



25 Years of CDSL celebrations with IIM Visakhapatnam



IIM Visakhapatnam

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Introduction:

The event held at IIM Vizag marked the celebration of 25 years of Central Depository Services Limited (CDSL), a significant milestone in the financial landscape of India. The purpose of the program was to provide students with a profound overview of the capital market, the role of depository participants, and the regulatory framework that governs these operations.

Event Overview:

The celebration witnessed the presence of key figures from CDSL, including Ms. Nayan Ovalekar, Chief Regulatory Officer, Mr. V. Shiva Prasad, Regional Manager, and Mr. Narasinga Rao, M.V. Resource Person. Additionally, representatives from IIM, Visakhapatnam, Prof. Shivashanker Singh Patel, Coordinator Academic and Research, and Prof. Pooja Kumari, participated in the event.

Focus Areas of the Program:

The program delved into various critical aspects related to the capital market, depository participants, and the transformative journey of investors, commonly known as Niveshaks. The key focus areas were:

1. Demat Account:

- Defined as a virtual security box for shares and securities, the demat account was presented as a fundamental element in modern investing.
- The journey of a Niveshak, from physical account opening/closing to online solutions, highlighted the evolution and convenience brought about by technological advancements.

2. KYC (Know Your Customer):

- Understanding the importance of KYC in the Indian Capital Markets was emphasized, elucidating how it aids in customer identification and ensures the authenticity of investors.

3. Types of Investments:

- The program covered a diverse range of investment options available in the Indian Capital Markets, including mutual

funds, equity stocks, bonds, exchange-traded funds, and electronic gold receipts.

4. Being an #AtmanirbharNiveshak:

- The concept of being a self-sufficient investor was explored, emphasizing the benefits of dematerialization, SMS/email facilities, depository mobile applications, and margin pledge mechanisms.

5. Do's and Dont's:

- Guidelines for investors were outlined, covering mandatory KYC attributes, updating contact details, nominee registration, secure custody of delivery instruction slips, and regular transaction verification.

6. CDSL's Role and Growth Story:

- The growth trajectory of CDSL, from crossing milestones in demat accounts to becoming the listed depository in the Asia Pacific Region, showcased its leadership and influence in the market.

7. CDSL's Services:

- Various services offered by CDSL, including electronic access to securities information (easi), execution of secured transactions (easiest), e-voting, e-DIS, and margin pledge mechanisms, were detailed.

Learning Outcomes for Students:

The event at IIM Vizag served as a rich learning experience for students, providing valuable insights into the dynamic world of finance. The main learning outcomes and takeaways for students were the demystification of the demat account stood out as a crucial learning point. Students grasped the concept of a demat account as a virtual security box for shares and securities. The journey of a Niveshak from traditional physical account handling to the modern era of online solutions resonated, highlighting the evolving landscape of financial transactions and the resilience demanded in this transformation.

The importance of Know Your Customer (KYC) procedures was underscored, with students recognizing its critical role in customer identification within the Indian Capital Markets. Understanding that KYC forms the bedrock of a secure and regulated financial ecosystem, students gained insights into the significance of adhering to these protocols.

The event shed light on the diverse investment options available in the Indian Capital Markets. From traditional choices like mutual funds and equity stocks to more contemporary instruments such as exchange-traded funds and electronic gold receipts, students learned about the plethora of opportunities catering to different investment preferences and risk appetites.

The concept of being a self-sufficient investor resonated strongly with the students. They understood the benefits of dematerialization, SMS/email facilities, and depository mobile applications in fostering financial independence. Learning about margin pledge mechanisms and the secured transactions through OTP added a layer of understanding about the tools available for investors to navigate the financial landscape confidently.

The Dos and Dont's section provided a practical guide for students entering the world of investments. Understanding the mandatory nature of KYC attributes, the importance of updating contact and bank details, and the significance of keeping delivery instruction slips secure, instilled a sense of responsibility and awareness regarding best practices for secure transactions.

Students gained insights into the remarkable growth story of CDSL. Crossing milestones, becoming the first listed depository in the Asia Pacific region, and achieving a significant market share showcased the leadership and influence of CDSL in the financial domain. This part of the event instilled an appreciation for the role of depository participants in shaping the financial landscape.

The students embraced the digital journey of CDSL, understanding how electronic access to securities information (easi) and execution of secured transactions (easiest) contribute to a seamless and efficient investment experience. Learning about innovative services like e-voting, e-DIS, and consolidated account statements showcased how technology is harnessed for the benefit of investors.

The initiative of #GoGreen and the emphasis on environmentally friendly practices in financial transactions resonated with the environmentally conscious mindset of the students. The event provided a unique perspective on how financial practices can align with broader sustainability goals.

Conclusion:

In conclusion, the event at IIM Vizag celebrating 25 years of CDSL provided an extensive and insightful exploration of the capital market, depository operations, and the regulatory landscape. Students gained a comprehensive understanding of the evolution of the financial industry, the role of technology, and the tools available for investors in the contemporary digital era. The event successfully achieved its objective of imparting knowledge and fostering a sense of responsibility and self-sufficiency among the future leaders in finance.