



# \*NEST UPDATE

Demat by NSDL

*Towards a secure future*

**January 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 December 2004:

- Adroit Financial Services Private Limited
- Elite Stock Management Limited
- Farsight Securities Limited
- Indus Portfolio Private Limited
- Jyoti Jain Investment & Finance Company Private Limited
- Maheshwari Technical and Financial Services Limited
- Mansukh Securities and Finance Limited
- Marwadi Shares & Finance (P) Limited
- RBC Financial Services Private Limited
- Star Finvest Private Limited
- State Bank of Indore
- Vogue Commercial Company Limited

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 45.

### Closure of Bangalore Stock Exchange Limited DP Operations

NSDL has informed all its DPs that pursuant to the closure of Depository Participant operations by Bangalore Stock Exchange Limited, its Partnership has been terminated and its DP Id IN001051 has been deleted from the Depository System.

This has been intimated to the DPs vide Circular No. NSDL/PI/2004/2179 dated December 07, 2004.

### Footnote in the transaction statements sent to Clients

NSDL had vide Circular No. NSDL/PI/2004/1104 dated June 21, 2004 advised the DPs to insert a footnote in the transaction statements stating

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\* National Electronic Settlement and Transfer

that if there is any discrepancy, clients should bring it to the notice of the DP within one month from the date of the statement.

Subsequently, all DPs have been informed vide Circular No. NSDL/PI/2004/2291 dated December 23, 2004 that w.e.f December 24, 2004, transaction statements printed from DPM system will bear the prescribed text of the footnote. Further, transaction statements printed from the DPM system will also contain the "**client type**" and "**client sub type**".

## Performance Summary

### Investors :

Table 1

Month - Year	Client Accounts
	No. of Accounts (lakhs)
Dec-02	38.13
Dec-03	46.12
Dec-04	59.69

As on December 31, 2004, there are 59,69,095 Investor accounts from within the country and abroad. 2,022 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 December 31, 2004, 10,310 cr. securities having a value of Rs. 13,97,426 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.)
Dec-02	6,294	556,085
Dec-03	7,775	984,550
Dec-04	10,310	1,397,426

### Settlement :

Table 3

Month - Year	Settlement Quantity (Cr.)	Settlement Value (Rs. Cr.)
Dec-02	116	11,809
Dec-03	379	37,178
Dec-04	516	46,903

In December 2004, a total quantity of 516 cr. shares having a value of Rs. 46,903 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 December 31, 2004, 5,537 companies are available for demat . Table 4 indicates the increase in the number of companies joined NSDL over a period of three years.

Table 4

Month - Year	No. of Companies Operational
Dec-02	4,664
Dec-03	5,076
Dec-04	5,537

## DEBENTURES / BONDS

Table 4A

Month - Year	No. of Issuers	No. of active Instruments	Demat Value (Rs. Cr.)
Oct-04	594	6,901	267,014
Nov-04	594	7,387	271,389
Dec-04	597	6,921	271,155

In December 2004, 597 issuers have issued 14,356 debentures/bonds in demat form. 7,435 instruments have been redeemed and 6,921 instruments are available for dematerialisation. Table 4A shows the growth over a period of last three months.

## COMMERCIAL PAPER

In December 2004, 365 issuers have issued 5,907 commercial papers in demat form. 5,461 instruments have been redeemed and 446 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
Oct-04	365	448
Nov-04	365	411
Dec-04	365	446

## Depository Participants :

Table 5

Month - Year	No. of DPs
Dec-02	212
Dec-03	214
Dec-04	215

As on December 31, 2004, 215 Depository Participants are offering depository services. DP services are provided from 1719 locations across the length and breadth of the country.

## Corporate Action Statistics

Sr. No.	Description	During December 2004		For the F.Y. 2004-2005 (upto December 2004)	
		No. of Allottees	No. of Securities	No. of Allottees	No. of Securities
1.	Equity Shares	176,142	347,169,746	5,010,469	16,051,718,291
2.	Preference Shares	29	36,490,305	24,581	428,697,505
3.	Bonds	484	4,236,399	20,695	92,437,503
4.	Commercial Papers	128	75,462	935	404,218
5.	Certificate Of Deposits	47	141,608	228	745,943
6.	Securitized Instruments	66	350,037	606	515,886
7.	Mutual Fund Units	283	7,364,031	2,667	10,762,709
8.	Warrants	2	750	16,390	8,924,671
9.	Postal Savings Certificates	234	48,260,100*	2,728	806,244,400*
10.	Commodities	37	631	376	10,205
<b>Total</b>		<b>177,452</b>	<b>444,089,070</b>	<b>5,079,675</b>	<b>17,400,461,331</b>

\*Value in Rupees

## List of Companies that have changed Names

(During December 2004)

Sr. No.	Old Name	New Name
1.	Suma Finance And Investment Limited	Moderate Credit Corporation Limited
2.	Rajeswari Graphics Limited	Rajeswari Foundations Limited
3.	Galaxy Multimedia Limited	Baba Arts Limited
4.	JMA Industries Limited	Hella India Lighting Limited
5.	Fiscal Limited	Epic Energy Limited
6.	Dhampur Invertos Limited	Dhampure Speciality Sugars Limited
7.	Armour Polymers Limited	Resonance Specialties Limited
8.	Bharat Bhushan Share And Stock Brokers Limited	Bharat Bhushan Share & Commodity Brokers Limited
9.	Powergen India Private Limited	CLP Power India Private Limited
10.	Net Kraft Private Limited	Adea International Private Limited
11.	Jindal Photo Limited	Consolidated Finvest & Holdings Limited
12.	Tata Honeywell Limited	Honeywell Automation India Limited

