



Demat by NSDL

Towards a secure future

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39,96,677
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Rs. 7,47,313 Cr.
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Rs. 23,662 Cr.
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*For
private circulation only*

September 2003

Globe Capital Market Limited joins SPEED-e

Globe Capital Market Limited (Globe Capital), Depository Participant (DP) has subscribed to the SPEED-e facility of NSDL. Clients of Globe Capital can now avail the facility of submitting account transfer instructions through SPEED-e website.

UTI-Mastershare To Be Made Open-Ended

UTI Asset Management Company Pvt. Ltd. (UTIAMC) vide its letter no. UT/74/OPR-65/2002-2003 dated August 8, 2003 has intimated to NSDL that UTI-Mastershare will be made open-ended with effect from September 12, 2003.

This has been communicated to the DPs vide NSDL Circular No. NSDL/PI/2003/1306 dated August 18, 2003.

Lock-out at AXC Computers Private Limited

AXC Computers Private Limited (AXC), a Registrar and Transfer Agent (RTA), has intimated to NSDL about declaration of lock-out and suspension of work. AXC has also requested DPs not to generate any dematerialisation/rematerialisation request for all its client companies as well as not to send any documents to AXC till such time alternate arrangements are made by its client companies.

This has been communicated to the DPs vide NSDL Circular No. NSDL/PI/2003/1322 dated August 20, 2003.

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* National Electronic Settlement and Transfer

Performance Summary

Investors :

Table 1

Month - Year	Client Accounts
	No. of Accounts (lakhs)
Aug-01	35.86
Aug-02	38.02
Aug-03	39.96

As on August 31, 2003, there are 39,96,677 Investor accounts from within the country and abroad. 2,299 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 August 31, 2003, 7,199 cr. securities having a value of Rs. 7,47,313 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.)
Aug-01	4,284	326,104
Aug-02	6,169	493,098
Aug-03	7,199	747,313

Settlement :

Table 3

Month - Year	Settlement Quantity (Cr.)	Settlement Value (Rs. Cr.)
Aug-01	52	6,014
Aug-02	86	7,717
Aug-03	328	23,662

In August 2003, a total quantity of 328 cr. shares having a value of Rs. 23,662 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 August 31, 2003, 4,937 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
Aug-01	3,425
Aug-02	4,500
Aug-03	4,937

DEBENTURES / BONDS

Table 4A

Month - Year	No. of Issuers	No. of active Instruments	Demat Value (Rs. Cr.)
Jun-03	522	6,757	214,488
Jul-03	525	6,865	219,430
Aug-03	532	6,988	221,275

As on August 31, 2003, 532 issuers have issued 11,032 debentures/bonds in demat form. 4,044 instruments have been redeemed and 6,988 instruments are available for dematerialisation. Table 4 A shows the growth over a period of last three months.

COMMERCIAL PAPER

As on August 31, 2003, 327 issuers have issued 4,166 commercial papers in demat form. 3,718 instruments have been redeemed and 448 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
Jun-03	323	465
Jul-03	324	457
Aug-03	327	448

Depository Participants :

Table 5

Month - Year	No. of DPs
Aug-01	204
Aug-02	213
Aug-03	212

As on August 31, 2003, 212 Depository Participants are offering depository services. DP services are provided from 1718 locations across the length and breadth of the country.



Corporate Action Statistics

Sr. No.	Description	During August 2003		For the F.Y. 2003-2004 (upto August 31, 2003)	
		No. of Allottees	No. of Securities	No. of Allottees	No. of Securities
1.	Equity Shares	27,466	130,944,336	449,061	1,553,373,298
2.	Preference Shares	7	15,003,516	20,027	506,261,283
3.	Bonds	710	10,969,101	268,827	1,251,463,980
4.	Commercial Papers	100	31,900	575	195,000
5.	Certificate of Deposits	52	57,663	292	248,801
6.	Pass Through Certificates	40	14,678,981	221	14,682,902
7.	Mutual Fund Units	224	61,456	2,448	53,558,695
8.	Government Securities	—	—	356	12,931,826
9.	Warants	—	—	—	—
	Total	28,599	171,746,953	741,807	3,392,715,785

List of Companies That Have Changed Names

(During August 2003)

