Central Depository Services (India) Limited

CDSL/CS/ANP/2020/81 20.05.2020

The Manager,
Listing Compliance Department,
National Stock Exchange of India Ltd,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

Sub: Investor Presentation for the FY ended 31.03.2020

Re: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Madam/ Sir,

Please find enclosed Investor Presentation for the FY ended 31.03.2020.

The above information may also be available on the website of the company: www.cdslindia.com

This is for your information and record.

Yours faithfully,
For **Central Depository Services (India) Limited**

Sd/-
Amita Paunikar
VP-Legal & Company Secretary

Regd. Office : Marathon Futurex, A Wing, 25th Floor,
Mafatlal Mills Compound, N M Joshi Marg, Lower Parel (E), Mumbai - 400 013.
Phone: 91-22-2302 3333 • Fax: 91-22-2300 2036 • CIN: L67120MH1997PLC112443
Website: www.cdslindia.com

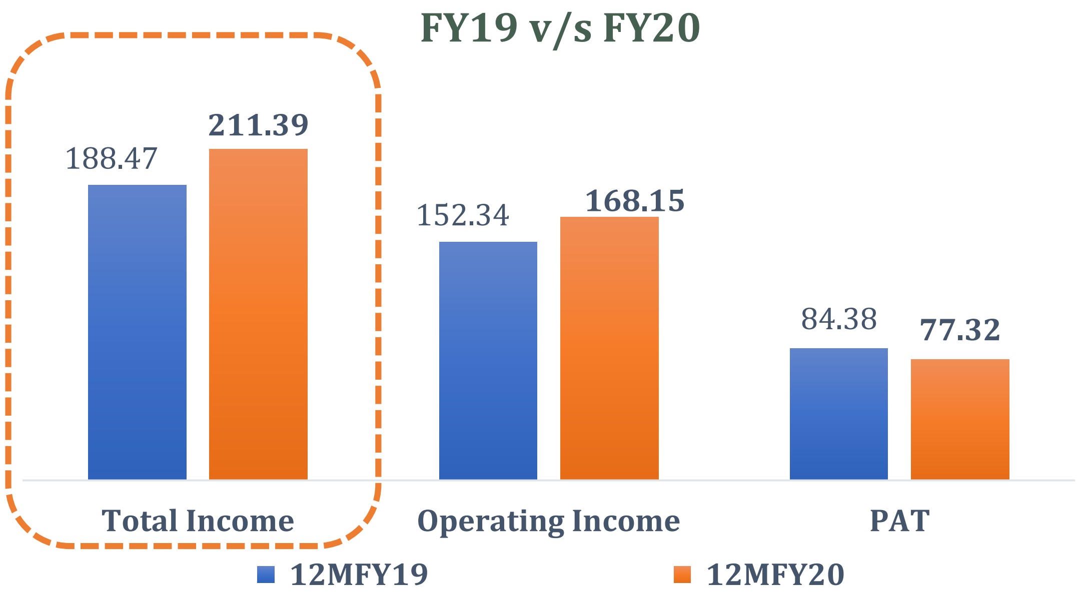
Investor Presentation

May 2020

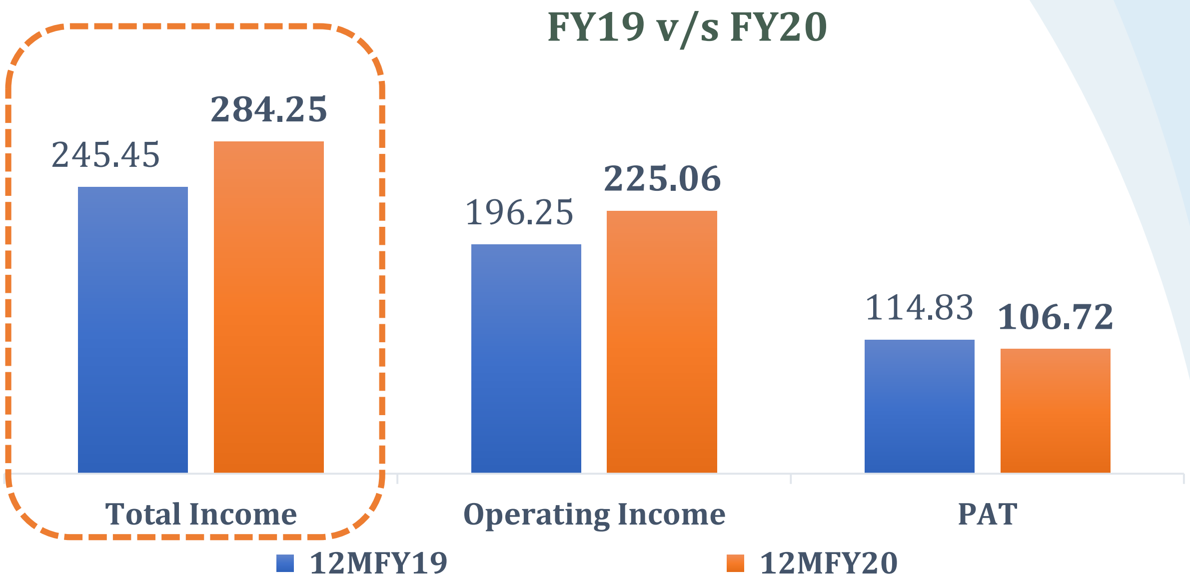
Table of Contents

Key Financial Highlights

Standalone financial statements



Consolidated financial statements



Particulars	Mar'19	Mar'20
Net Profit Margin	45%	37%
Net-worth (₹ In Crore)	543	570
Book Value	51.92	54.51
Earning Per Share	8.07	7.40
Return on Equity	16	14
Return on Equity adjusted *	16	16

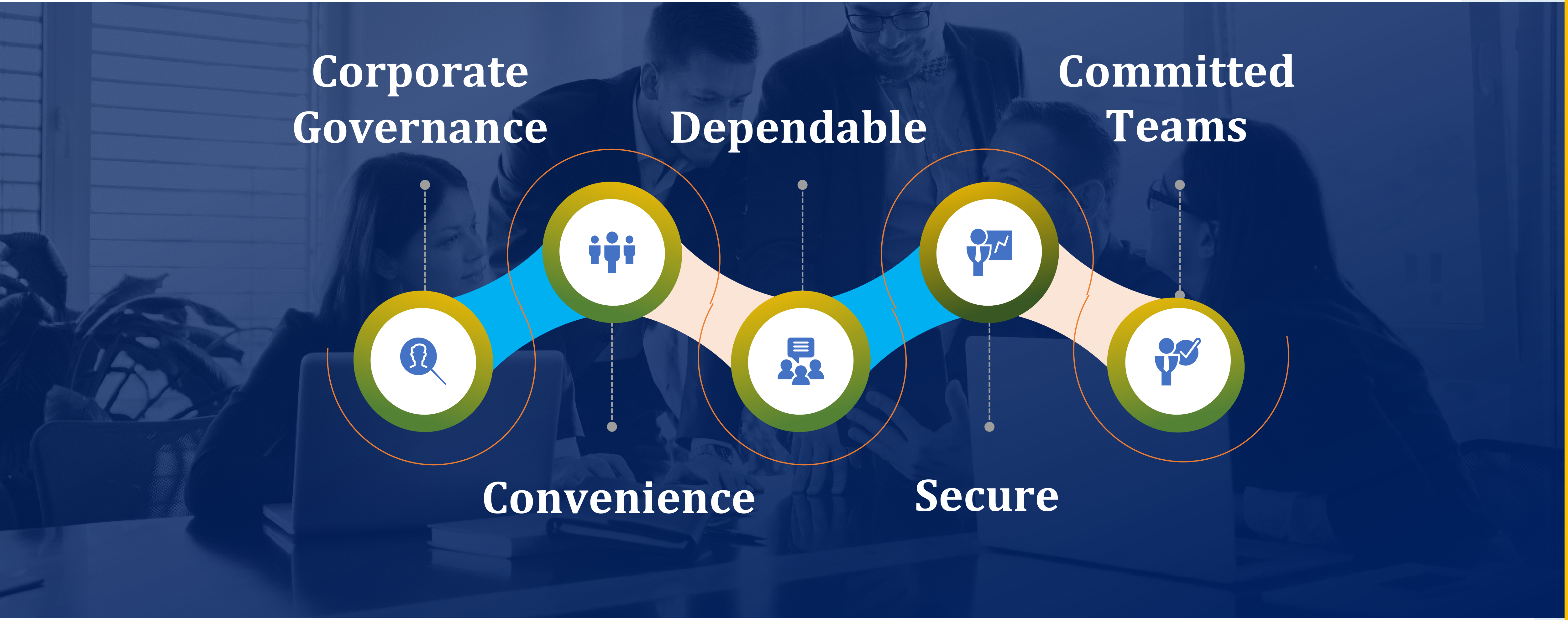
Particulars	Mar'19	Mar'20
Net Profit Margin	46%	37% *
Net-worth (₹ In Crore)	668	724 *
Earning Per Share	10.86	10.16
Book Value (₹)	63.94	69.28 *
Return on Equity	17	15
Return on Equity adjusted *	17	17

** - pertaining to legacy issues of previous years' for service tax, CSR, old legal case*

As on March 31, 2020

Our Company

Our Values


Corporate Governance
Dependable
Committed Teams
Convenience
Secure

Evolution of the Capital Markets in India

CDSL

1875
BSE is established

1988
SEBI established by Central Govt. as the securities market regulator

1992
- SEBI Act enacted giving statutory powers to SEBI
- NSE is established

1995
BSE switched to electronic trading system developed by CMC

1996
- SEBI notified Depositories and Participants Regulations (DP Regulations)
- Enactment of Depositories Act (DP Act)
- NSDL launched operations

1999
CDSL launched operations

2001 - 2003
T+5 rolling cycle from July 2001 and T+3 in April 2002 and further to T+2 in April 2003

2006- 2011
CDSL floated separate subsidiaries
- CVL - Record keeping of KYC
- CIRL - Dematerialization of Insurance policies

2017
CDSL floated CCRL for issuance of warehouse receipts in electronic form (eNWR)

2020
CDSL initiates operations in IFSC

Milestones

CDSL

1999

Commencement of Business

2002-2004

Launch of *"eASI"* & *"eASIEST"*

2012

Mr. U. K. Sinha, SEBI Chairman launched CDSL Ventures KRA, India's first and largest KYC Registration agency ("KRA")

2017

Became the First Listed depository in Asia Pacific Region

2020

Inauguration of the first and only depository (a branch of CDSL) in IFSC, GIFT City

About CDSL

As a securities depository, CDSL facilitates holding of securities in electronic form and enable securities transactions (including off-market transfer and pledge) to be processed by book entry

Initially promoted by the BSE which subsequently divested a part of its stake to leading Indian banks

Has connectivity with clearing corporations of all the leading Indian stock exchanges including the Bombay Stock Exchange ("BSE") , National Stock Exchange ("NSE") and Metropolitan Stock Exchange of India Limited (MSEI)

CDSL was set up with the objective of providing convenient, dependable and secure depository services at affordable cost to all market participants

