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Central Depository Services (India) Limited – An Overview

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Central Depository Services (India) Limited (CDSL) is the second Indian securities depository institutions. It is a Market Infrastructure Institution (MII) and act as intermediary between exchange, clearinghouses, Depository participants (DPs), issuers and investors. CDSL, primary promoter is Bombay Stock Exchange limited. Beside BSE, The shares of CDSL, are hold by the State Bank of India, Bank of Baroda, Axis Bank, HDFC Bank, Union Bank of India and Slandered Chartered Bank. CDSL was incorporated on December 12, 1997 as public Limited company at Mumbai, Ministry of Corporate Affairs provided certificate of commencement of business to CDSL on December 19, 1997 Securities and Exchange Board of India (SEBI) Issued certificate of registration on August 19, 1998 as initially registered under the Depositories Regulation and subsequently obtained its certificate of Commencenment of business as a depository under Depositories Regulations on February 8, 1999. CDSL Started Operation on July 15, 1999 which was flagged by at present Finance Minister of India Shri Yashwant Sinha, with the objective of providing convenient dependable and secure depository service at affordable cost to all market participant. It perform function under market regulatory SEBI provisions. CDSL hold shares, debentures, mutual fund etc. in the electronic from and enables securities transactions to be processed by book entry, The first settlement of trade in demat mode through BOI Shareholding Limited the Clearing house of Bombay Stock Exchange Started in July 1999.

The Functions of CDSL are offer to investors through its Depository participants (DP's):

: It provide Demat account facilities.
: Its provide rematerialization of electronic securities.
: It done rematerialization of electronic securities.
: It provide processing delivery and receipt instructions.
: It provide pledging of securities (like shares and bonds).
: Facilitating change in address or bank account details linked with the demate account.

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CDSL provides its services through Depository participants (DPs). A DP is an agent of the Depository who act as an intermediary between the investors and depository. Public financial institution, Banks including Foreign Banks, State Financial Corporation, An Institution engaged in providing financial service promoted by public financial institution or Banks or SFC mentioned Jointly and Severally, Custodian of Securities, Clearing Corporation or Clearing House of a Stock Exchange, Stock Broker, Non Banking Financial Company and Registrar & Transfer Agents are Become a Depository Participants in term of The Depositories Act, 1996 and Securities and Exchange Board of India (SEBI) (Depositories & Participants) Regulations, 1996. DPs gives service throughout India to help the investors in handling the digitalized form of securities, Investors that are using the depository service is known as the Beneficial Owner (BO) and they are required to maintain a Demat account to use the functions of CDSL. As on 31, Oct 2022, number of Depository Participants are 581 and number of branches 212 which is live connected and 107 cities/towns and also 317 locations are live connected with 592762 million number of securities which values (INR in million) 3,95,44,166.

Issuer is a part of CDSL, Companies/Corporates which issue any type of security is called Issuer in the depository system. The issuer, Issue or allot securities in form of electronic are admitted into the CDSL system for dematerialisation only, Securities like shares, debentures bonds, commercial paper, certificate of deposits, government securities and mutual fund units both listed and unlisted securities can be admitted into the CDSL system. CDSL works as central accounting and record keep in office for issuer companies. When issuer setup an electronic connectivity with CDSL directly or through a registrar and transfer agent (RTA), who already connected with CDSL can take admission of securities into CDSL system. SEBI had issued a circular on dated 27 Dec-2002 as advised issuer that company should be maintained a single point for share registry related work in term of both physical and electronic i.e. either in house by company or by a SEBI registered R &T Agent. CDSL also provide issuers up-to the-moment details of holidays of the security and back up facility as ‘Disaster Recovery Site.’

