



Demat by NSDL

Towards a secure future

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October 2002

NSDL Conducts a Nationwide Advertisement Campaign to Enhance Investor Awareness

NSDL conducted a nation wide advertisement campaign in September 2002 to empower the investor with the necessary precautions to be taken while availing depository services and explain the various important facilities of the depository system. The Advertisement campaign was targeted to the investors in 248 districts of the country. The campaign included most of the leading financial dailies, English dailies and vernacular dailies.

RBI's Directive to NBFC's to Dematerialise Investments in Government Securities

RBI through its press release dated October 1, 2002 announced that non-banking financial companies (NBFC's) should necessarily hold their investments in Government Securities only in dematerialised form either in a constituent's Subsidiary General Ledger account (CSGL) with a scheduled commercial bank/Stock Holding Corporation of India Ltd. or with a depository. The NBFC's have been permitted as a special case, time up to October 31, 2002 to dematerialise the securities/ bonds held by them in the physical form.

* National Electronic Settlement and Transfer

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Performance Summary

Investors :

Table 1

Month - Year	Client Accounts
	No. of Accounts (lakhs)
Sep-00	29.62
Sep-01	36.04
Sep-02	38.10

As on September 30, 2002, there are 38,10,280 Investor accounts from within the country and abroad. Besides 3,540 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 September 30, 2002, 6,355 cr. securities having a value of Rs. 4,93,475 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.)
Sep-00	2,262	356,193
Sep-01	4,404	288,748
Sep-02	6,355	493,475

Settlement :

Table 3

Month - Year	Settlement Quantity (Cr.)	Settlement Value (Rs. Cr.)
Sep-00	68	21,579
Sep-01	54	6,820
Sep-02	71	7,404

In September 2002, a total quantity of 71 cr. shares having a value of Rs. 7,404 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 September 30, 2002, 4,547 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
Sep-00	1,637
Sep-01	3,506
Sep-02	4,547

DEBENTURES / BONDS

Table 4A

Month - Year	No. of Issuers	No. of active Instruments	Demat Value (Rs. Cr.)
Jul-02	369	4,577	1,26,803
Aug-02	409	4,865	1,39,023
Sep-02	422	5,151	1,48,260

As on September 30, 2002, 422 issuers have issued 6,549 debentures/bonds in demat form. 1,398 instruments have been redeemed and 5,151 instruments are available for dematerialisation. Table 4 A shows the growth over a period of last three months.

COMMERCIAL PAPER

As on September 30, 2002, 286 issuers have issued 2,810 commercial papers in demat form. 2,167 instruments have been redeemed and 643 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
Jul-02	275	608
Aug-02	280	637
Sep-02	286	643

Depository Participants :

Table 5

Month - Year	No. of DPs
Sep-00	151
Sep-01	204
Sep-02	213

As on September 30, 2002, 213 Depository Participants are offering depository services. DP services are provided from 1718 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 September 2002		For FY 2002-2003 (upto September, 2002)	
		No. of Allottees	No. of Securities	No. of Allottees	No. of Securities
1.	Equity Shares	156725	361978822	870807	3868637953
2.	Preference Shares	2	3500000	29	120630090
3.	Bonds & Debentures	918	110977392	62131	462789584
4.	Commercial Papers	148	48220	1078	377436
5.	Certificates of Deposit	45	7889	160	34971
6.	Pass Through Certificates	55	373	227	32344014
7.	Mutual Fund Units	37	433883	139	31363948
8.	Government Securities			724	599217
9.	Warrants			765	294259
		157930	476946579	936060	4517071472

List of Companies That Have Changed Names

(During September 2002)

Sr. No.	Old Name	New Name
1.	Vikas Laminator Limited	Galore Prints Industries Ltd.
2.	Adelphia Vision India Limited	Gslot Entertainment Ltd.
3.	Abbott Laboratories (India) Limited	Pharmacia Healthcare Ltd.
4.	Camson Technologies Limited (formerly Camson Agritech Limited)	Camson Bio Technologies Ltd.
5.	Ranklin Investments Limited	Ranklin Solutions Ltd.
6.	IDL Industries Limited (formerly Indian Detonators Limited and IDL Chemicals Limited)	Gulf Oil Corporation Ltd.