CDSL has deployed state-of-the-art server hardware, enterprise flash storages and highly resilient network infrastructure. Centralised database architecture thereby reducing risk and cost to the Depository Participant

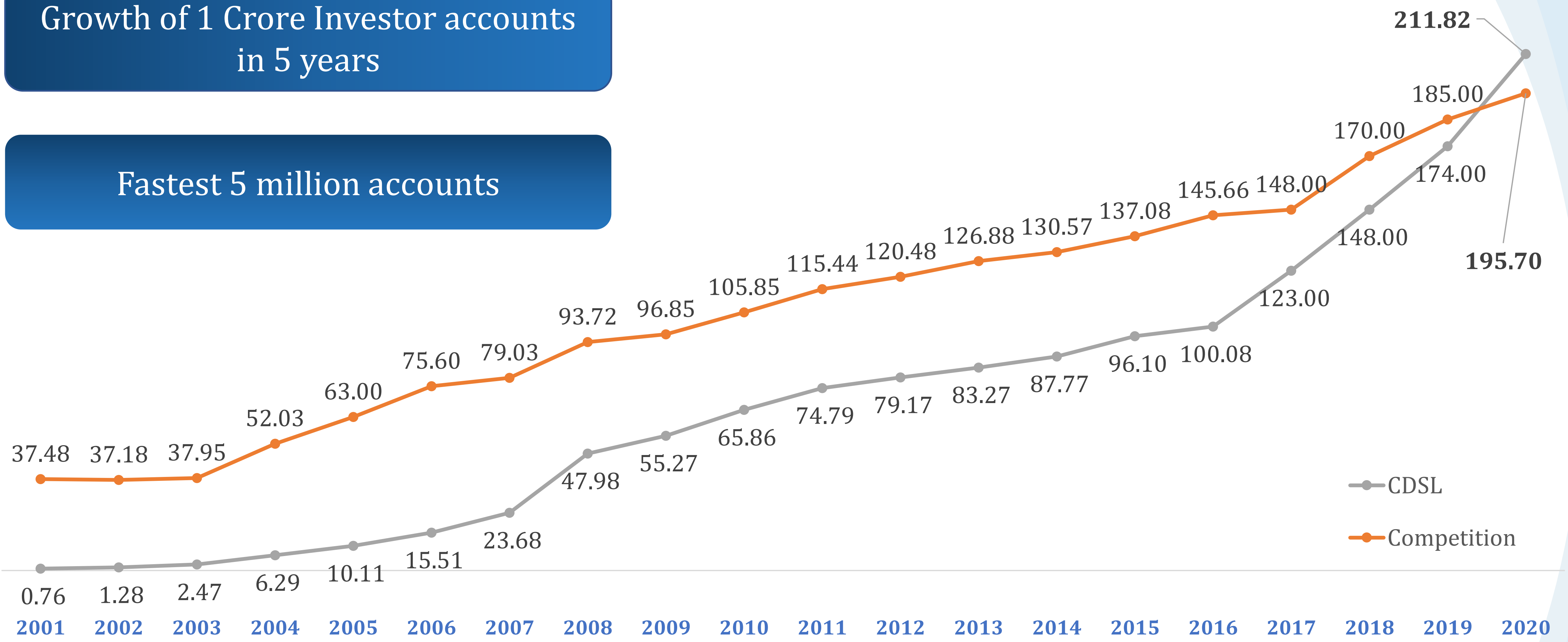
Our USP

- First listed depository in Asia – Pacific Region
- First depository to open branch in IFSC, GIFT City
- KRA
- Commodity Repository
- Ease of doing Business

Investor Accounts

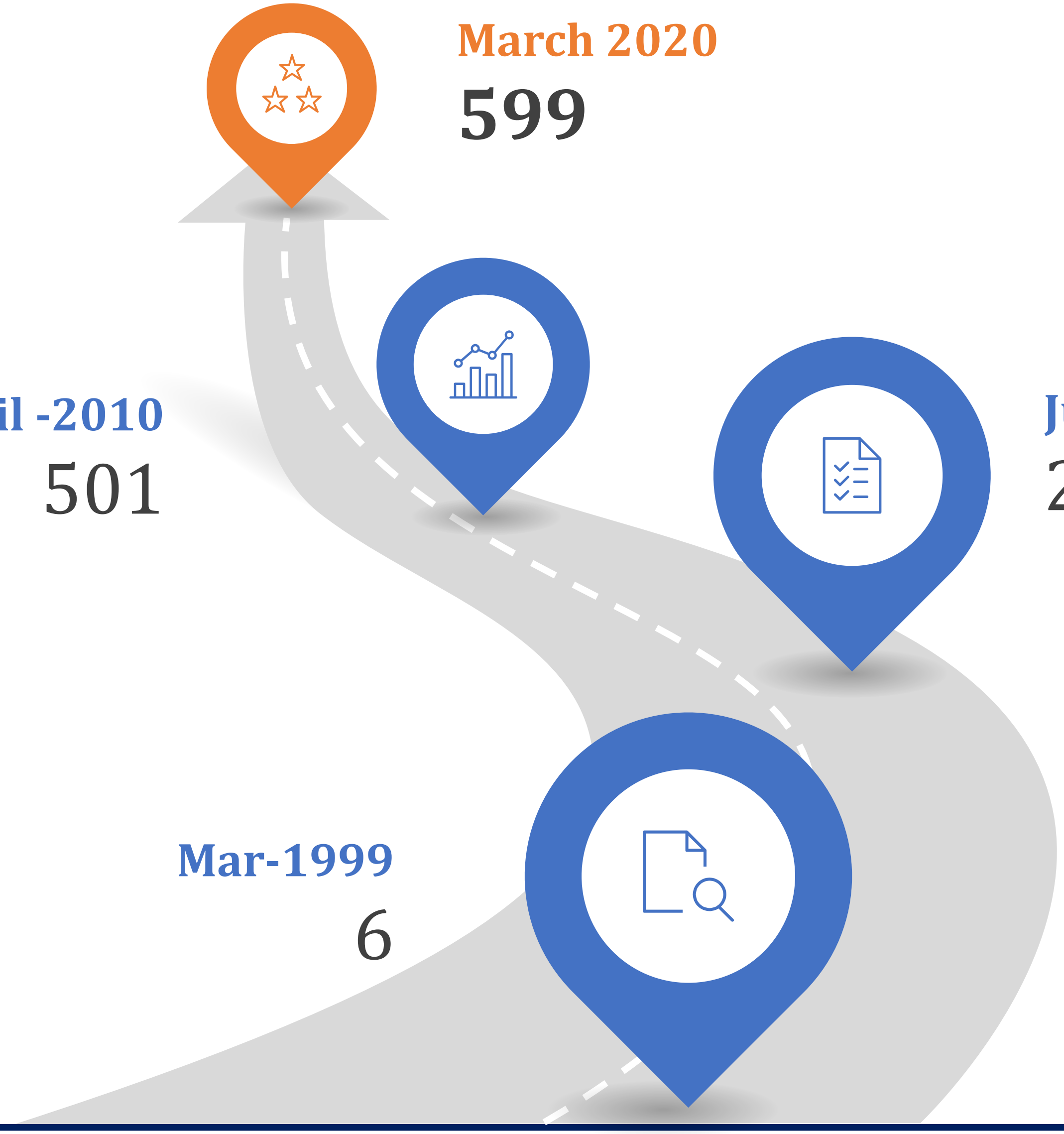
Growth of 1 Crore Investor accounts in 5 years

Fastest 5 million accounts



in Lakhs

Depository Participants (DP)