## Securities admitted for Dematerialisation during December 2004

COMPANY	ISIN
A K Capital Services Limited	INE701G01012
Ambuja Cement India Limited	INE759G01010
Asia Fab Limited	INE761G01016
B Nanji Enterprises Limited	INE735G01010
Bhinaswar Commercial Private Limited	INE727G01017
Bisleri International Private Limited	INE771G01015
Crescent Leasing Limited	INE767G01013
Emco Finvest Private Limited	INE746G01017
Emerald Commercial Limited	INE162D01014
Hewitt International Services (India) Private Limited	INE734G01013
ICICI Brokerage Services Limited	INE763G01012
ICICI Investment Management Company Limited	INE502B01015
ICICI Lombard General Insurance Company Limited	INE765G01017
ICICI Prudential life Insurance Company Ltd.	INE726G01019
ICICI Venture Funds Management Company Limited	INE766G01015
ICNet Limited	INE762G01014
India Games Limited	INE764G01010
J S W Power Limited	INE548G01017
Khoobsurat Limited	INE731G01019
Megha Agro Products Limited	INE736G01018
MSP Steel & Power Limited	INE752G01015
Multi Commodity Exchange of India Limited	INE745G01019
Parle Bisleri Private Limited	INE770G01017
Punit Commercials Limited	INE750G01019
Roopjyot Engineering Private Limited	INE760G01018
Shyam Sel Limited	INE769G01019
Sudama Trading and Investments Limited	INE744G01012
Titan Time Products Limited	INE441G01015
Vanenbug IT Park Private Limited	INE743G01014
Ventura Textiles Limited	INE810C01010
Wescare (India) Limited	INE751G01017

## Topic of Interest

### Transposition-cum-Demat facility

The Companies Act, 1956 permits joint holding of shares. When securities are issued in physical form, names of all the joint holders are printed on the share certificates. All the joint holders are recognised as members of the company. The joint holders have the facility of changing the sequence of joint holders' names by making a written request to the company. This change in sequence of names does not constitute a transfer. Changing the position of joint holders in the sequence of names is called **"Transposition"**. However, transposition facility is to be availed for entire holding in a folio and is not allowed for part holding.

If the same set of joint holders held securities with different sequence of names, these joint holders were earlier required to open different depository accounts in the NSDL depository system. The joint holders have the facility of changing the sequence of names in the demat account during dematerialisation called "Transposition-cum-demat" facility. This facilitates clients to open less number of demat accounts. For example, if an account holder has securities in the name of A & B and B & A in physical form, earlier it had to dematerialise the securities in two separate demat accounts. However, with 'Transposition-cum-demat' facility, the account holders may dematerialise the securities held in the name of A & B in the account opened in the name of B & A and vice versa. Similarly, all securities in the combination of A-B-C, B-C-A and C-A-B can be dematerialised in the demat account opened in any sequence of names of A, B and C.

To avail of this facility, joint holders may submit the share certificates with different sequence of names to the Depository Participant (DP) alongwith Dematerialisation Request Form (DRF) and an additional form called "Transposition Form". Prescribed form for 'Transposition-cum-demat' is given at the end of this article.

**'Transposition-cum-demat' facility' allows only change in the sequence of names of joint holders. The facility does not permit any addition or deletion of any name(s) in the pattern of holdings.** For example, securities with combination of A-B-C cannot be dematerialised in the same demat account with securities in combination A-B or A-C or B-C or securities singly held by either A, B or C. Different accounts have to be opened for each type of combination. Also, securities held in the single name cannot be dematerialised into a joint account or vice versa. For example, one cannot dematerialise the securities held in the name of A in the account opened in the name of A-B or A-B-C. Similarly, securities held in the name of A-B cannot be dematerialised in the account opened in the name of A or A-B-C.

#### **Corporate Benefits & Joint Holding:**

The company will deal with the member whose name appears first among the joint holders for payment of dividend, delivery of documents/ communication/ notices and voting by poll in company meetings. If the same set of joint holders, e.g. A, B and C hold shares in the combination of A-B-C and also in the combination B-C-A then, A will receive dividend/ communications for the combination A-B-C and, B will receive dividend/ communications for the combination B-C-A. Thus, for communication by the company with the joint holders, the order of names in case of joint holders has relevance for the company as well as for joint holders.

**ANNEXURE OA**

**TRANSPOSITION FORM**  
(for transposition and demat cases)

Date								
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To,

Name of Participant  
Address of Participant

We, the undersigned, being the joint holder(s) of securities of (Name of the Company) wish to have our holdings transposed in the following order in which we have an account with you. We are also submitting the certificate(s) alongwith DRF for dematerialisation.

Names on the certificate of security:

Name	Signature(s)

Details of our client account:

DP Id	Client Id	Name of the account holders

Note: Separate Transposition form should be filled by the joint holders for securities having distinct ISINs



## NSDL Calendar of Events

### Investor Depository Meets

January 21, 2005	Dharwad	January 28, 2005	Karur
January 22, 2005	Gadag	January 29, 2005	Purulia
January 28, 2005	Bankura	January 29, 2005	Salem

### Business Partner Training

January 18 - 20, 2005	Depository Participant Training
January 11 - 12, 2005	SHR Training

## NSDL Offices

### Head Office

#### Mumbai

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### Investor Relationship Cell

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### NSDL Certification Program

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