Equity shares admitted for Dematerialisation during September 2002

COMPANY	ISIN	COMPANY	ISIN
Ace (India) Limited	INE715F01014	Nubal India Limited	INE007F01016
Artson Engineering Limited	INE133D01015	Parichay Investments Limited	INE701F01014
Ashco Industries Limited	INE714F01017	Petrocon India Limited	INE722F01010
Caltex Gas India Pvt. Ltd	INE712F01011	PricewaterhouseCoopers Software Pvt Limited (Ordinary Equity Shares)	INE687F01015
Consolidated Securities Limited	INE718F01018	PricewaterhouseCoopers Software Pvt Limited (Special Equity Shares)	INE687F01023
Elite (India) Limited	INE377F01013	Rajkumar Engineering Pvt. Ltd	INE721F01012
Garnet Paper Mills Limited	INE216D01018	Rishabhdev Technocable Limited	INE685F01019
Globe Industrial Resources Limited	INE700F01016	RMS Automation Systems Limited	INE720F01014
Hardoli Paper Mills Limited	INE699F01010	Sarup Tanneries Limited	INE305D01019
Haryana Leather Chemicals Limited	INE681F01018	Shiv Aum Steels Private Limited	INE719F01016
Hindustan Copper Limited	INE531E01018	SpringFields Securities Limited	INE717F01010
Icope Technologies Private Limited	INE673F01015	Swaika Vanaspati Products Limited	INE677F01016
Indokem Limited	INE716F01012	Synergy Multibase Limited	INE678F01014
Jaiswal Pharmachem Limited	INE674F01013	Tessitura Monti India Pvt. Ltd	INE709F01017
Kovai Medical Center and Hospital Limited	INE177F01017	The Baroda Rayon Corporation Limited	INE461A01016
MH Mills & Industries Limited	INE698F01012	UB Beer Limited	INE686F01017
Mirch Technologies Limited	INE098E01018	Velvette International Pharma Products Limited	INE042F01013
Nandi Economic Corridor Enterprises Limited	INE675F01010	Videocon Exports Private Ltd	INE713F01019
Nandi Infrastructure Corridor Enterprises Limited	INE676F01018		

Topic of Interest

Growth & Spread of Depository Accounts

The number of demat accounts have been increasing ever since NSDL was set up. As on August 31, 2002, NSDL had a total of 38,02,475 active investor accounts. There has been an increase of 7,32,869 accounts since August, 2001. 5,16,237 accounts were closed during the period resulting in a net increase of 2,16,632 accounts.

The table given below shows the progress in the demat accounts in the last three years:

As on	Total Accounts	Active Accounts
August, 2000	30,22,849	28,49,389
August, 2001	40,94,239	35,85,843
August, 2002	48,27,108	38,02,475

Distribution of Accounts Across The Country

NSDL has carried out a pin code analysis of the demat accounts opened from different parts of the country*. Some of the important observations are given below:

- The demat accounts have been opened with addresses covering 56% of the total pin codes in the country. There has been an increase of 3% in the nation wide spread of Pin Codes having the demat accounts, from 53% to 56% since August, 2001.
- New accounts were opened from addresses with 794 new pin codes between August, 2001 and August, 2002.
- Account holders are distributed across the length and breadth of the country. The table given below shows zone wise coverage of the pin codes :

Zone	Pin Codes Covered (%) as on Aug-02	Pin Codes Covered (%) as on Aug-01
East	51	48
North	48	44
South	62	59
West	61	58
Total	56	53

* Only accounts with valid PIN number have been considered

As indicated above, the percentage spread of Pin Codes having the demat account is highest in the South Zone followed by West Zone, East Zone and North Zone.