March 2020
599

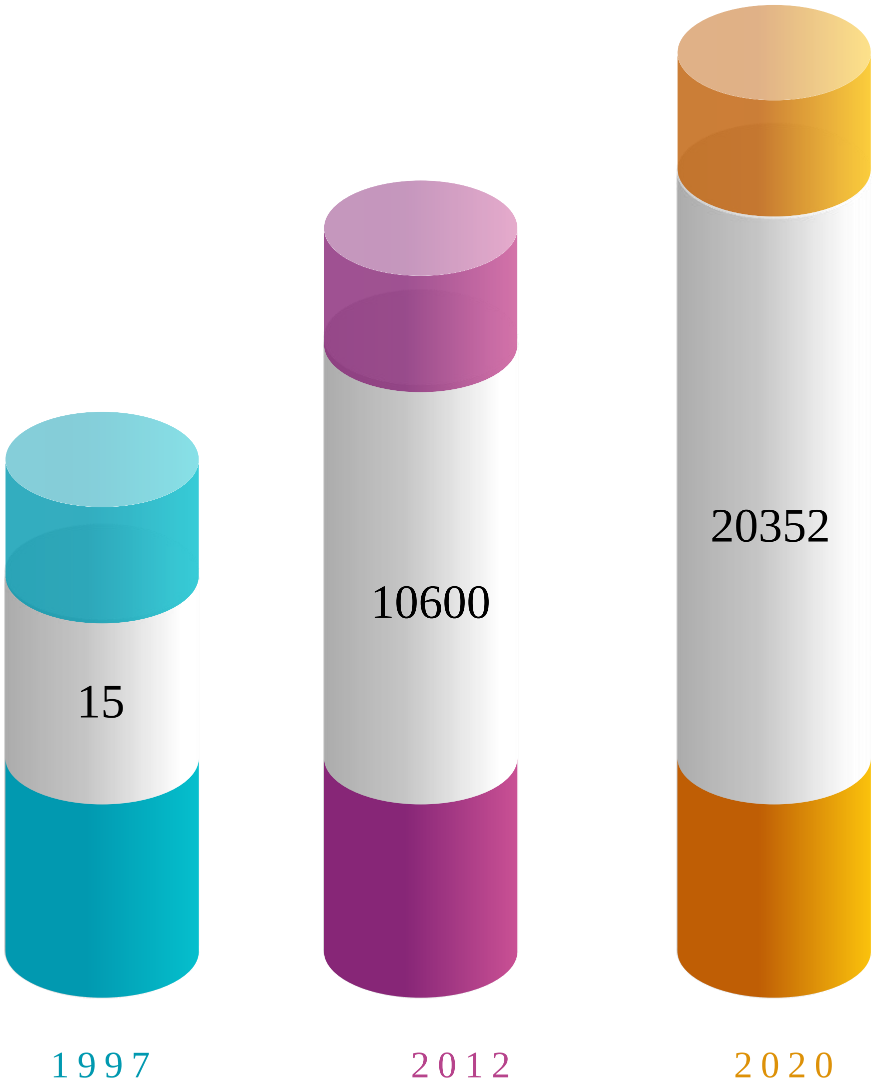
April -2010
501

June 2003
201

Mar-1999
6

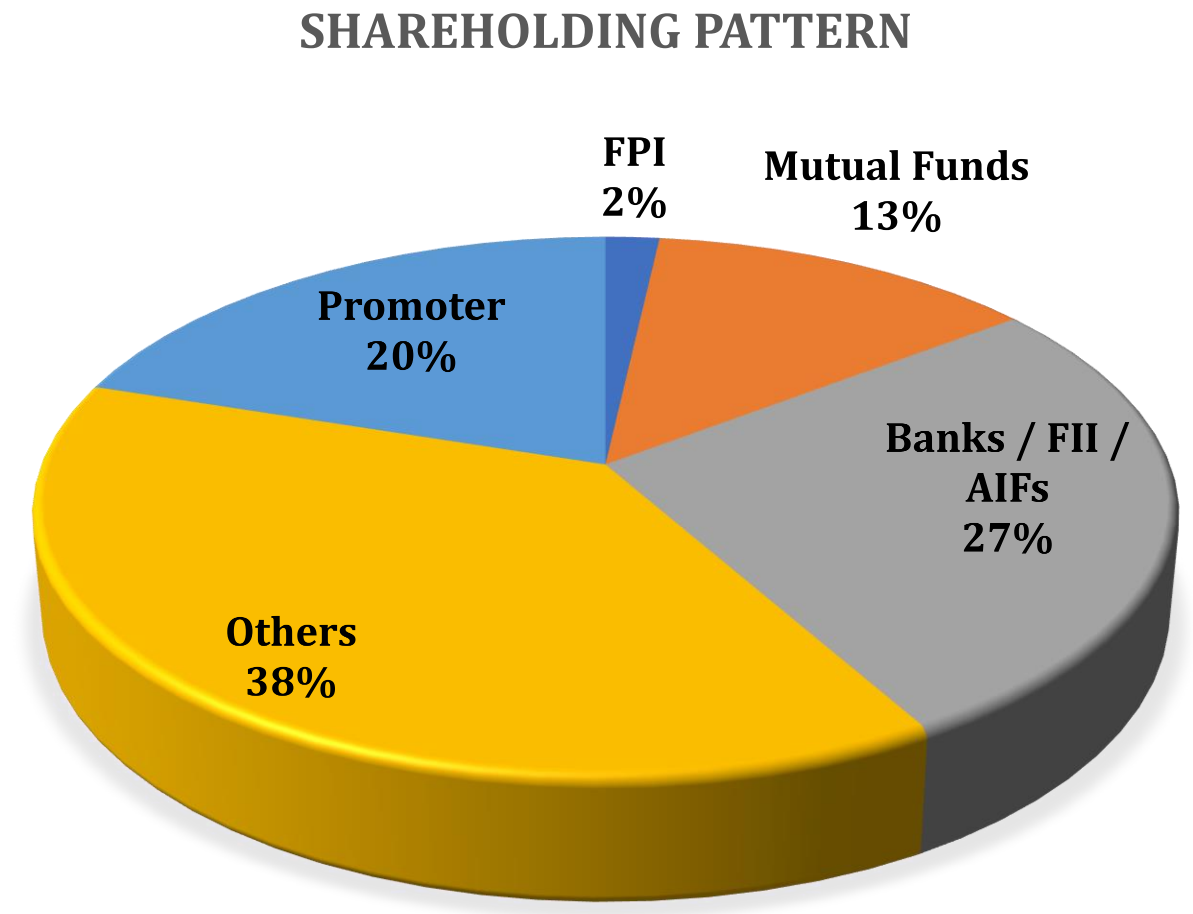
As on March 31, 2020

DP Service Center



As on March 31, 2020

Our Shareholders



Top 5 shareholders	%
BSE Limited	20.00%
HDFC Bank Ltd.	7.18%
Standard Chartered Bank	7.18%
Canara Bank	5.58%
Life Insurance Corporation Of India	4.15%

Shareholders	%
Institutions	64%
Retail	36%

CDSL is the **First Listed depository of India & Second Listed depository in the world**

Professionally driven

As on March 31, 2020

Our esteemed Board

Shri B. V. Chaubal, Chairman

Former Deputy Managing Director - State Bank of India

Smt. Preeti Saran, Public Interest Director

Secretary (retired), Ministry of External Affairs, Government of India.

Prof (Dr.) Bimal. N. Patel, Public Interest Director

Director-General, Raksha Shakti University Member of the National Security Advisory Board, Government of India, Member of the 21st Law Commission of India, Government of India.

Shri Siddhartha Pradhan, Public Interest Director

Former Vice-Chairman, Income Tax Settlement Commission and Former Additional Secretary, Department of Disinvestment in the Ministry of Finance. Currently Member of a High Level Committee of Ministry of Petroleum & Natural Gas relating to Petroleum Sector Restructuring.

Shri Umesh Bellur, Public Interest Director

Head of Dept. of Computer Science & Engineering, Indian Institute of Technology Bombay, Mumbai, India

Shri Masil Jeya Mohan , Shareholder Director

Additional Executive Director, Investment, Operations, Life Insurance Corporation of India (LIC)

Shri Nayan Mehta, Shareholder Director

Chief Financial Officer of BSE Ltd.

Shri Nehal Vora

Managing Director & Chief Executive Officer

Our experienced Management

Nehal Vora

Managing Director & Chief Executive Officer

Shri Girish Amesara

Chief Financial Officer

Shri Amit Mahajan

Chief Technology Officer

Shri Ramkumar K

Executive Vice President

Shri Sunil Alvares

Executive Vice President, CVL

Smt. Nayana Ovalekar

Executive Vice President - Chief Operating Officer

Our Subsidiaries

CDSL Ventures Limited

- Started with Mutual Fund industry
- **First and the largest** KYC Registration Agency (KRA) in the country
- **Largest KRA with 2.16 crore KYCs in CVL as on 31/03/20**
- CVL commenced RTA Operations in November 2018
- CVL has processed 24 lakh CKYC records across 82 intermediaries since February '17

CDSL Commodity Repository Limited

- **Started operations on 30th September 2017** and operates under regulatory authority of Warehouse Development and Regulatory Authority (WDRA)
- **eNWRs issued:**
  14311 Cumulative no. of eNWR issued

CDSL Insurance Repository Limited

- CDSL IR has received registration certificate from Insurance Regulatory and Development Authority of India(IRDAI) to act as an **'Insurance Repository'**
- As on date about 5.50 Lakh e insurance accounts

What's New!

More than 2.10 Crore Demat accounts

SEBI permits CDSL undertake e-KYC Aadhaar Authentication service of UIDAI

Won the Internet Data Center ("IDC") Insights Award

BFSI Gamechanger Award - 2019 for Exemplary leadership innovation

Business activities

Creating databases
We undertake the electronic safekeeping of information of ownership of a variety of securities.

Acting as a platform for transactions
We provide the IT infrastructure for processing transactions and other highly secure electronic records

Communication
We electronically communicate key information to shareholders

Intermediary for key Government initiatives
We are the database service providers for enabling the efficient and streamlined functioning for Government initiatives

Monitoring and Reporting to Statutory Authorities

Role of CDSL

Transparency
Provides transparency in the governance system

E-voting
Eliminates influence and maintains confidentiality

Dematerialisation
Elimination of physical shares

Analysis of Data
Analysis of multiple demat accounts, IPO Analysis

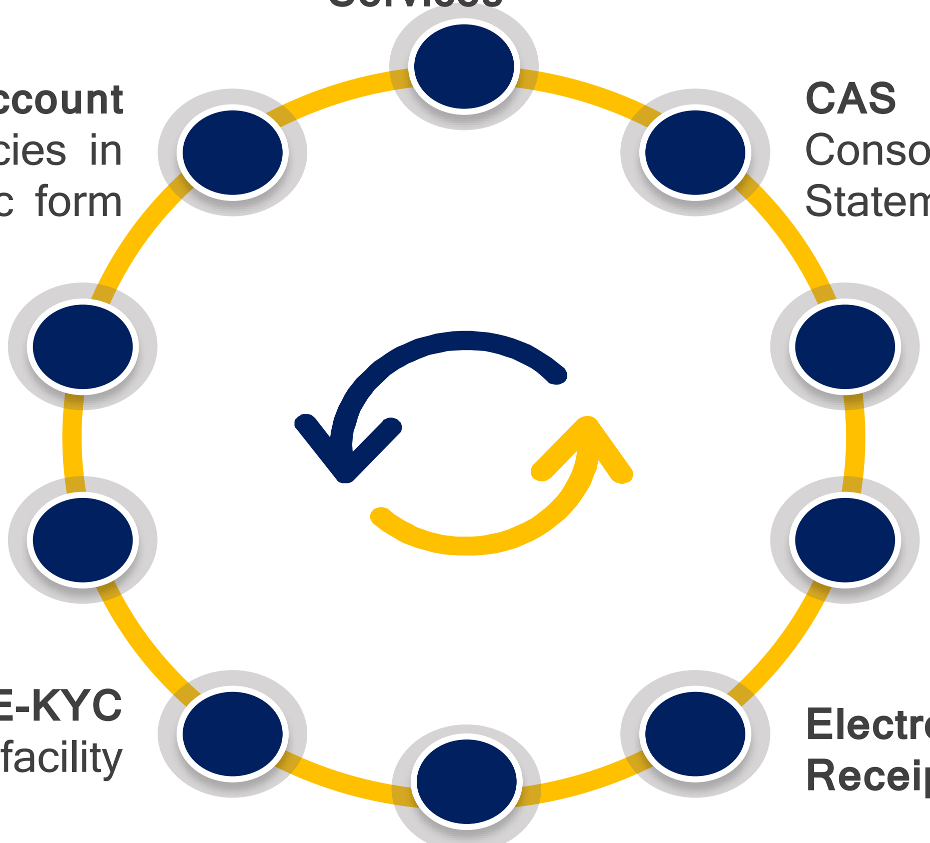
Reg-Tech
System based alerts and disclosures

Surveillance
Monitoring of shareholding limits

Information Dissemination
To Stat Authorities, Stock Exchanges, etc

Our Business

What we create



Depository Services

CAS
Consolidated Account Statement

e-voting
Cast vote online on Company resolutions

e-Notices
E-mail communication to shareholders

Electronic Negotiable Warehouse Receipts (eNWRs)

KYC registration agency (KRA)

E-KYC
Electronic KYC facility

GSP
GSP Suvidha provider

NAD
National Academic Depository

e-Insurance Account
insurance policies in electronic form

Overview of securities trade and settlement process

01

DP of Seller transfers the BO's securities from BO account to Clearing Member (CM) Pool account (transit account for transfer of securities) of Seller's CM

02

Pay in of securities: Movement of securities from CM Pool account of Seller's CM to the Clearing Corporation

03

Pay out of securities: Movement of securities from Clearing Corporation to CM Pool account of Buyer's CM

04

DP of Buyer's CM transfers securities to Buyer's account

Overview of depository services

01 Depository services to BOs are extended through DPs who act as CDSL's agents

02 Investor or BO who opens a demat account with a DP can utilize CDSL's depository services. Accordingly, a DP is a "Point of Service" for the investor

03 DPs can also set up branches or service centers

04 BO has to submit the request for dematerialization by submitting the Demat Request Form ("DRF") duly completed along with the concerned physical certificates to DP

05 To settle trades done on a stock exchange (on-market trades) and trades which are directly settled between two BOs (off-market trades), BOs may submit duly completed delivery instructions in the prescribed form to their respective DP

06 For receipt of securities into his/her account, a BO may also choose to

Value Added Services

CDSL

eASI

- ✓ Anytime/Anywhere access to the demat account
- ✓ Transaction and holding statement with valuation
- ✓ Information on Corporate announcements

eASIEST

- ✓ Permits Clearing Members and BOs to submit off-market, on-market, inter-depository and early pay-in debit instructions from their demat account
- ✓ All the facilities and benefits of easi are automatically made available to a subscriber of easiest.

