



Demat by NSDL

Towards a secure future

Inside:

➤ Performance summary

- Investor Accounts
37,68,012
- Demat Custody -
Rs. 5,81,436 Cr.
- Settlement -
Rs. 13,013 Cr.
- Companies
 - ◆ Equity - 4,854
 - ◆ Debentures/
Bonds - 6,649
 - ◆ Commercial
Paper- 459
- DPs - 213
- DP service
centres - 1719

➤ Corporate Action Statistics

➤ Companies Name Change

➤ Securities admitted for dematerialisation

➤ Topic of Interest - Frequently Asked Questions at Investor Depository Meets

➤ Calendar of Events

*For
private circulation only*

June 2003

The Jammu & Kashmir Bank Limited joins SPEED-e

The Jammu & Kashmir Bank Limited (DP) has subscribed to the SPEED-e facility of NSDL. Clients of The Jammu & Kashmir Bank Limited can now avail the facility of submitting account transfer instructions through SPEED-e website.

Closure and Admission of DPs

Pursuant to the closure of DP operations by Sanmar Securities Trading Limited, its Participants'hip has been terminated and its DP Id IN300915 has been deleted from the Depository System.

Adroit Financial Services Private Limited has been made operational as a DP on May 12, 2003. It will conduct its depository operations from New Delhi. The DP Id allotted is IN302822.

Fourth DPM set-up of Canara Bank (Chennai DPM set-up) has been made operational on May 14, 2003. The DP Id allotted is IN302839.

Change in name of Dalmia Securities Limited to Dalmia Securities Private Limited

Consequent to the change in name of Dalmia Securities Limited (DP) to Dalmia Securities Private Limited, the Securities and Exchange Board of India has granted the certificate of registration as a DP to Dalmia Securities Private Limited. The DP Id of Dalmia Securities Private Limited is IN300222.

Winding up of Crystal Credit Corporation Limited by the Hon'ble High Court of New Delhi

It has been brought to the notice of NSDL that Crystal Credit Corporation Limited (CCCL) (ISIN - INE036C01012) has been ordered to be wound up by the Hon'ble High Court of New Delhi vide its order dated November 20, 2002 and subsequently, a Provisional Official Liquidator has been appointed. As on May 22, 2003, 164 dematerialisation requests for a total of 2,89,350 shares are pending.

NSDL vide its Circular No. NSDL/PI/2003/0837 dated May 22, 2003 has advised its DPs to take note of the above and inform the Clients suitably when clients approach DPs for dematerialisation requests pertaining to shares of CCCL.

**N
E
E
S
T

U
P
D
A
T
E**

* National Electronic Settlement and Transfer

Performance Summary

Investors :

Table 1

Month - Year	Client Accounts
	No. of Accounts (lakhs)
May-01	34.93
May-02	37.41
May-03	37.68

As on May 31, 2003, there are 37,68,012 Investor accounts from within the country and abroad. 3,567 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 May 31, 2003, 6,887 cr. securities having a value of Rs. 5,81,436 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.)
May-01	3,862	350,497
May-02	5,677	446,776
May-03	6,887	581,436

Settlement :

Table 3

Month - Year	Settlement Quantity (Cr.)	Settlement Value (Rs. Cr.)
May-01	66	7,665
May-02	141	13,238
May-03	162	13,013

In May 2003, a total quantity of 162 cr. shares having a value of Rs. 13,013 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 May 31, 2003, 4,854 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
May-01	2,981
May-02	4,324
May-03	4,854

DEBENTURES / BONDS

Table 4A

Month - Year	No. of Issuers	No. of active Instruments	Demat Value (Rs. Cr.)
Mar-03	499	6,425	192,670
Apr-03	509	6,434	197,609
May-03	517	6,649	203,773

As on May 31, 2003, 517 issuers have issued 9,989 debentures/bonds in demat form. 3,340 instruments have been redeemed and 6,649 instruments are available for dematerialisation. Table 4 A shows the growth over A period of last three months.



Demat-by-NSDL ... Towards a secure future!!!

COMMERCIAL PAPER

As on May 31, 2003, 322 issuers have issued 3,840 commercial papers in demat form. 3,381 instruments have been redeemed and 459 commercial papers are available for dematerialisation. Table 4 B shows the growth over a period of last three months.

Table 4B

Month - Year	No. of Issuers	No. of active Instruments
Mar-03	318	386
Apr-03	320	429
May-03	322	459

Depository Participants :

Table 5

Month - Year	No. of DPs
May-01	196
May-02	212
May-03	213

As on May 31, 2003, 213 Depository Participants are offering depository services. DP services are provided from 1719 locations across the length and breadth of the country. Table 5 shows the steady increase in the number of DPs.

