
Indospace Rohan Industrial Park Khed Private Limited	INE422001019	Shalivahana Wind Energy Limited	INE554001019
Indospace Rohan Industrial Park Mahalunge Private Limited	INE423001017	Shipra Constructions Private Limited	INE498001019
Indospace Rohan Industrial Park Private Limited	INE424001015	SKI Capital Services Limited	INE449001012
Indospace Rohan Industrial Park Pune Private Limited	INE425001012	Solapur Bijapur Tollway Private Limited	INE499001017
Indusind Media & Communications Limited	INE485001016	Tadas Wind Energy Limited	INE465001018
J.J. Patel Infrastructural and Engineering Private Limited	INE515001010	Tata Mcgraw Hill Education Private Limited	INE535001018
Jivanjyoti Mercantile Private Limited	INE508001015	The Hindustan Housing Company Limited	INE083001019
Kailash Auto Finance Limited	INE410001014	Thomsun Realtors Private Limited	INE512001017
Kanakia Residential Private Limited	INE497001011	Topworth Tollways (Bela) Private Limited	INE444001013
L&T-Komatsu Limited	INE617K01012	Topworth Tollways (Mangawan) Private Limited	INE445001010
LMJ Logistics Limited	INE448001014	Vijayawada Gundugolanu Road Project Private Limited	INE463001013
Loma It Park Developers Private Limited	INE408001018	Vishal Furnishings Limited	INE487001012
Madhu Fertilizers Limited	INE430001012	Vishwa (Dwaraka-Okha) Road Links Private Limited	INE479001019
Magma Advisory Services Limited	INE477001013	Vishwaraj Sugar Industries Limited	INE430N01014
Mahindra Sona Limited	INE242001011	Welspun Solar Madhya Pradesh Private Limited	INE555001016
Matru-Smriti Traders Limited	INE365001010	Wind Urja India Limited	INE464001011
Megatech Power Equipments Private Limited	INE451001018	Worth Investment & Trading Company Limited	INE114001012
		Zamil Infra Private Limited	INE439001013
		Zamil Solar Energy Private Limited	INE440001011

NSDL UPDATE

1 2 3 4 5 6 7 8

NSDL Calendar of Events

Investor Depository Meets

April 4, 2013	Mysore, Karnataka	April 19, 2013	Bilaspur, Chhattisgarh
April 5, 2013	Bangalore, Karnataka	April 25, 2013	Pollachi, Tamil Nadu
April 6, 2013	Bangalore, Karnataka	April 26, 2013	Gobichettipalayam, Tamil Nadu
April 18, 2013	Raipur, Chhattisgarh	April 27, 2013	Coimbatore, Tamil Nadu

'KNOWLEDGE WINS' Contest

Is dividend Income tax free in RGESS?
Send your replies to info@nsdl.co.in

Lucky 25
Winners will
Win Free
Goodies

Terms and Conditions

- NSDL shall be solely responsible for the execution and administration of this Contest.
- This Contest is only open to Indian Citizens. (NSDL employees are not allowed to participate in this contest.)
- All personal details submitted must be accurate and complete and are subject to proof upon request by NSDL.
- NSDL reserves the right, at any time, to verify the validity of entries and entrants and to disqualify any entry not submitted in accordance with these terms or which tampers with the entry process.
- NSDL reserves the right to discontinue the contest at any given point of time without prior intimation.
- All prize drawings will made on a strictly random basis and the results made by NSDL will be final.

