



# NATIONAL SECURITIES DEPOSITORY LIMITED

## Price Band

₹760 to ₹800

## Issue Opens

July 30, 2025 to August 1, 2025

### Face Value

₹2

### Issue Size

₹4,011.60 Cr

### Lot Size

18 Shares

### Listing At

NSE, BSE

## National Securities Depository Ltd. IPO Details

### Issue Size

5,01,45,001 shares / ₹4,011.60 Cr

### Fresh Issue

N/A

### Offer for Sale

5,01,45,001 shares of ₹2 / ₹4,011.60 Cr

### Retail Quota

Min. 35% of the Issue Size

### Retail Min/Max

Rs. 15,000 / 1,95,000

## National Securities Depository IPO Timeline

### Tentative Allotment

Mon, Aug 4, 2025

### Initiation of Refunds

Tue, Aug 5, 2025

### Credit of Shares to Demat

Tue, Aug 5, 2025

### National Securities Depository Ltd. Listing Day

Wed, Aug 6, 2025

# Objects of The Offer



The Company proposes to utilize the Net Proceeds towards funding the following objects :

- National Securities Depository Limited expects the proposed listing of its Equity Shares to enhance its visibility and brand image, as well as provide liquidity to its Shareholders and create a public market for the Equity Shares in India
- The Offer includes an Offer for Sale, aggregating up to ₹40,116.00 million, by the Selling Shareholders.
- National Securities Depository Limited will not receive any proceeds from the Offer for Sale.

## About The Company and Business Overview

**National Securities Depository Limited (NSDL)** is a SEBI-registered Market Infrastructure Institution (MII) that offers a comprehensive suite of depository and digital financial infrastructure services. The company pioneered dematerialisation of securities in India in 1996 and, as of March 31, 2025, holds the distinction of being the largest depository in India in terms of number of issuers, active instruments, demat value settlement volume, and value of assets under custody.

Core Elements of the Business Model

### **1. Core Depository Services**

At its core, NSDL provides electronic storage, transfer, and servicing of securities. Its key offerings include:

- **Ownership Record Management:** Maintains and updates electronic ownership records for securities, ensuring transparency and reducing risk.
- **Asset Servicing:** Facilitates processes like dematerialisation, trade settlements, off-market transfers, pledge creation, and corporate actions.
- **Demat Account Management:** Offers account-opening and maintenance services through a network of Depository Participants (DPs), along with APIs for smooth integration.
- **Cash Benefits:** Processes payouts like interest on government and sovereign gold bonds directly to investors.

### **2. Technology-Enabled Ancillary Services**

NSDL leverages its robust digital infrastructure to provide additional services such as:

- **SPEED-e / IDEAS:** Internet platforms for secure transaction instructions and demat account access.
- **e-Voting:** Electronic voting platform for shareholders.
- **Digital LAS:** Enables investors to pledge securities instantly to avail loans.

- Tax Info Repository: Assists companies in dividend processing.
- Blockchain-based Monitoring: Tracks covenants and debenture terms.
- GIFT City Operations: Partner in international bullion exchange infrastructure.



### **3. Revenue Model**

NSDL's revenue is primarily derived from:

- Annual Fees: Charged to DPs and issuers for account-related services and software.
- Custody & Transaction Fees: Based on volume and type of transactions, including settlements and corporate actions.
- Software & Communication Fees: Recurring charges for digital tools and network usage.
- Other Operating Income: Includes training, RTA changes, and additional digital services.

### **4. Subsidiary Businesses**

#### a. NSDL Payments Bank Limited (NPBL)

Launched in 2018, NPBL operates a B2B2C digital banking model focused on financial inclusion. It offers:

- Digital Banking via NSDL Jiffy App: Zero-balance accounts, debit cards, and UPI services.
- Prepaid Cards: Payroll, student, gift, and meal cards; transactions of ₹89,530.91 million in FY25.
- Merchant Acquisition & Payment Gateways
- Third-party Distribution: Mutual funds and insurance products.