Corporate Action Statistics

Sr. No.	Security Type	During May 2003		For the F.Y. 2003-2004 (upto May 2003)	
		No. of Allottees	No. of Securities	No. of Allottees	No. of Securities
1.	Equity Shares	47,924	144,270,416	127,345	288,894,428
2.	Preference Shares	7,551	17,366,871	7,554	318,937,116
3.	Bonds	9,750	14,191,125	10,531	43,844,820
4.	Commercial Papers	105	31,620	261	83,220
5.	Certificate of Deposits	44	17,617	129	84,757
6.	Pass Through Certificates	60	1,368	89	2,420
7.	Mutual Fund Units	320	2,011,497	1,479	15,278,400
8.	Government Securities	30	342,770	349	12,870,426
9.	Warants	—	—	—	—
	Grand Total	65,784	178,233,284	147,737	679,995,587



List of Companies That Have Changed Names

(During May 2003)

Sr. No.	Old Name	New Name
1.	AGK Computer Secure Prints Limited	Beckons Industries Limited.
2.	Amtrex Hitachi Appliances Limited	Hitachi Home & Life Solutions Limited
3.	Asea Brown Boveri	ABB Limited
4.	Brahm Ispat Limited	Bilpower Limited
5.	Bridgestone ACC India Limited	Bridgestone India Limited
6.	BSES Telecom Limited	BSES Infrastructure Limited
7.	Elf Lubricants India Limited	Totalfinaelf India Limited
8.	Escorts JCB Limited	JCB India Limited
9.	Fairyland Amusement and Waterparks Limited	Global Films & Broadcasting Limited
10.	Faze Three Exports Limited	Faze Three Limited
11.	Goplee Lease and Finance Limited	Goplee Infotech Limited
12.	Hittco Online Technologies Limited (formerly Hittco Drills Limited & Hittco Precision Tool Technologies Limited)	Hittco Tools Limited
13.	Hughes Tele.com (India) Limited (formerly known as Hughes Ispat Limited)	Tata Teleservices (Maharashtra) Limited
14.	Ispat Alloys Limited	Balasore Alloys Limited
15.	Kolar Information Technologies Limited	Kolar Biotech Limited
16.	KRS Financials Limited	Rajesh Projects & Finance Limited
17.	Munoth Investments Limited	Munoth Communication Limited
18.	Priyansh Saree Industries Limited	Optimates Textile Industries Limited
19.	REPL Engineering Limited	Heatshrink Technologies Limited
20.	Trident Infotech Corporation Limited	Tritech Corporation Limited
21.	Usha Beltron Limited	Usha Martin Limited
22.	Wyeth Lederle Limited	Wyeth Limited

Securities admitted for Dematerialisation during May 2003

COMPANY	ISIN
Alankit Life Care Limited	INE986F01011
Accel ICIM System Services Limited	INE020G01017
Accel Limited	INE021G01015
Ador Multiproducts Limited	INE628D01014
Alankit Insurance Services Limited	INE022G01013
Bulk Cement Corporation (India) Limited	INE023G01011
Cameo Corporate Services Limited	INE024G01019
Cosmos Syntex Private Limited	INE004G01011
Darjeeling Dooars Plantations (Tea) Limited	INE926F01017



Demat-by-NSDL ... Towards a secure future!!!

COMPANY	ISIN
Deccan Gold Mines Limited	INE945F01017
Deep Diamond India Limited	INE005G01018
Dintex Dyechem Limited	INE338D01010
Hanuman Agro Industries Limited	INE025G01016
Hero Briggs & Stratton Auto Private Limited	INE012G01014
International Power Corporation Limited	INE026G01014
Learning Universe Private Limited	INE027G01012
Madanapalle Spinning Mills Limited	INE006G01016
Mahasagar Travels Limited	INE007G01014
Plenty Valley Intra Limited	INE625E01018
Rajesh Projects (India) Pvt Ltd	INE028G01010
Shri Vijaya Gimpex Mining Private Limited	INE008G01012
ST-BSES Coal Washeries Limited	INE029G01018
SVUL Projects Limited	INE009G01010
The Scottish Assam (India) Ltd	INE010G01018
TK International Limited	INE030G01016
Transpek Finance Limited	INE031G01014
Varun Continental Limited	INE032G01012
Wonil Toys Private Limited	INE011G01016
Zurich Asset Management Company (I) Private Limited	INE725B01012

Topic of Interest

Frequently Asked Questions at Investor Depository Meets

Investors have switched over to electronic (demat) settlement of trades and NSDL stands at the centre stage of this change. NSDL therefore considers it necessary to create awareness about the depository processes and reassure the investors about the benefits and safety of the depository system through multiple channels of communication. Investor Depository Meets (IDMs) are an important communication channel used for this purpose. NSDL organises IDMs across the country in metros, mini-metros as also in small cities and towns. These programs are organized to receive account holders' feedback and spread awareness about the new facilities introduced by NSDL, the safety features and precautions to be taken by the account holders in the demat environment.