- In terms of absolute accounts, the maximum number of accounts are opened in the West Zone (21.77 lac) followed by South Zone (8.83 lac), North Zone (8.50 lac) and East Zone (4.40 lac).
- Maharashtra with 13.24 lac accounts leads in terms of accounts opened in a state followed by Gujarat with 7.52 lac accounts.
- There has been a significant growth in demat accounts in some of the states. The table given below indicates the states which have shown much higher growth than the country average of 6.62%.


State	Accounts as on Aug-02	Accounts as on Aug-01	Growth in the last one year (%)
Jammu & Kashmir	6076	2637	130.41
Himachal Pradesh	3256	2564	26.99
Punjab	47005	38343	22.59
Assam	7102	5677	25.10
Haryana	43063	35802	20.28
Orissa	13754	11598	18.59

- Following states have higher Pin Code coverage of accounts as compared to the average of 56% for the entire country : Kerala (91%), West Bengal (74.6%), Gujarat (71.3%), Punjab (72.8%), Karnataka (65%), Haryana (64.9%) and Maharashtra (58.3%).



The above analysis reflects the growth trend in number of depository accounts and reach of the depository system in various parts of the country.

Things you should know about your Demat Account

Precautions you should take

- Deface your share certificates by writing "Surrendered for Dematerialisation" before submitting them to your DP for dematerialisation.
- Keep the Delivery Instructions book (DI book) safely just like a cheque book. 
- Accept the DI book from the DP only if it has a pre-printed serial number and your account number (Client ID) is stamped on each slip like in a cheque book.
- When writing an instruction on the DI slip, strike-out the empty space.
- Do not sign on the DI slip until it is completely filled-up.
- You are entitled to receive a Transaction Statement every 15 days if you have done any transaction(s) and once a quarter,

if you have done no transaction.

- Insist on a Transaction Statement and not a holding statement. A Transaction Statement will show an opening balance, debit/credit and closing balance for each different share/ debenture held by you. 
- Verify whether all debits were authorised by you and all credits belong to you. If you find any unauthorised debits or credits in your account, report the matter to your DP. In case you are not satisfied, complain to NSDL.
- If your DP offers the internet facility to check your account, check it frequently. Change your login password at regular intervals. 

Services you should receive



Future Dated Instruction

A facility to submit delivery instructions to your DP today with an instruction to debit your account on a 'future date'. This helps in giving advance instructions and keeping securities with you until the day they are due to be delivered.



Automatic Credit

If your original holding is in demat form, then bonus shares, shares under scheme of split, amalgamation, etc., will be credited to your account automatically.



Transaction Statement

It shows the opening balance, securities pending for demat, transfers made by you, credits received by you, quantity pledged or lent by you and the closing balance for each security with appropriate description.



Pledge Facility

A facility to get a loan against shares in your demat account by pledging the shares (for example, in favour of a bank).



Transposition cum Demat

Shares in the name of husband and wife (for example) can be dematerialised in the account held in the name of wife and husband.



Nomination

An individual account holder can nominate one person per demat account. Register nomination for your account with your DP.



Update of changes

NSDL electronically sends changes in your address or bank account details to all the companies in which you hold shares in demat form once you furnish the details of the changes to your DP. You need not communicate such changes to all companies individually.



Transmission

Your DP will effect transmission of securities upon receiving the application in case of death of the account holder.



SPEED-e

A facility to submit delivery instructions through the internet. Contact your DP or visit the NSDL website: www.nsd.co.in

For any kind of clarifications, complaints or suggestions, contact



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NSDL Calendar of Events

Investor Depository Meets

October 10, 2002	Thrissur	October 26, 2002	Baroda
October 11, 2002	Alappuzha	November 15, 2002	Aurangabad
October 12, 2002	Kochi	November 16, 2002	Solapur
October 24, 2002	Valsad	November 22, 2002	Bhavnagar
October 25, 2002	Bharuch	November 23, 2002	Junagadh

Business Partner Training

October 8-10, 2002	DP Training	October 19, 2002	Compliance Training
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NSDL offices

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Branch Offices

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NSDL Certification Program

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