As of FY25, NPBL had deployed 307,200+ micro ATMs and ranked 42nd as a UPI remitter and 35th as a UPI beneficiary. It contributed 50.69% of NSDL's operating revenue in FY25.

#### b. NSDL Database Management Limited (NDML)

NDML offers digital infrastructure and e-governance services including:

- SEZ Online, National Skills Registry, KYC Registration Agency
- Insurance Repository, RTA services, Payment Aggregation
- e-sign (Aadhaar), Instigo digital onboarding, KUA platform

NDML contributed 5.75% of NSDL's operational revenue in FY25.

### **5. Associate Investment**

NSDL is a founding member of India International Bullion Holding IFSC Limited (IIBHIL), which is setting up international bullion exchange and depository infrastructure at GIFT City.

### **Strategic Goals**

NSDL aims to:

- Expand market penetration through initiatives like the YUva Plan (YUP).
- Upgrade IT systems for secure and scalable operations.
- Grow NPBL by launching new digital products and scaling reach.
- Broaden NDML's footprint in regulatory, e-Governance, and fintech solutions.

# Strengths



- **Pioneering Market Leadership** – India's first depository, NSDL pioneered dematerialisation in 1996 and remains the largest by demat value and assets under custody.
- **Dominant Share in Institutional Custody** – Serviced 99.99% of foreign portfolio investor holdings in demat form and holds 67.90% share of individual and HUF assets in custody.
- **High Revenue Efficiency** – Operational revenue per investor account stands at ₹156.80, significantly higher than its competitor.
- **Extensive National Footprint** – Operates 65,391 service centres via depository participants, ensuring deep reach and scalability.
- **Robust Technology Infrastructure** – Advanced risk and cybersecurity frameworks power seamless and secure depository operations across platforms.
- **Innovative Product Offerings** – Services like e-Voting, Digital LAS, SPEED-e, and blockchain-based covenant tracking enhance investor utility and market compliance.
- **Digital-First Depository Services** – Platforms like eDIS and IDeAS make investing and account access digital, secure, and real-time.
- **Diversified Revenue Model** – NSDL earns from custody, transaction, software, communication, and license fees, ensuring recurring and balanced revenue.
- **Strong Subsidiary Contributions** – NSDL Payments Bank contributes 50.69% to FY25 revenue, leveraging financial inclusion and B2B2C models.
- **Expanding Government-Tech Verticals** – NDML drives growth in e-Governance, SEZ Online, digital-KYC (Instigo), and insurance digitisation.

## Key Risk Factors

- **Dependence on Securities Market Activity** – A slowdown in trading volumes due to poor investor sentiment, inflation, or policy changes can directly impact NSDL's revenue from transaction-based services.
- **Cybersecurity and IT Infrastructure Risk** – NSDL is exposed to risks from cyber-attacks, outdated systems, or technical failures, which could disrupt operations and lead to regulatory penalties or reputational loss.
- **Regulatory Scrutiny and Compliance Burden** – Being a SEBI-regulated MII, and with subsidiaries governed by RBI, SEBI, UIDAI, and IRDAI, NSDL faces ongoing compliance challenges and risk of penalties.
- **Failure to Innovate in a Tech-Led Ecosystem** – Inability to adapt to rapid changes in investor preferences or tech standards may affect competitiveness, requiring significant investment and innovation.
- **Intense Competition in Core and Subsidiary Businesses** – NSDL competes with CDSL in depository services and with fintechs and banks in digital payments and e-governance, risking market share loss.
- **Reliance on Depository Participants (DPs)** – Its distribution is dependent on 294 DPs, who are non-exclusive and may promote competitors, impacting customer acquisition and revenue growth.
- **Regulatory Observations and Past Non-Compliances** – NSDL and its subsidiaries have faced warnings and deficiency letters for issues like encryption, VAPT, and policy lapses; unresolved issues could result in penalties.