SMART

- ✓ SMART (SMS Alerts Related to Transactions) is CDSL's SMS alert facility

e-Mail

- ✓ E-mail alerts for transactions

Business made easi (Digitization)

CDSL

Focus on unlocking the business potential with new revenue streams

01

C-KYC
CVL provides intermediaries with a facility to enable them become C-KYC compliant

E-Sign
In Principle approval received from Controller of Certifying Authorities

02

Commodity Repository
CDSL has forayed into the commodity business by setting up a Commodity Repository to hold electronic warehouse receipts (negotiable and non-negotiable) eNWR & eNNWR in demat form

CVL has processed 24 lakh CKYC records across 82 intermediaries since February 2017

2894 registered warehouses*

**As on March 31 , 2020*

Strengths

CDSL

1. India's leading securities depository with the
   - **Highest** number of BO accounts – **2.18 Crores***
   - **Largest** network **of DPs – 595***
   - **Tech-savvy & Tech-sophisticated**

2. **Geographic Footprint**
   Relationship across 94% pincodes across India

3. **Consistent growth** in revenue **@ CAGR @ 12%** across the past 10 years

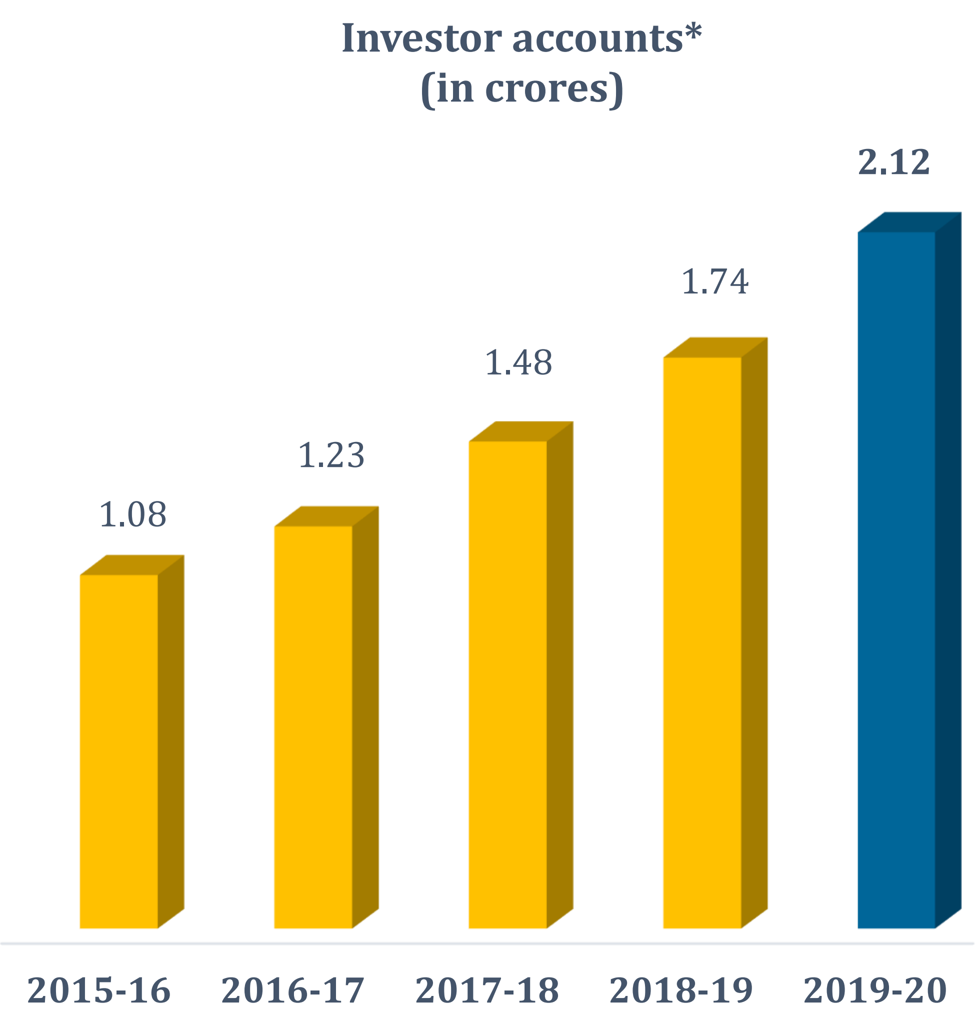
4. Convenient and dependable depository services at **competitive prices** for a wide range of securities

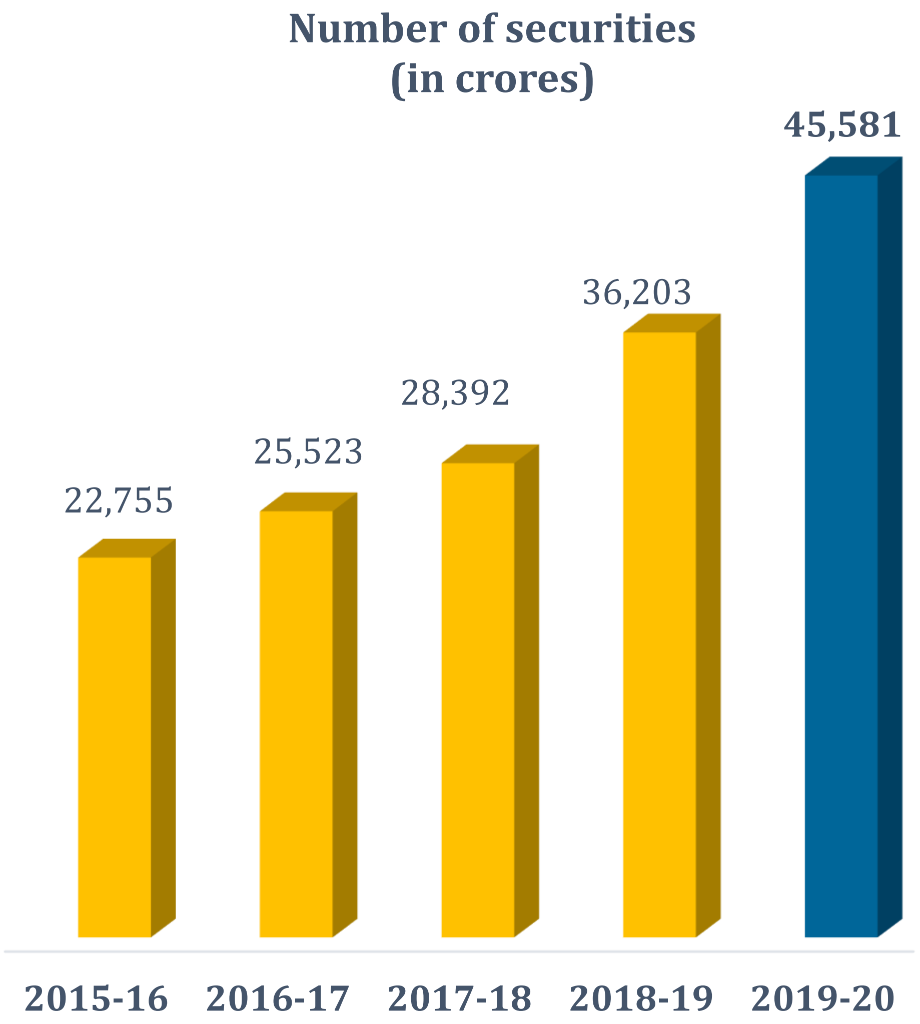
5. **Functional & Gender diversified Board**
   - Strong, Experienced and stable

6. **Strong Management**
   - MD & CEO Tenure for **five years**
   - Setup of **Executive Management Committee**