During the year 2002-2003, 84 IDMs were conducted at 84 different places in which 8,640 persons were present. In these meets, investors sought answers/ clarifications to a wide range of questions/ various issues. The most frequently asked questions (based on the experience of last six months) are listed below with the answers:

What is 'Transposition cum Demat' facility?

The Companies Act, 1956 permits joint holding of shares. When shares 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. However, the company will deal with the member whose name appears first among the joint holders for payment of dividend and delivery of documents/communication/notices. The joint holders are entitled to change the sequence of names by making a written request



to the company. This does not constitute a transfer. Changing the sequence of joint holders is called 'Transposition'. However, transposition is to be availed for entire holding in a folio and not allowed for part holding.

If the same set of joint holders held securities in different sequence of names, these joint holders were earlier required to open different depository accounts in NSDL depository system. NSDL has introduced 'Transposition cum Demat facility' to help joint holders, to dematerialise securities in the same account even though share certificates are in different sequence of names. For this purpose, Dematerialisation Request Form (DRF) and an additional form called Transposition Form (Annexure OA of NSDL Business Rules) should be submitted to the Depository Participant (DP).

Do I have to dematerialise securities, that I do not intend to sell?

The Depositories Act, 1996 has given the investors an option to hold securities in physical form or demat form. Hence, investors who do not intend to sell their securities may not dematerialise them. The investors will continue to receive corporate benefits like bonus, dividend, rights, etc. on the securities held in the physical form from the issuer/ registrar and shall have the same rights and responsibilities as those enjoyed by investors holding securities in demat form. In addition, shares upto 500 can be sold in physical form (without dematerialisation). However, check with your broker before selling since not many investors would buy physical shares.

Can I add or delete names of accountholders (second or third accountholder) after opening the account?

No. Names of the account holders in a depository account cannot be changed. If you want to add or delete the name(s) of the accountholder(s), you need to open a new account in the desired holding pattern (names) and transfer the securities to the newly opened account. The old account may then be closed. This is to ensure complete audit trail in the system.

How can I consolidate my holdings?

Some investors may have opened more than one demat account in different name combinations to dematerialise their holdings. They can consolidate their holdings by transferring securities to the account(s) that they would like to maintain in future and close the other demat accounts.

Why does NSDL not regulate DP charges?

The pricing structure adopted by NSDL is two-tiered. NSDL charges the DPs for different types of transactions. DPs charge the investors based on their own pricing structure. DPs have the freedom to devise their own price structure and NSDL does not control or impose any restrictions on the DPs in this regard. This helps in development of competition amongst the DPs and increases the efficiency of services provided by them to their accountholders. However, some of the principles prescribed by NSDL and incorporated as a part of the DP-Client agreement, that the DPs are required to follow are enumerated below:

1. Investors should be made aware of the DP's charges at the time of account opening and clearly mentioned at Schedule A to the DP-Client Agreement..
2. Any subsequent change made by a DP in its pricing structure should be notified to the accountholders at least 30 days in advance. (Clause 1 of Annexure B to the Bye Laws of NSDL)

To whom should I complain, if I don't receive my transaction statement periodically?

According to Clause 6 of the agreement between the DP and its account holder, the DP undertakes to provide a transaction statement to the account holder at monthly intervals. If there is no transaction in the account, then the DP shall provide such statement to the account holder atleast once a quarter.

In case the account holder does not receive transaction statements in accordance with the provisions mentioned above, then it should be brought to the notice of the DP or NSDL for resolution.

What is the procedure for nomination? Can the nominee be changed?

The nomination form duly filled-in should be submitted to the DP. The account holder, nominee and two witnesses must sign this form and the name, address and photograph of the nominee must be submitted. The nomination can be changed anytime by the account holder(s) by simply filling up the nomination form once again and submitting it to the DP.





Who will effect the transmission in case of the death of the account holder if securities are in demat form?

Transmission will be effected by the DP on submission of the requisite documents. There is no need to approach each issuer company in which the deceased held the securities.