# Brief profile of the Directors



- Vijay Chandok** is the Managing Director and Chief Executive Officer of The Company. He has been associated with the Company since November 28, 2024. He holds a bachelor's degree in mechanical engineering from Banaras Hindu University, Varanasi and a master's degree in management studies from Narsee Monjee Institute of Management Studies, Mumbai. He is responsible for overall functioning of the Company as a MII and overlooks corporate governance, strategy, business and administration related aspects of the Company. He has over 31 years of experience in the financial services industry.
- Parveen Kumar Gupta** is the Chairman and Public Interest Director of the Company. He has been associated with the Company since September 6, 2022. He holds a bachelor's degree in commerce from Guru Nanak Dev University, Amritsar and has been admitted as an associate of the Institute of Company Secretaries of India. He is also a certified associate of the Indian Institute of Bankers. He has over 40 years of experience in the banking industry and has been a part of an expert committee constituted by the RBI on micro, small and medium enterprises.
- Madhu Sudan Sahoo** has been a Public Interest Director of the Company since April 18, 2023. He practices law and is enrolled as an advocate with the Bar Council of Maharashtra and Goa. He holds a bachelor's degree in arts (honours in economics), a bachelor's degree in law and a master's degree in arts in economics from Utkal University, Bhubaneswar. He holds a post graduate diploma in management from the Management Development Institute, Gurgaon and a master's degree in philosophy from the University of Glasgow, United Kingdom. He has been admitted as a fellow of the Institute of Company Secretaries of India and has also been conferred the degree of doctor of philosophy (arts) from the University of Mumbai. Further, he has also completed the post graduate diploma course in securities laws from Government Law College, Mumbai. He has over four decades of experience in economic policy and reforms, including two decades in regulations relating to financial markets.
- Sripriya Kumar** is the Public Interest Director of the Company. She has been associated with the Company since May 23, 2024. She holds a bachelor's degree in commerce from University of Madras and is a member of the Institute of Chartered Accountants of India. She has over 23 years of experience in the field of accountancy.
- Rajat Moona** is the Public Interest Director of the Company. He has been associated with the Company since January 9, 2024. He holds a bachelor's degree in technology (electrical engineering) from Indian Institute of Technology, Kanpur and has also been conferred the degree of doctor of philosophy from Indian Institute of Science, Bengaluru. He has over 33 years of experience in teaching and research for development and standards.
- Sanjay Panicker** is the Non-Independent Director of the Company. He has been associated with the Company since January 1, 2025. He holds a bachelor's degree in mechanical engineering and a master's in business administration from the University of Pune. He also holds a post graduate diploma in financial analysis program from the Institute of Chartered Financial Analysts of India. He has over 28 years of experience in corporate financing and accounts.
- Sriram Krishnan** is the Non-Independent Director of the Company. He has been associated with the Company since August 23, 2023. He holds a bachelor's degree in commerce from Bharathiar University, Coimbatore. He has passed the final examinations held by the Institute of Chartered Accountants of India and of the Institute of Cost and Works Accountants of India. He has over 26 years of experience in banking and capital markets.

## Financial ratios

Financial Ratios	ROCE	ROE	P/E	INDUSTRY P/E	EV/EBITDA
Central Depository Services (India) Limited	42.00	32.70	67.10	67.10	45.50
National Securities Depository Limited	22.70	18.60	42.28 - 46.62	67.10	-