As on April 20, 2020

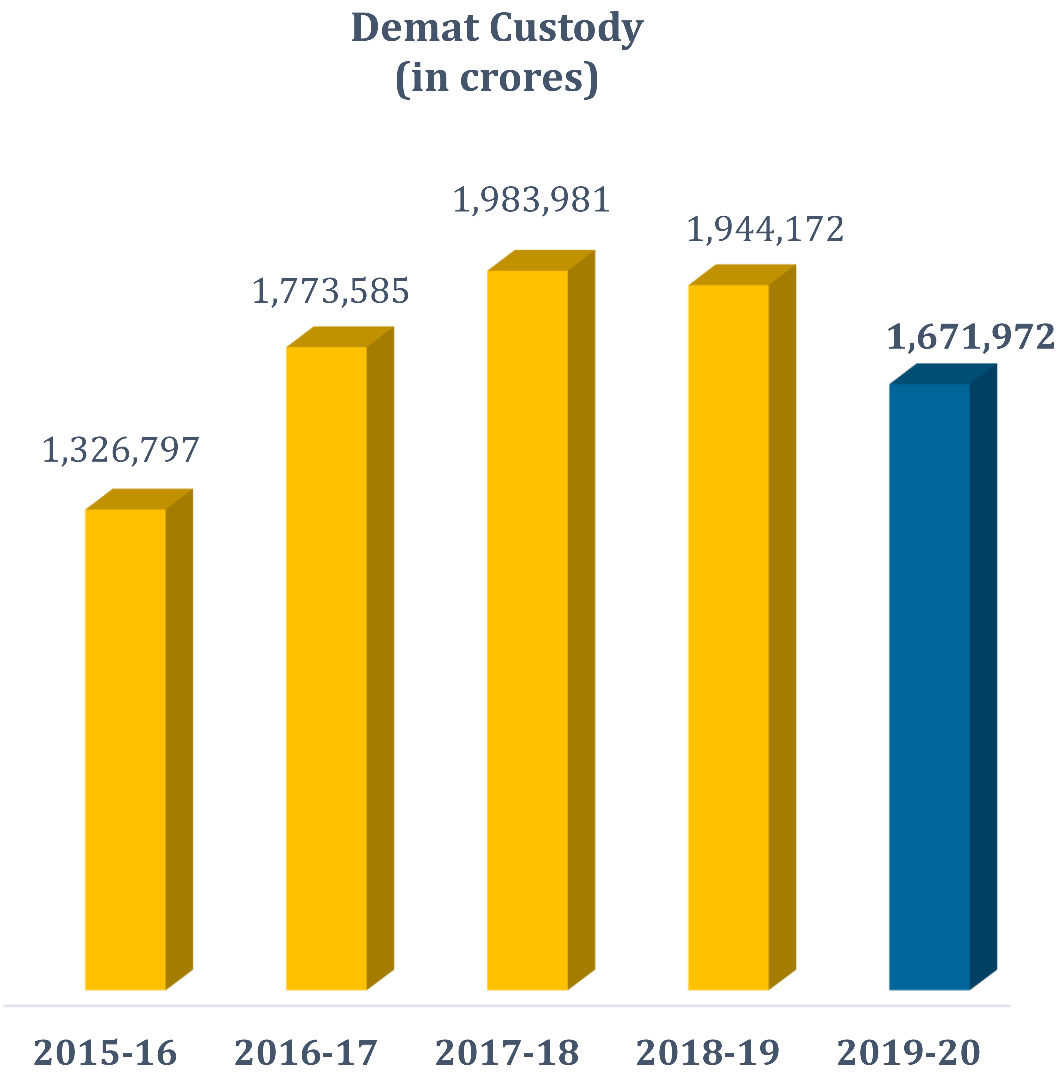
CDSL Statistics





*active accounts

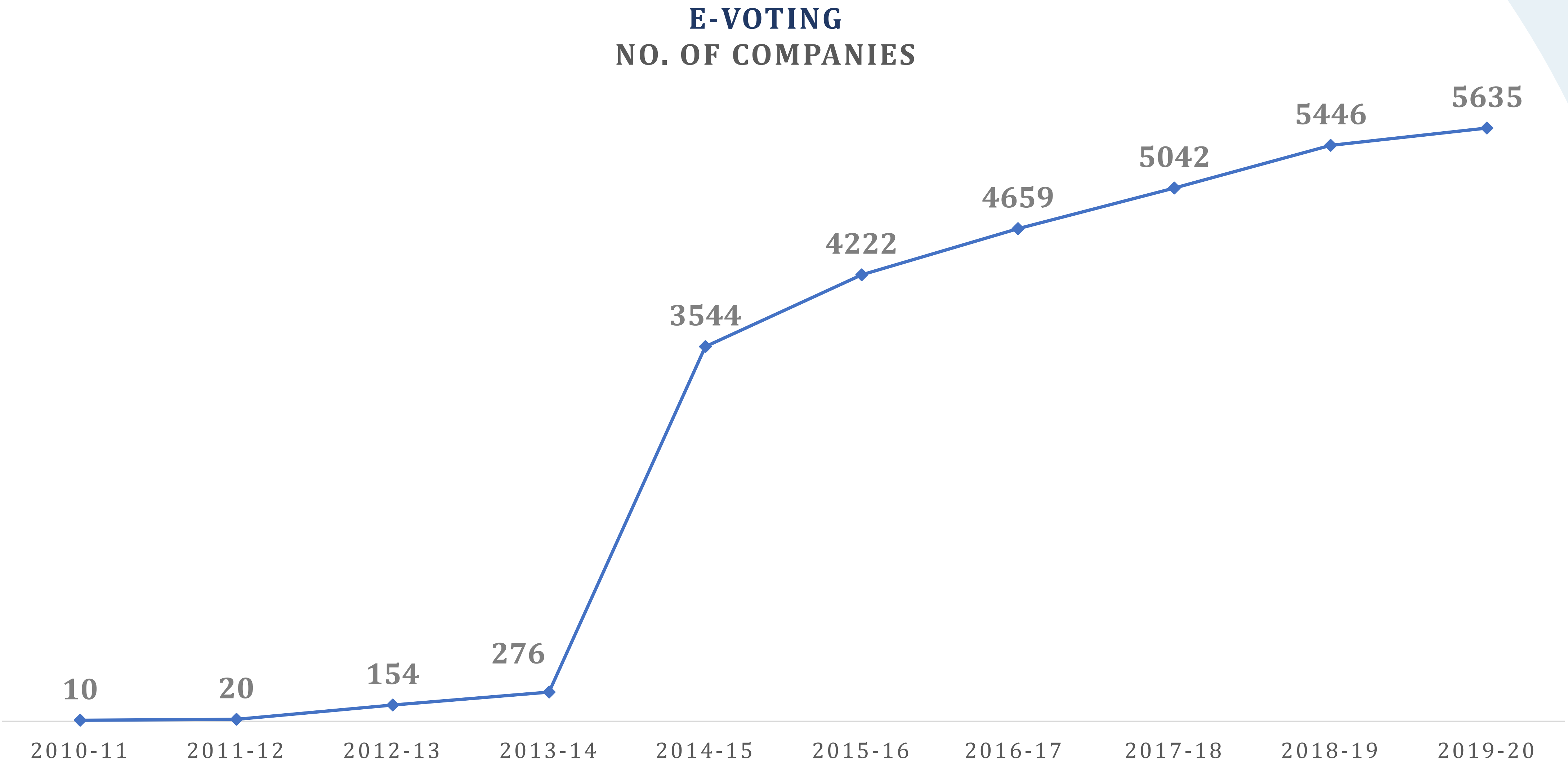
CDSL Statistics



- 2011 Unlisted Companies Admitted in FY 2019-20
- 599 DPs offering DP services from over 19,000 locations across the country

*active accounts

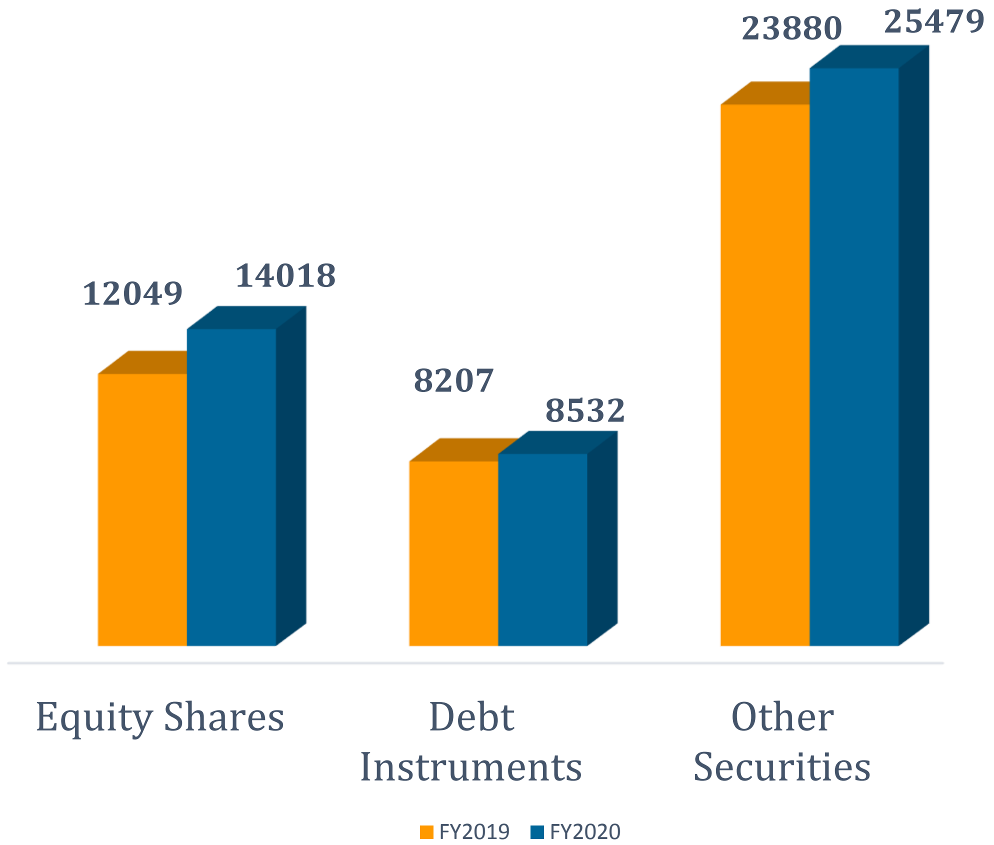
E-Voting



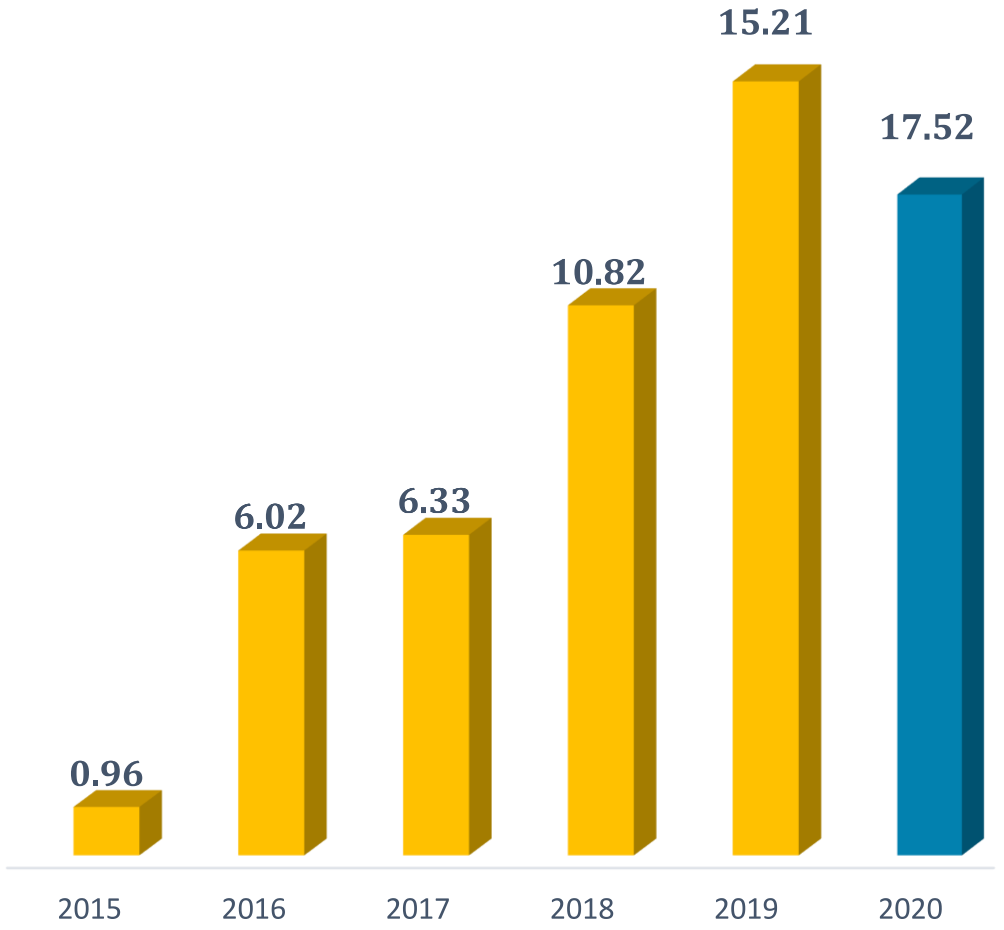
All data as on the closing of that financial year