Sr. No.	Old Name	New Name
1.	Ajcon Capital Markets Limited	Ajcon Global Services Limited
2.	Eternit Everest Limited	Everest Industries Ltd
3.	JBM Tools Limited	Automotive Stampings & Assemblies Limited
4.	Sahara India Media Communication Limited	Sahara India Mass Communication Limited
5.	Surana Financial Corporation (India) Limited [formerly SUS Financiers (India) Limited]	Surana Corporation Limited
6.	Tata Engineering & Locomotive Company Limited	Tata Motors Limited
7.	Vasparr Containeurs Limited	Yashraj Containeurs Limited

Securities admitted for Dematerialisation during August 2003

COMPANY	ISIN
Apollo Gleneagles Hospital Limited	INE123G01019
Asset Reconstruction Company (India) Limited	INE148G01016
Charishma Engineering Limited	INE149G01014
Creole Holdings Co Limited	INE124G01017
East West Hotels Limited	INE600E01011
Golden Palms (India) Limited	INE136G01011
HLS Asia Limited	INE141G01011
KLK Electrical Industries Limited	INE125G01014
Lux Hosiery Industries Limited	INE150G01012
Manor Floatel Limited	INE126G01012
Mittal Securities Finance Limited	INE099G01011
National Commodity & Derivatives Exchange Limited	INE127G01010
Quintant Services Limited	INE140G01013
Shaily Engineering Plastics Limited	INE151G01010
Sify Limited	INE152G01018
Skypak Service Specialists Limited	INE539D01013
Tirupati Foam Limited	INE115G01015
Vardhan Capital & Finance Limited	INE128G01018
Vysali Pharmaceuticals Limited	INE153G01016

Topic of Interest

Importance of Transaction Statement

In the NSDL depository system, the transfers & holdings of accountholders are reflected in the demat accounts as accounting entries. The transactions are reflected in their demat account as credits and debits.

The Transaction Statement gives a detailed description of changes that have taken place in the account during the period covered by the statement. An accountholder should receive Transaction Statement from its Depository Participant (DP) every month. However, if there is no transaction in an account, then the Transaction Statement has to be given by the DP on a quarterly basis in the format given at the end of this article. Contents of Transaction Statement are described below:

Transaction Statement - Content

- **Period** – The Transaction Statement contains the debits & credits for a specified period. If the statements are preserved for consecutive periods in chronological order, it will serve as the complete record of the account of a client/investor.
- **Category** – This is shown as ‘Non-House’ for any client/investor. The account category is categorised as ‘House’ for the accounts belonging to the DP.
- **Status** – The status of the account is normally shown as ‘Active’. If the account is frozen by the accountholder, the status will be reflected as ‘Suspended for Debit’ or ‘Suspended for All’, as the case may be. Any change of status can be monitored by reviewing changes in ‘Status’ printed in the next Transaction Statement.
- **Address Change:** The address given by the accountholder for its demat account is printed on the Transaction Statement. Any change in the address can be verified with the address printed in the Transaction Statement.

- **ISIN Information:** In the depository system, securities of different companies are identified by a unique 12 digit code called the ISIN number. The Transaction Statement shows the ISIN for each of securities held in the account. This ISIN is required for filling in the delivery instruction slip.
- **Booking Date & Transaction Number:** Booking date is the date on which a transaction is booked in the account by the depository system. Events like submitting certificates for dematerialisation, confirmation of dematerialisation requests, transferring securities out of the account, receiving securities into the account, pledging, closing/ invocation of pledge, etc. are considered as a transaction in the depository system. Each such transaction is identified with a booking date and a transaction number.
- **Details of Demat pendency:** Transaction Statement helps clients to keep a track of the securities sent for dematerialisation. On initiation of a demat request, it is reflected in the Transaction Statement as 'By Dematerialisation Request' and is shown under the head 'Pending Demat Request'. Upon confirmation of demat request by Issuer/ R&T Agent, the quantity is deducted from 'Pending for demat' balance and is shown as "By Dematerialisation Request Confirmation" under 'free balance'.
- **Opening & Closing Balance:** The Transaction Statement shows the opening balance, as on the start date of the period mentioned in the Transaction Statement and closing balance as on the end date of the period.
- **Corporate Actions:** Generally, companies inform the accountholders (shareholders) about impending non-cash corporate actions like issue of Bonus, Share Split/ Consolidation, etc. Accountholders can verify whether corresponding debits/ credits effected is as per the intimation given by the companies. The following items may be verified in this context:
 - a) Date of transaction
 - b) Quantity of credit/ debit as per the ratio intimated by the company
- **Verification of Debits & Credits:** Accountholders may check every debit reflected in the Transaction Statement with counterfoil/ acknowledgment copy of the Delivery Instruction Slip issued by him. Any debit in the account by way of transfer without the authorisation of the client should be brought to the notice of NSDL. Similarly, accountholder may check the credit of securities in the account. He should satisfy himself that only expected credits are coming into the account. Any unexpected credit creeping into the account should be brought to the notice of DP.
- **Settlement Information:** Transaction Statement indicates the settlement number and market type under which the securities are debited from or credited to the demat account.
- **Pledge:** Upon initiation of pledge, securities are debited from the free balance and credited to the pledge account. This is shown as a separate entry in the Transaction Statement as "By Pledge request Pending Confirmation", till the time pledge request is confirmed by Pledgee. Upon confirmation of pledge request, the securities are pledged in favour of Pledgee and the status changes to "By Pledge request" in the Transaction Statement. All the transactions are shown in the Transaction Statement alongwith the date of creation of pledge and the details of Pledgee. If the pledge is closed, the closed quantity is deducted from pledged balance and added to free balance. If pledge is invoked by Pledgee, securities will be debited from Pledgor's account and transferred to the Pledgee's account.
- **Account Freezing:** If an accountholder does not intend to operate his account for some time, he may freeze the entire account, a particular ISIN or specific number of securities of an ISIN. An account level Freeze is shown in 'Status' as explained above. In case a particular ISIN is frozen for debit, the ISIN level freeze is shown after the ISIN Description in the Transaction Statement. Quantity level freeze is shown as a separate entry alongwith other debits/credits in the Transaction Statement. Whenever an accountholder wants to remove the freeze, he can give un-freeze instruction to its DP.