NSDL Offices

Head Office

Mumbai
4th Floor, 'A' Wing,
Trade World,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel,
Mumbai - 400013
Tel: (022) 24994200 /
40904200
Fax: (022) 24976351

Branch Offices

Ahmedabad
Unit No. 407, 4th floor, 3rd Eye One Commercial
Complex Co-op. Soc. Ltd.,
C. G. Road, Near Panchvati Circle,
Ahmedabad - 380006
Tel: (079) 26461376, Fax: (079) 26461375

Kolkata
5th Floor, The Millenium, Flat No. 5W, 235 / 2A,
Acharya Jagdish Chandra Bose Road,
Kolkata - 700020
Tel: (033) 22814661 / 62, Fax: (033) 22891945

Chennai
6A, 6th Floor, Kences Towers,
#1 Ramkrishna Street, North Usman Road,
T. Nagar, Chennai - 600017
Tel: (044) 28143917 / 18, Fax: (044) 28144593

New Delhi
409 / 410, Ashoka Estate Building, 4th Floor,
Barakhamba Road, Connaught Place,
New Delhi - 110001
Tel: (011) 23353815 / 17, Fax: (011) 23353756

Investor Relationship Cell

Officer-In-Charge,
National Securities Depository Ltd.
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400013
Tel: (022) 24994200 / 40904200
Fax: (022) 24976351
Email: relations@nsdl.co.in

NSDL Certification Programme

Officer-In-Charge,
National Securities Depository Ltd.
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400013
Tel: (022) 24994200 / 40904200
Fax: (022) 24976351
Email: trainingdept@nsdl.co.in

For more information, email us at info@nsdl.co.in

"Printed & Published by Mr. Manoj Sathe on behalf of National Securities Depository Limited and Printed at Printography Systems (India) Pvt. Ltd., 13/D, Kurla Ind. Estate, Nari Seva Sadan Road, Ghatkopar (West), Mumbai - 400 086 and Published from National Securities Depository Limited, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. • Editor: Mr. Manoj Sathe"

TOPIC OF INTEREST

Know more about Rajiv Gandhi Equity Savings Scheme (RGESS)

(Continued from February 2013 issue)

5. We already have an Equity Linked Savings Scheme (ELSS)? Why do we need RGESS?

Ans. ELSS and RGESS are entirely different schemes: They pertain to different asset classes with ELSS offering passive investment avenues. ELSS is meant for indirect participation in the stock market, whereas RGESS aims at encouraging direct participation in the stock market. The operational differences are given below:

Operational differences	
ELSS	RGESS
Investments are in Mutual Funds.	Investments are to be made directly in listed equity or into a combination of equity including Mutual Funds, ETFs.
100% deduction (upto ₹1,00,000) is allowed under ELSS.	Only 50% deduction (upto max. of ₹25,000) is allowed under RGESS.
The ELSS benefit is coming under Section 80C of the IT Act which has an aggregate limit of ₹1,00,000 for all such eligible instruments like LIC policy, PPF etc.	RGESS deduction is available under Section 80CCG. This is a separate investment limit exclusively for RGESS, over and above the Section 80C Limit.
Lock-in period of 3 years.	Lock-in period of 3-years. However, trading allowed after one-year, subject to conditions.
Since investments are in mutual funds, it is perceived to be less risky.	Since investments are in equity / risk / ownership capital, risk is perceived to be higher.

6. What are the benefits / highlights of RGESS compared to other tax saving schemes?

Ans. The following are the benefits of RGESS:

- The allowed tax deduction u/s 80CCG will be over and above the ₹1 Lakh limit permitted under Section 80C of the Income Tax (IT) Act, making it thus attractive for the middle class investors.
- Further, the Dividend income is also tax free.
- Investor is free to trade / churn the portfolio after the lock-in period in each of the years following the first year of investment, subject to certain conditions.
- Gains arising out of higher market valuation of RGESS eligible securities can be realized after a year viz: fixed lock-in period. Provisions exist to protect the investor from general declines in the market to a certain extent. This is in contrast to all other tax saving instruments.
- You can meet emergencies through pledging or even by selling off some stocks after the fixed lock-in period.
- For investments upto ₹50,000 in your sole RGESS demat account, if you opt for Basic Service Demat Account, annual maintenance charges for the demat account is zero and for investments upto ₹2 lakh, it is stipulated at ₹100.
- The investments can be made in installments during the first financial year in which tax deduction is claimed.

to be continued in next issue...