Statistics

Securities Admitted



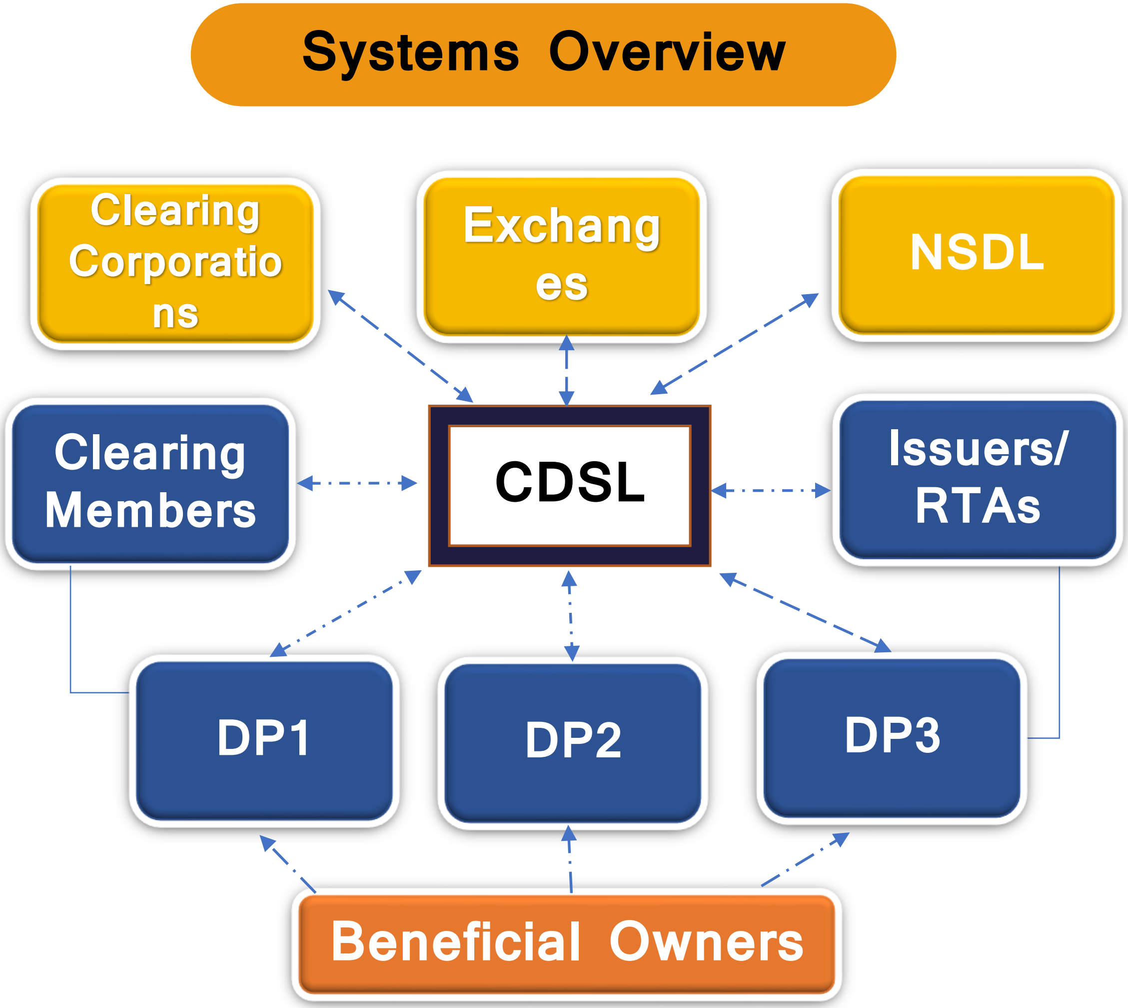
Physical & email e-CAS (in crores)



Business & Operations growth translating into our **Financial Statements**

Our Technology

CDSL Technology



01

Information Systems Security Policy

- ✓CDSL has documented Information Systems Security policy and regularly reviews and updates the same to counter new threats and vulnerabilities.
- ✓CDSL has separately documented Cyber Security and Cyber Resilience framework which is regularly reviewed and updated

02

Cyber Crisis Management Plan (CCMP)

- ✓As per regulatory guidelines, the cyber crisis management plan has been documented and approved by Standing Committee on Technology and CDSL Board.

03

Certifications

- ✓ISO 27001 (Information Security Management System)
- ✓ISO 22301 (Business Continuity Management System)

Our Financials

Financial Table

Standalone financial Statements

PARTICULARS (all amounts in ₹ Lakh)	FY18-19	FY19-20	Variance	Variance %
Revenue From Operations	15,234	16,815	1,581	10%
Other Income	3,613	4,324	711	20%
Total Income	**18,847**	**21,139**	**2,292**	**12%**
Total Expenses	**7,881**	**11,422***	**3,541**	**45%**
Profit before tax	10,966	9,717	-1,249	-11%
Tax	2,528	1,985	-543	-21%
Net Profit	**8,438**	**7,732**	**-706**	**-8%**

*includes expenses pertaining to legacy issues

All amounts in Lakhs

Financial Table

Consolidated financial Statements

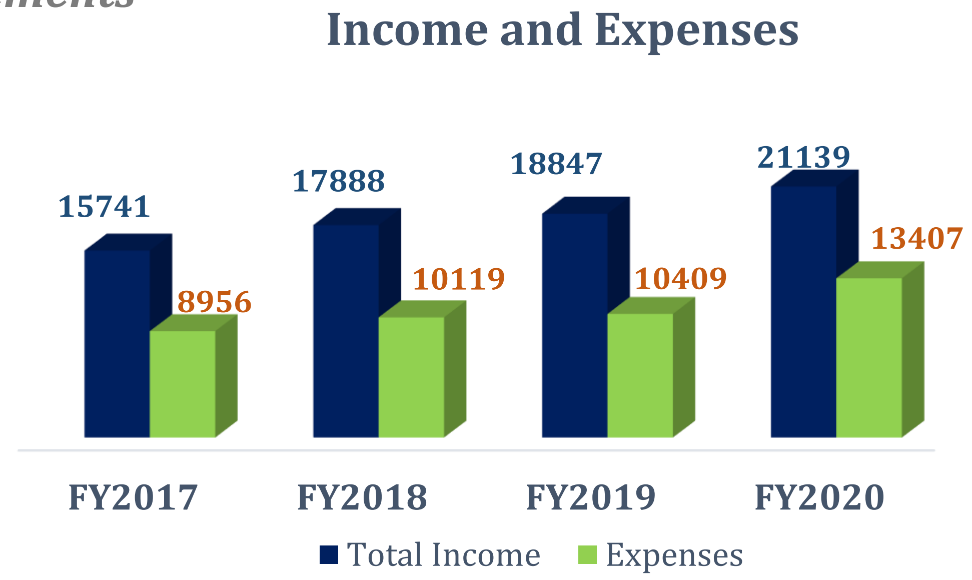
PARTICULARS (all amounts in ₹ Lakh)	FY18-19	FY19-20	Variance	Variance %
Revenue From Operations	19,625	22,506	2,881	15%
Other Income	4,919	5,919	1,000	20%
Total Income	**24,544**	**28,425**	**3,881**	**16%**
Total Expenses	**9,724**	**14,780***	**5,056**	**52%**
Profit before tax	14,821	13,645	-1,176	-8%
Tax	3,338	2,973	-365	-11%
Net Profit	**11,483**	**10,672**	**-811**	**-7%**

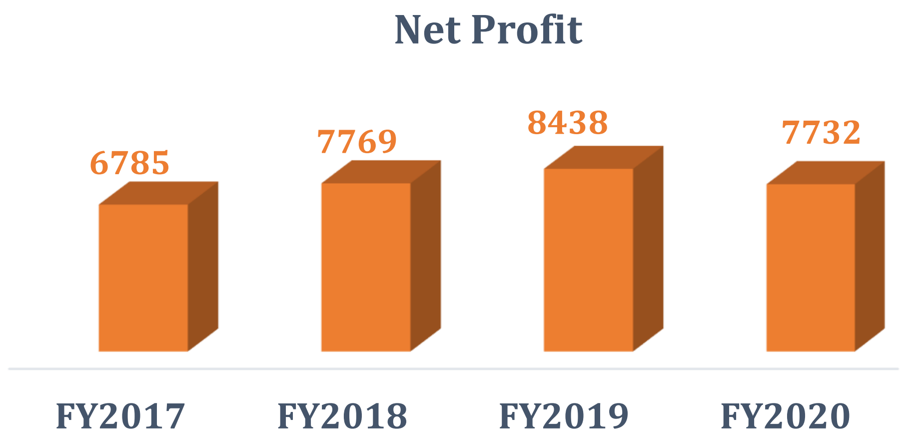
**includes expenses pertaining to legacy issues*