Investor are a part of CDSL. The invest acts sale and purchase of securities markets, As on 31 Oct-2022 the number of investor accounts (excluding closed accounts) are 7,62,45,281 and securities available for demat 54504 (including 18558 equity, 22551 debt instrument (including debentures, bonds Government securities, certificate of deposits, commercial paper, pass through certificates and others) and 13395 mutual fund units). The investors who wants to enter in CDSL that first open Demat Account with Depository participant (DP) which they like, CDSL has a host of top-notch DP’s spread across the lenth and breath of the country. All investors are requested to take note that present for KYC i.c. Name, PAN, Address, Mobile Number, Email id and Income Range to DP’s. Investors availing custorian

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services will be additionally required to update the custodian details.
Registrar and Transfer Agents (RTA) is also a part of CDSL. Companies who wish to admit their securities into depository system should obtain electronic connectivity to RTA or with CDSL, RTA'S connected on-line with CDSL's Centralised database architecture syste. RTA's not incure high recurring costs in terms of maintaining back-ups and related data storage. RTAs also provide to companies with a to-the-minute status of the holding of their shareholders. Thus all leading RTAs are connected to CDSL and providing services to companies in the country, A company can also obtain direct in-house connectivity with CDSL as similar procedure and cost of RTA.

CDSL provides many services like Easi, Easiets, SMART, e. voting, M-Voting, Myeasi Mobil App and e-Locker for developed Indian Capital Market. In 2002 the CDSL launched its internet facility "easi" (electronic access to securities information) and commenced online inter-depository transfer in same year. On-Line Transfer of securities, between both depositories any time during the specified business hours through "easi". Its also provide facility to BOs for monitoring their CDSL demat account at a place and time of their choosing. In 2004 the company launched its internet facility "easiest" (electronic access to securities information & execution of secured transaction) an internet based facility, allow BOs to submit debit instructions through the internet. In 2007, CDSL launched its SMS alert facility called "SMART" (SMS Alert related to transactions). The beneficial owners (BOs) registered for this facility to receive SMS alert in case of any debits or credits to corporate actions. In 2009 at present Minister for Corporate Affairs of India Mr. Salman Khurshed Launched CDSL's e-voting Platform. It is an internet based system through wich shareholder can login and register their votes on company resolutions. The system process and records votes automatically and providing faster voting results. M-Voting lunched by CDSL in 2016. It is a mobile application for e-voting. The mobile app can be downloaded by shareholders on their android and ios based mobile. devices and east their vote at their convenience Myeasy Mobily App is designed with adoptive technology such that its fits in all smartphones/tab screen size. It is provide facility for easi or easiest registerd BOs, The investors can use their easi/easiest login for this app CDSL's myeasi app can be downloaded by android and ios base mobile devices. This app also provide facility to easi/easiest holder to view their holding details, transaction detiails and execute transaction : intrusted made. In 2016 CDSL announce the launch of its e-locker facility for investor for storing of personal information and important financial and non-financial document this facility will be provide to registered easi/easiest investor free of cost. The users can upload, download, view and store both financial and non-financial information/documents through the easi/easiest login id. e-locker also provides alerts through SMS and email about maturity date, premium due date, bill payments is, renewal etc. Thus, faciliting an any time-anywhere case of access to documents through internet.

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Regulatory landscape provides a comprehensive suite of information on the due diligence regulations applied to our service, operational set-up processes and procedures. There are D&P Regulations and Bye-laws for supporting transparency in the in the financial sector. Computing and communication technology very fast developed in recent years and it effected to society. The financial services industry has been in the forefront of adopting technology earlier; than other industries. So CDSL has deployed its core depository system based on a centralised architecture due to which data is available to user instantanecesly and is current. It has sourced software solution from the world's leading software solution provider. CDSL has deployed state-of-the-art server hardware, enterprise flash storages and highly resilient network infrastructure. CDSL has in place a robust system with multiple back-up levels from the business angle a Disaster Recovery Site (DRS) There are World class information security and cyber security. CDSL is committed to ensure an Business Continuity Management System (BCMS) as a mechanism to restore and delivery seamless services at an acceptable level, in the event of any disruption.

Thus, it find out that CDSL is providing facility to investors to hold securities in electronic formate. It has extended himself by open many subsidiary company, who helps CDSL market growth. Depository Participants helps to investors in handling to digitalized form of securities through Demat Acount. The investors become free to beep securities in physical format. CDSL upgraded services for investors as online and mobile app. The investors can do transaction at his convenience place through downloaded app. So popularity of CDSL increased in security markets. The number of investors continuously increased that is indication of Indian Capital Market development.

[Source : website of :]

: Wap.business.standared.com
: edelweiss.in/investology.com
: cdslindia.com
: grow.com
: chittorgarh.com
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