Source: DRHP

# Statement of Profit and Loss



## National Securities Depository Limited

(All amounts are in Indian Rupees millions, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
<b>INCOMES</b>			
Revenue from operations	14,201.46	12,682.44	10,219.88
Other income	1,150.41	974.61	778.26
<b>Total Income</b>	<b>15,351.87</b>	<b>13,657.05</b>	<b>10,998.14</b>
<b>EXPENSES</b>			
Employee benefits expense	1,385.27	1,231.99	1,098.07
Depreciation and amortisation expense	354.03	241.23	216.89
Finance cost	40.97	20.60	18.73
Contribution to investor protection fund	154.21	114.83	98.86
Other expenses	8,906.92	8,485.27	6,466.80
<b>Total Expenses</b>	<b>10,841.40</b>	<b>10,093.92</b>	<b>7,899.35</b>
<b>Profit before Share of Profit / (Loss) of investment accounted for using equity method and Tax</b>	<b>4,510.47</b>	<b>3,563.13</b>	<b>3,098.79</b>
Share of Profit/(loss) of Associate*	23.96	(13.63)	(48.37)
<b>Profit before Tax</b>	<b>4,534.43</b>	<b>3,549.50</b>	<b>3,050.42</b>
<b>Tax Expense</b>			
Current tax	1,052.96	803.10	720.24
Deferred tax charge / (credit)	50.23	(8.05)	(17.92)
<b>Total Tax Expenses</b>	<b>1,103.19</b>	<b>795.05</b>	<b>702.32</b>
<b>Profit after Tax</b>	<b>3,431.24</b>	<b>2,754.45</b>	<b>2,348.10</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss :			
i) Actuarial gain/(loss) on post retirement benefit plans	(41.39)	(12.86)	7.35
ii) Income tax relating to items that will not be reclassified to profit or loss	10.03	3.38	(1.77)
Items that will be reclassified to profit or loss :			
i) Share of Profit of Associate	10.48	3.48	17.44
<b>Total Other Comprehensive Income</b>	<b>(20.87)</b>	<b>(6.01)</b>	<b>23.02</b>
<b>Total Comprehensive Income for the year</b>	<b>3,410.37</b>	<b>2,748.45</b>	<b>2,371.12</b>
<b>Basic and Diluted earnings per equity share of Rs 2 Each</b>	<b>17.16</b>	<b>13.77</b>	<b>11.74</b>

# Valuation and Outlook



**National Securities Depository Limited IPO** is expected to be priced between ₹760 to ₹800 per share. At this price, the company is valued at Price-to-Earnings (P/E) ratio of **46.60x** while the industry peers are trading on average of **67.10x**

Name of company	Face value (per equity share)	Closing price as on July 22, 2025	Total Income (in million)	EPS Basic	EPS Diluted	NAV per equity share	P/E Ratio	RoE (%)	Net worth (in million)	PAT (in million)
National Securities Depository Limited	2.00	NA	15,151.87	17.16	17.16	100.17	NA	0.17	20,053.41	3,431.24
Central Depository Services (India) Limited	10.00	1,714.70	11,992.82	25.20	25.20	84.25	67.10	0.30	17,605.45	5,263.26

**National Securities Depository Limited (NSDL)** has showcased consistent financial growth, with revenue from operations increasing from ₹10,219.88 million in FY23 to ₹14,201.46 million in FY25. The company reported a Profit After Tax (PAT) of ₹3,431.24 million in FY25, reflecting a healthy CAGR over the last three years. Its EBITDA grew at a robust CAGR of 22.42% during FY23–FY25, highlighting operational efficiency and scalability.

The company maintains a zero-debt status, strong cash flows from core operations, and a net worth of ₹20,053.41 million as of March 31, 2025, indicating solid balance sheet strength. With a high share of recurring revenues from its depository business and increasing contributions from digital and financial services, NSDL remains financially resilient.

At the upper end of the IPO price band (₹800), the company is valued at a P/E of 46.60x, compared to the industry average of 67.10x, suggesting relatively conservative pricing given its scale, market dominance, and earnings quality. The listing will further enhance NSDL's capital market visibility and position as a long-term infrastructure enabler.

With its diversified revenue streams, digital-first strategy, and expanding role in India's financial ecosystem – including payments, e-governance, and capital market infrastructure – NSDL is well-positioned for sustained long-term growth.

**"Call us on 8448899576"** to find out whether or not you should apply.



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