All amounts in Lakhs

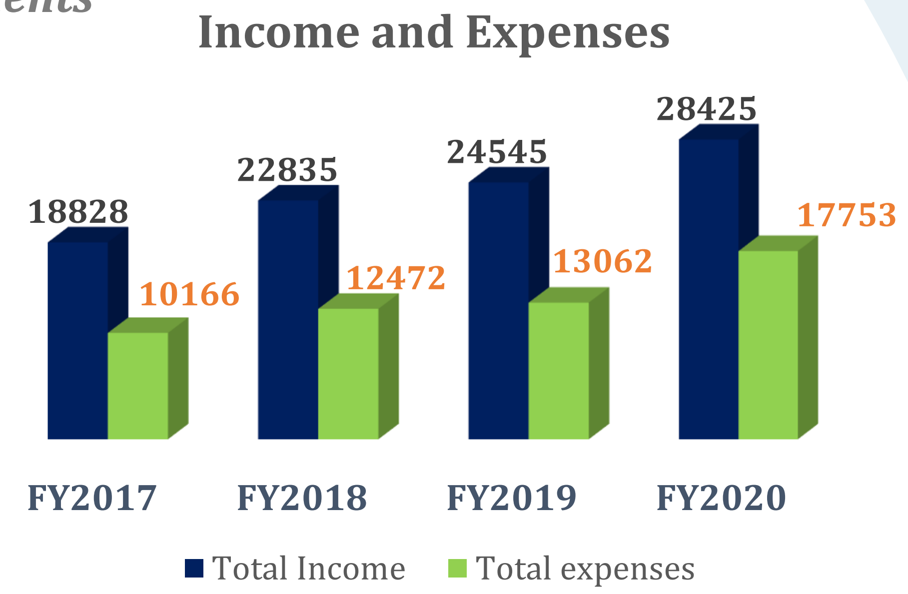
Financial Summary

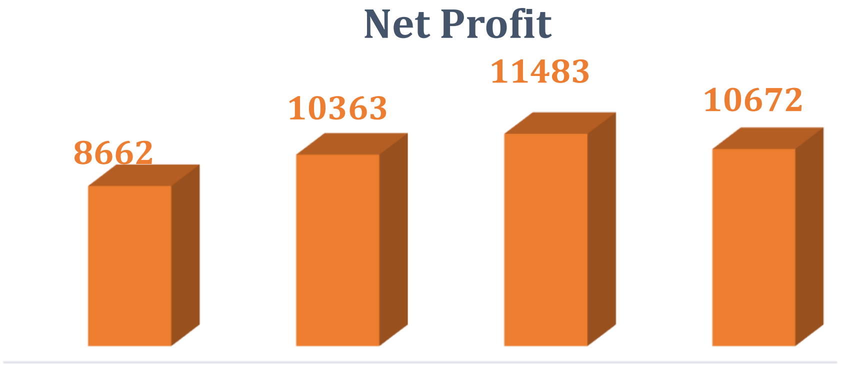
Standalone financial statements





Consolidated financial statements



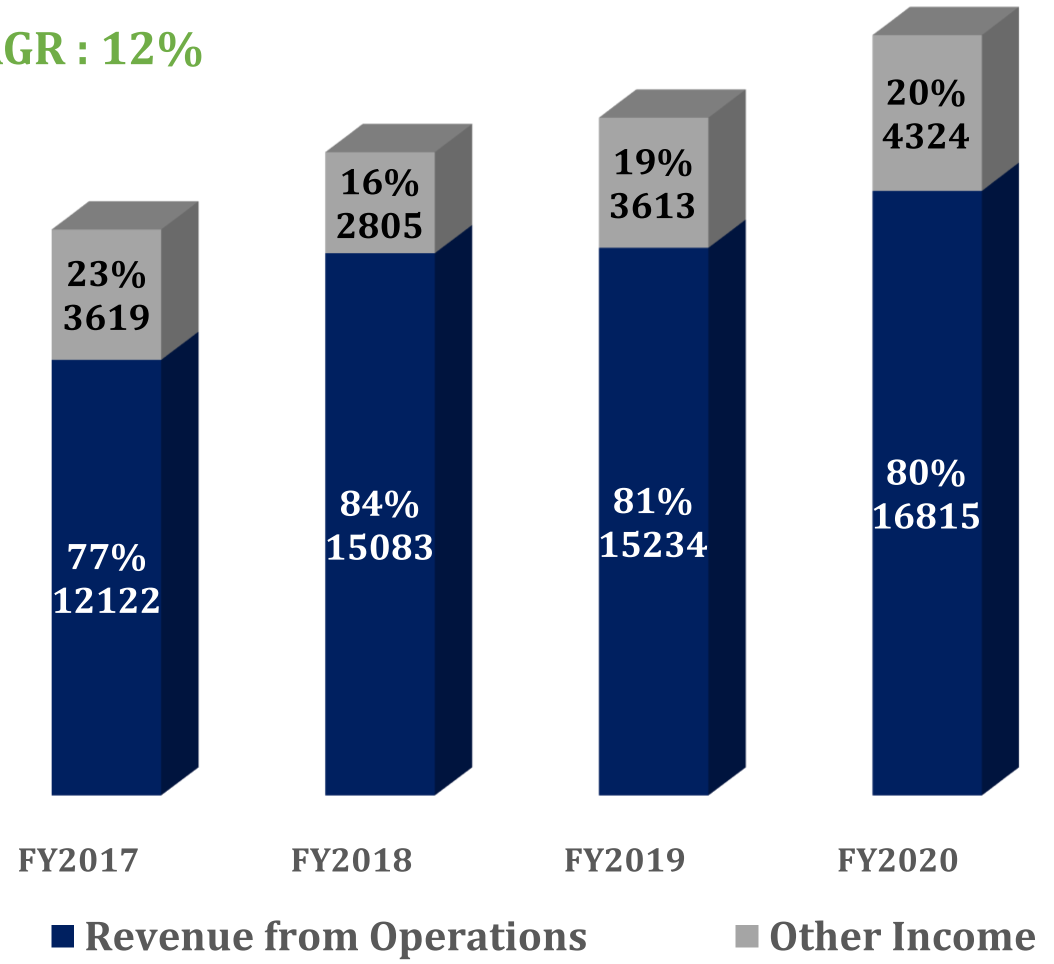


All amounts in Lakhs

Income Breakup

Standalone financial statements

CAGR : 12%



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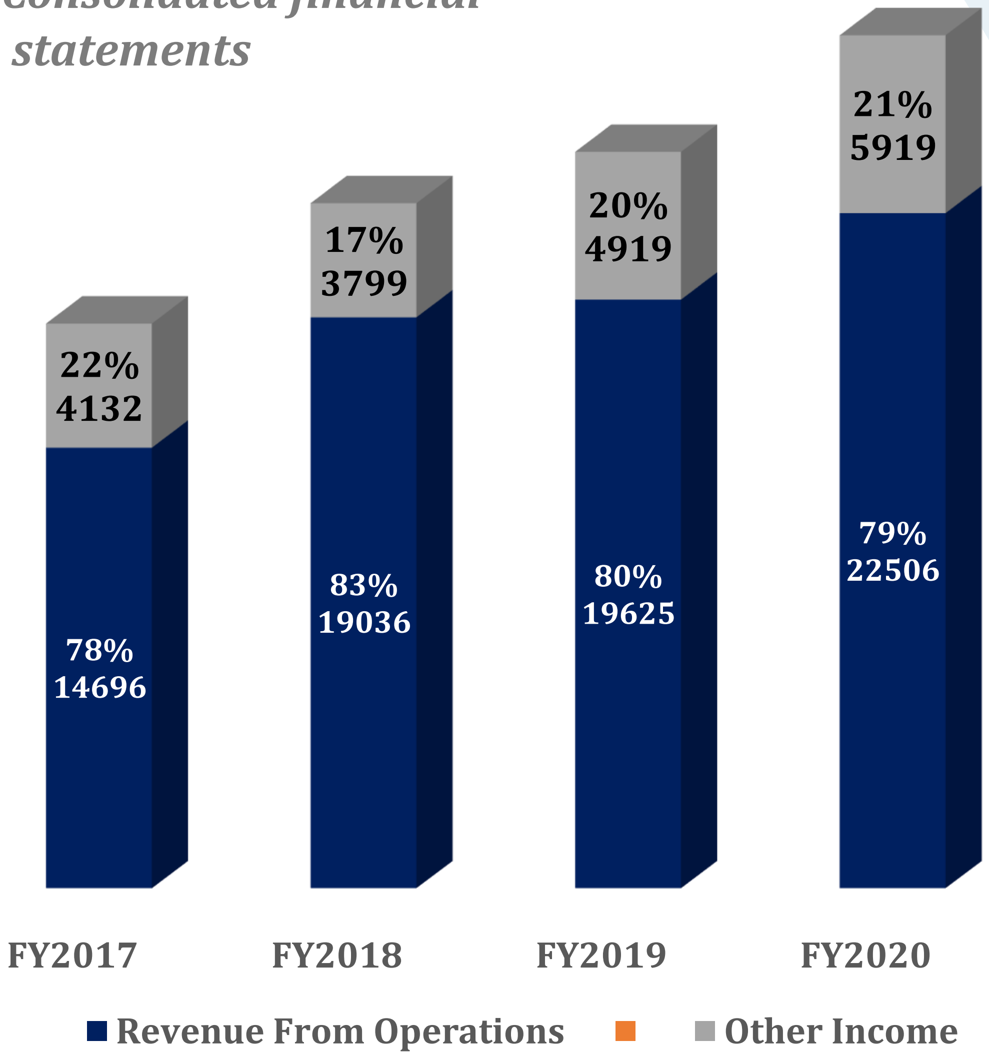
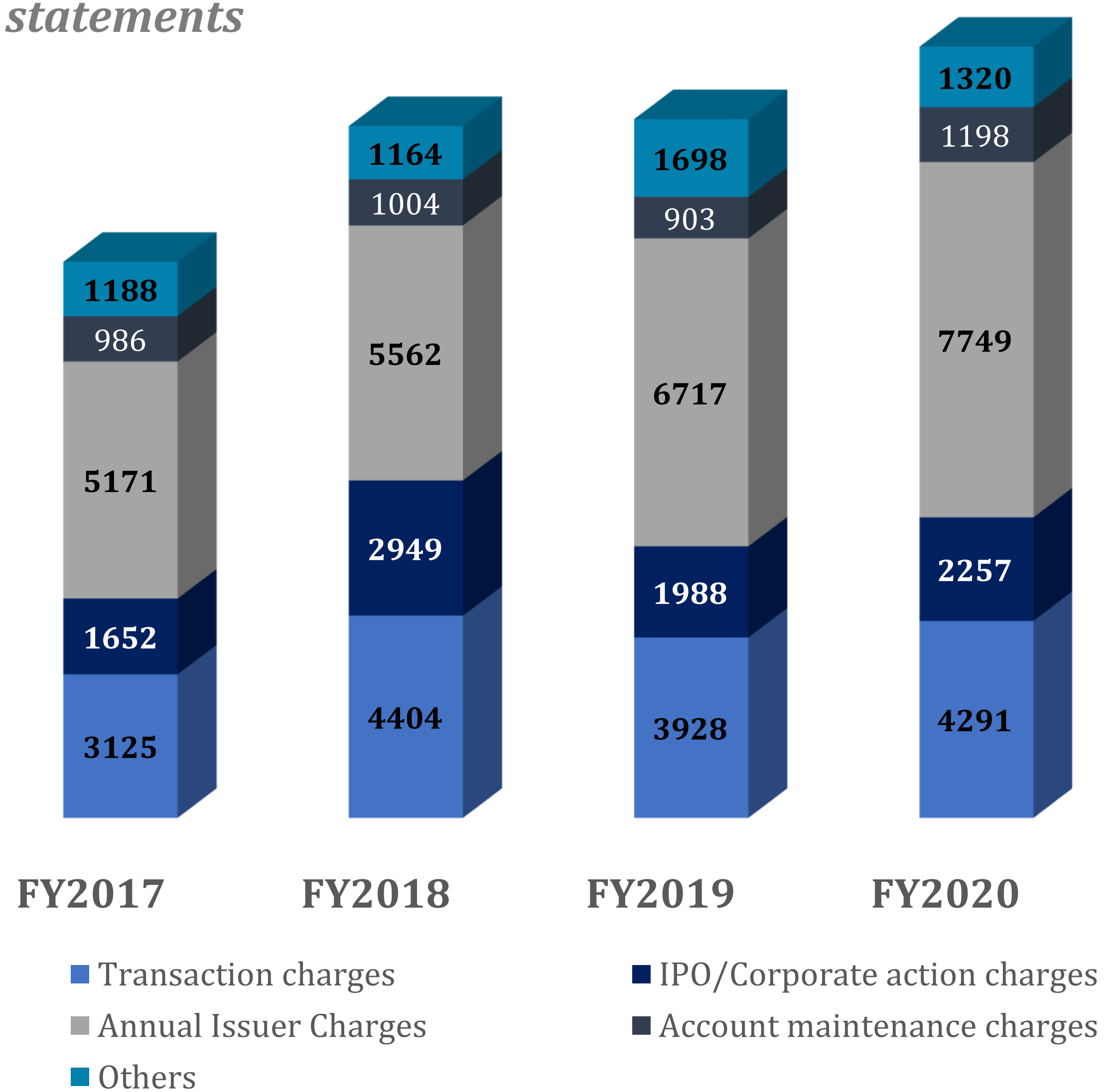