Who will get the securities in the event of the death of the account holder if a nominee is registered with the DP?

If the account is held singly, the securities will be transmitted to the account of the nominee. If the account is held jointly, the securities will be transmitted to the account of the surviving holder(s).

Can joint holders nominate?

Yes. Nomination is permitted for accounts with joint holders. But, in case of death of any of the joint holder(s), the securities will be transmitted to the account of the surviving holder(s). Only in the event of death of all the joint holders, the securities will be transmitted to the account of the nominee.

What is the procedure for transmission if securities are held jointly?

The surviving holder(s) must have a depository account e.g. if the account is in the joint names of Mr. A, Mr. B & Mr. C and in the event of the death of Mr. B, the survivors Mr. A & Mr. C must have a joint account. The surviving holder(s) will submit the following documents to the DP:

- Transmission Form (Annexure O to the NSDL Business Rules); &
- Copy of the death certificate of the deceased duly notarised

After verifying the above documents and satisfying itself, the DP will transmit the securities to the surviving holder(s) account and will close the account of the deceased.

What is the procedure for pledging securities in NSDL?

The procedure for pledging in NSDL is explained below:

1. Pledgor and the pledgee must have a beneficial owner account in NSDL. These accounts can be with the same DP or with different DPs.
2. Pledgor will instruct its DP to create a pledge request by submitting a “Pledge Form” with a tick on “Create Pledge”.
3. Pledgor will inform the pledgee about the creation of pledge request by giving a copy of the pledge report obtained from its DP.
4. Pledgee may instruct its DP to confirm the creation of pledge by submitting a “Pledge Form” with a tick on “Confirm creation of Pledge”. The pledge gets created in favour of the pledgee only when the pledgee’s DP confirms the creation of pledge in the system.
5. Disbursement of the loan, etc., to the pledgor is outside the depository system.

How can an account holder change the address mentioned in its demat account maintained with the DP?

An account holder can change its address in the depository system by submitting a written request to its DP. Such a request should be signed by all the holders. Following documents should be submitted alongwith the application:

1. Latest transaction statement of the demat account received from the DP.
2. Proof of new address alongwith the original document of new address, for verification by the DP.

The account holder should visit the office of the DP in person to submit its application for change of address alongwith necessary documents and sign the application once again in the presence of the DP.

My DP advises me not to write execution date on DIS. Is it right to do so?

No. You should not submit delivery instruction slips (DIS) to your DP without mentioning the execution date. You are required to specify the date on which instruction should be executed by mentioning the execution date on the DIS. The execution date can be the same date on which the instruction is submitted or any future date, on which you want your account to be debited.



NSDL Calendar of Events

Investor Depository Meets

June 20, 2003	Aligarh	June 26, 2003	Warangal
June 20, 2003	Haridwar	June 27, 2003	Karimnagar
June 21, 2003	Dehradun	June 28, 2003	Nizamabad
June 21, 2003	Mathura		

Refresher Quality Improvement Programs

June 25, 2003	Hyderabad
---------------	-----------

NSDL offices

Head Office

Mumbai

Trade World, A wing,
4th & 5th Floors,
Kamala Mills Compound,
Lower Parel, Mumbai 400013.
Phone: 022-24972970 (7 lines)
Fax: 022-24972993; 24976351
Email: info@nsdl.co.in

Chennai

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

Kolkata

5th Floor, The Millenium
Flat No. 5W, 235/2A,
Acharya Jagdish Chandra Bose
Road (AJC Bose Road),
Kolkata - 700 020
Tel: (033) 22814661 / 22814662
Fax: (033) 2240 9783
Email: anshumanc@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: harpinders@nsdl.co.in

Branch Offices

Investor Relationship Cell

Officer-In-Charge,

National Securities Depository Ltd.

Trade World, A Wing, 5th floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai -400013
Phone: 022-24972964-70
Fax: 022-24976351
Email: relations@nsdl.co.in

NSDL Certification Program

Officer-In-Charge,

National Securities Depository Ltd.

Trade World, A Wing, 5th floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai -400013
Phone: 022-24980829/ 30
Fax: 022-24976351
Email: ncfm@nsdl.co.in

"Printed and Published by **Mr. V R Narasimhan** on behalf of **National Securities Depository Limited** and Printed at **Printography**, 28, Mumbai Samachar Marg, Raja Bahadur Building, 1st Floor, Fort, Mumbai - 400 023 and Published from National Securities Depository Limited, 5th Floor, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.
Editor: Mr. V R Narasimhan "