Transaction Statement v/s Holding Statement

Accountholders should insist on getting a Transaction Statement from the DP. Even if there is no activity in the account, the transaction statement will carry a message that there were no transactions recorded for the given period and show the closing balance. A Holding Statement will merely show the balance as on a given day.

Review of Transaction Statement

Only the accountholder can vouch for authenticity of entries in its account. Therefore, an accountholder should review the Transaction Statement as soon as he receives the same.

As a measure of an additional check, NSDL generates a Holding Statement from its own records for a few accountholders, selected on a random basis. This Holding Statement is generated on a monthly basis and sent directly to accountholders. If an



accountholder receives a statement from NSDL, he should verify the same with the Transaction Statement provided by the DP. Discrepancy, if any, may be brought to the notice of the DP or NSDL.

A format of the Transaction Statement is shown below:

TRANSACTION STATEMENT					
National Securities Depository Limited					
DP Name (DP Id:)					
DP Address					
<u>Selection Criteria:</u>		Transactions From Date: 1-Jul-2003		To Date: 31-Jul-2003	
Client Id		Category	Status		
Name					
Address					
Pin Code					
Bkg. Date	Trans. No.	Description	Credit	Debit	Balance
ISIN		ISIN 1			
Beneficiary				Opening Balance	100.000
10-Jul-2003	56	By Dematerialisation	100.000		200.000
11-Jul-2003	12058	To DP 3 / 10000010		50.000	150.000
15-Jul-2003	14789	By DP 1/ 10000025	20.000		170.000
25-Jul-2003	4454	To Freeze		100.000	70.000
27-Jul-2003	5874	To Pledge DP 4/ 10000080		50.000	20.000
				Closing Balance	20.000
Beneficiary - Blocked (Account Freezing)				Closing Balance	100.000
Pledge				Closing Balance	50.000
Pledge				Opening Balance	0.000
27-Jul-2003	5874	By Pledge Request	50.000		50.000
				Closing Balance	50.000
Pending Demat				Opening Balance	0.000
5-Jul-2003	56	By Dematerialisation Request	100.000		100.000
10-Jul-2003	56	To Dematerialisation Request Confn.		100.000	0.000
				Closing Balance	0.000
No transaction recorded for the following ISINs during the given period and the Closing Balances as of 31/7/2003 are as under:					
ISIN2		ISIN 2			
Beneficiary				Closing Balance :	100.000
Pledge				Closing Balance :	500.000
Pending Demat				Closing Balance :	700.000
Depository Participant's Seal & Initials					
*** End of Report ***					



NSDL Calendar of Events

Investor Depository Meets

September 20, 2003	Dombivli	September 26, 2003	Gondal
September 25, 2003	Veraval	September 27, 2003	Rajkot

Business Partner Training

September 23 - 24, 2003	Share Registrar Training
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NSDL Certification Program

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