All amounts in Lakhs

Revenue from Operations

Standalone financial statements



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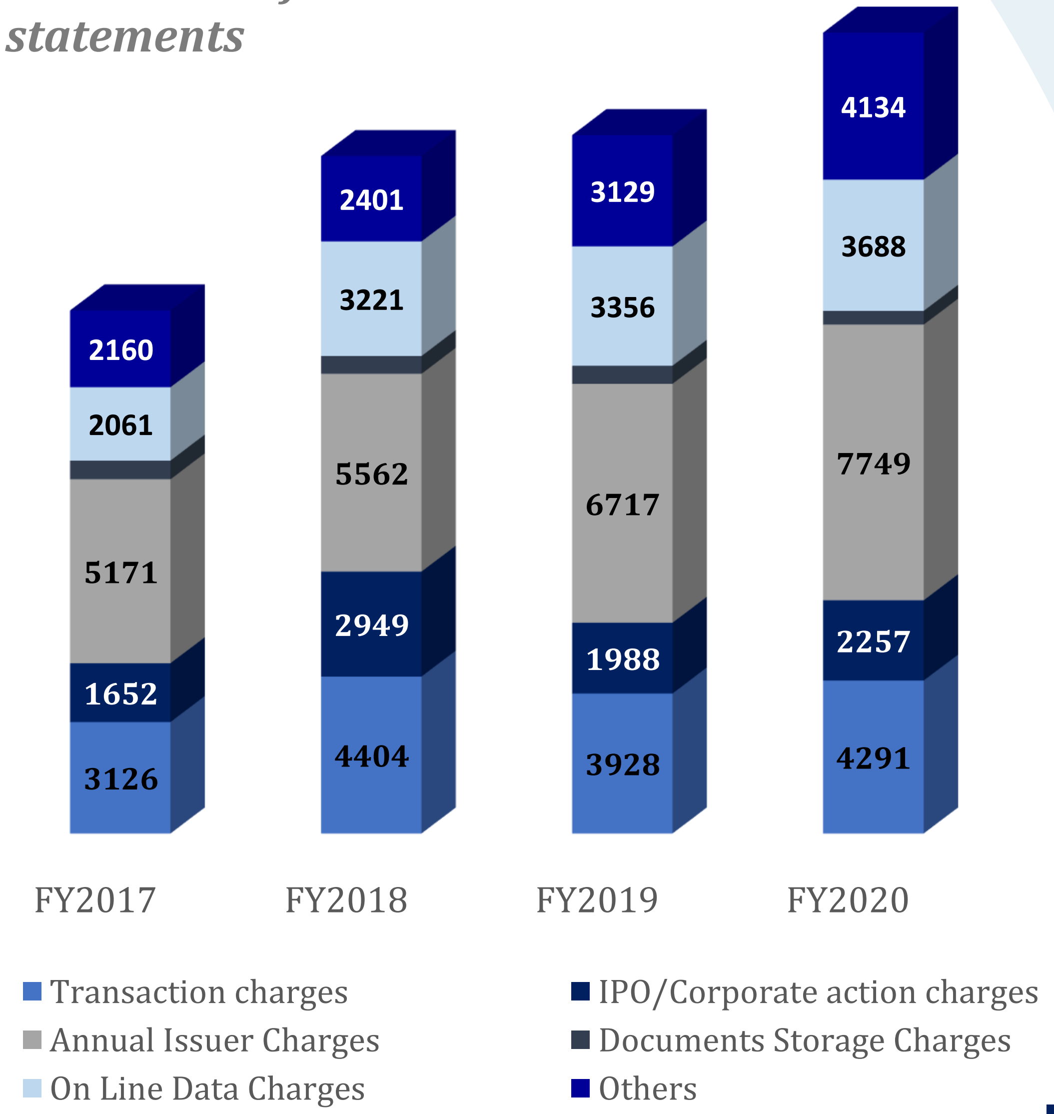
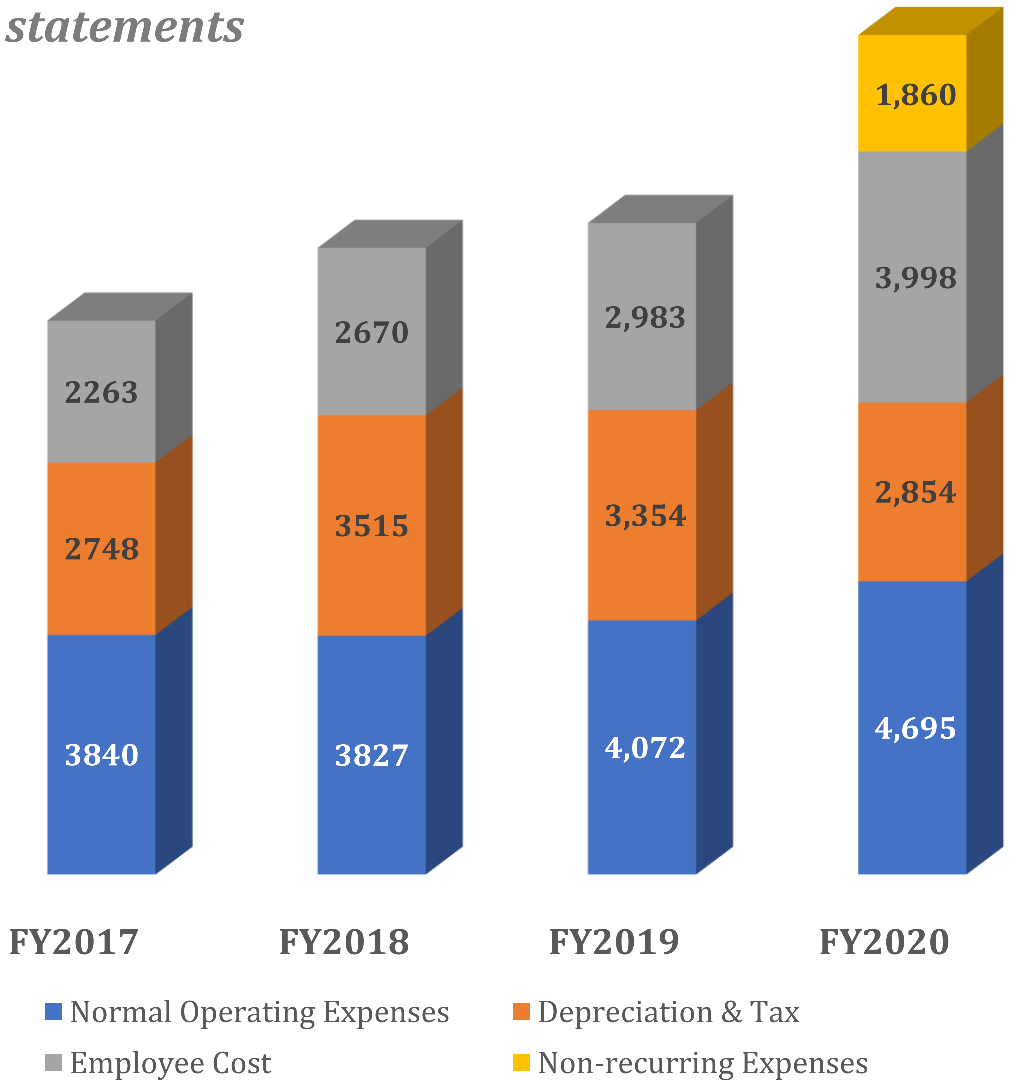


All amounts in Lakhs

Total Expenses

Standalone financial statements



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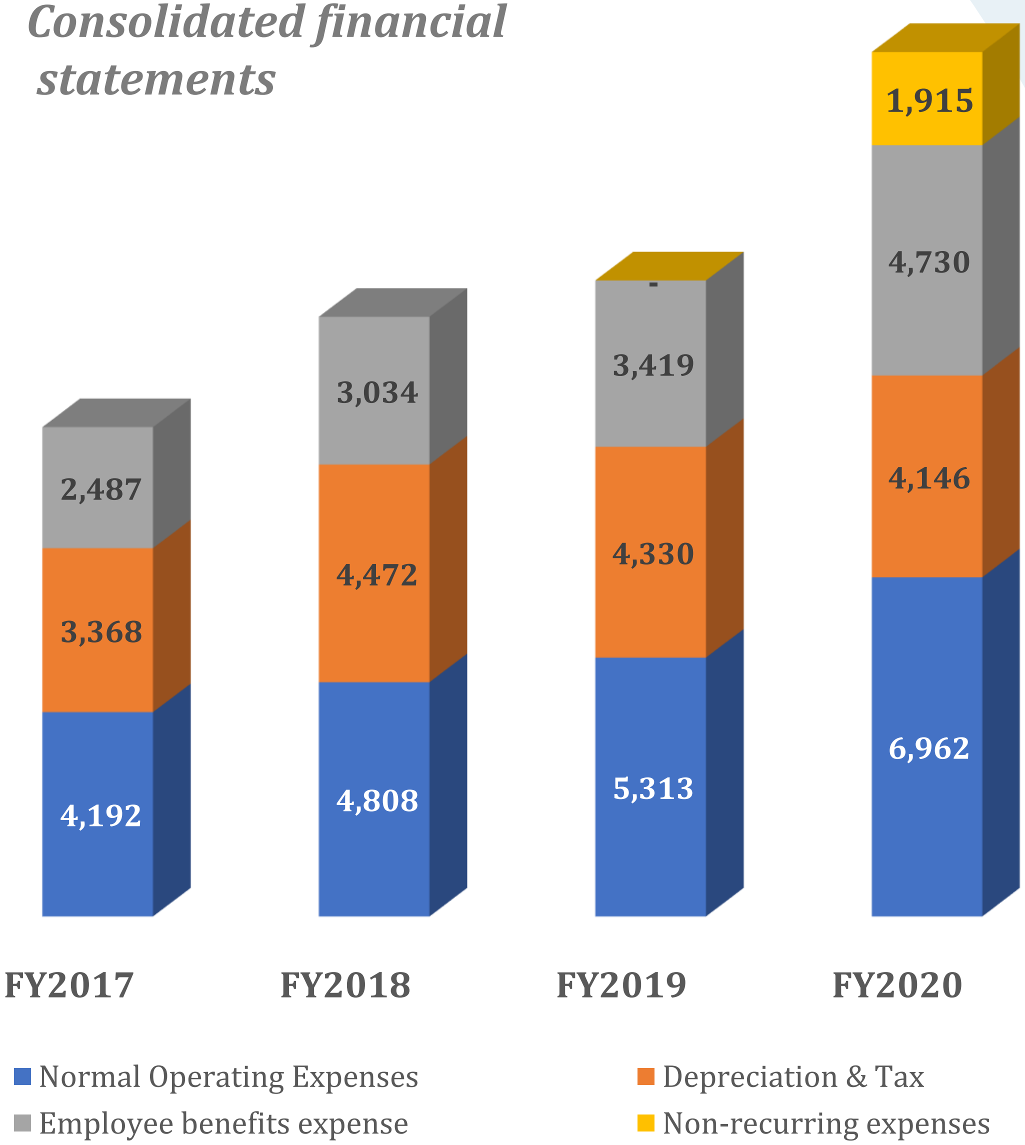

*includes expenses pertaining to legacy issues

All amounts in Lakhs

Universal Challenges : COVID 19

The novel pandemic COVID-19 is having a **deep impact** on the Indian economy

Almost **72%** of the respondents to the 'FICCI-Dhruva survey' have reported that covid-19 is having a '**high to very high**' level of impact on their business

Industries like Real-estate, aviation, tourism, hotel have been adversely affected.

Emphasis on reaching out / communicating with the end client using superior technology – e-Initiatives like e-DIS, e-Alerts, etc

Thus, industries based on **variable factors** (**market–driven Income)** have been affected.

CDSL is partially a business model that is based on
Fixed Income

Thank You