

National Securities Depository Ltd.

‘SUBSCRIBE’

30-07-2025 TO 01-08-2025

Industry: Depositories Clearing Houses and Other Intermediaries

Price Band: ₹760 to ₹800

Recommendation: Subscribe for long term

Post Implied Market Cap: ₹25,300 Cr

Key Data

Issue Size (₹ Cr)	₹4,011.60
Fresh (₹ Cr)	-
OFS (₹ Cr)	₹4,011.60
No of shares offered (total issue)	5,28,00,000
Face Value (₹/share)	₹2
Bid Lot	18 Shares

Indicative Timetable

IPO Open Date	Wed, Jul 30, 2025
IPO Close Date	Fri, Aug 1, 2025
Tentative Allotment	Mon, Aug 4, 2025
Initiation of Refunds	Tue, Aug 5, 2025
Credit of Shares to Demat	Tue, Aug 5, 2025
Tentative Listing Date	Wed, Aug 6, 2025
Cut-off time for UPI mandate confirmation	5 PM on August 1, 2025

Shareholding (No. of shares)

Pre-Issue	20,00,00,000
Post-Issue	20,00,00,000

Issue Breakup

QIB	50%
NII	15%
Retail	35%

Other Details

BRLMs: ICICI Securities Limited, Axis Capital Limited, HSBC Securities and Capital Markets (India) Private Limited, IDBI Capital Markets & Securities Limited, Motilal Oswal Investment Advisors Limited, SBI Capital Markets Limited
Registrar: MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)
Listing: BSE & NSE

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About the company

From pioneering the dematerialization of securities in India in November 1996 to currently having being the largest depository in India, National Securities Depository Ltd. has played a key role in transforming and innovating the capital markets of India. Quite evidently, the depository segment in India is in a Duopolistic setting with CDSL being the other player. Remarkable highlights of National Securities Depository Ltd. are, Crossed \$5 trillion worth of securities in demat account, 63k+ service centres across India, T+0 settlement implementation, 99.99% Foreign Portfolio Investors are registered with National Securities Depository Ltd.

Investor Rationales

Financial Infrastructure & Duopoly: As one of only two depositories in India, National Securities Depository Ltd. enjoys a duopoly with high barriers to entry, giving it a strong, protected market position.

Stable Revenue Model: The business model provides a stable, recurring income stream from annual custody and maintenance fees, making it less dependent on volatile market transactions.

Institutional Dominance: National Securities Depository Ltd. holds the largest share of assets under custody (AUC), indicating a powerful and leading position with institutional investors.

Tech-Forward Approach: The company is a pioneer in dematerialization and continues to innovate with new technologies, including exploring blockchain, keeping it at the forefront of fintech.

Beneficiary of Financialization: National Securities Depository Ltd. is poised for growth as more Indians move savings into financial assets, directly benefiting from the country's rising financial inclusion and dematerialization trends.

Risk

Concentrated business risk because of high dependence on participation in Equity capital markets, be it transacting or taking delivery.
Heavy regulations and compliance norms.

Our views

National Securities Depository Ltd. (NSDL), the pioneer of securities dematerialization in India, is opening up to public investors—and it's a long-term story to watch. With over \$5 trillion in assets under custody and a 99.99% FPI registration rate, NSDL is not just critical to India's capital markets—it is the infrastructure.

What makes this IPO compelling is its duopoly with CDSL, creating a moat that's tough to breach. NSDL earns stable, recurring revenue from demat and custody services, making it less reliant on volatile market trading. Its tech-forward mindset—exploring blockchain and digitization—adds future-readiness to a rock-solid foundation.

Yes, it faces risks: regulatory scrutiny and dependence on market activity. But these are structural to the sector, not deal-breakers.

In a financializing economy like India, NSDL is a picks-and-shovels play on long-term equity growth.

Our view: Subscribe for long-term wealth creation.

CONSOLIDATED FINANCIALS – BASIC FINANCIAL DETAILS

Financial KPIs	Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
Revenue	In ₹ Cr	1,021.99	1,268.24	1,420.15
Revenue Growth (%)	%	-	24.10%	11.98%
EBITDA	In ₹ Cr	328.60	381.13	492.94
EBITDA margin growth (%)	%	-	15.99%	29.34%
Profit After Tax	In ₹ Cr	234.81	275.45	343.12
Profit After Tax Margin (%)	%	22.98%	21.72%	24.16%
Consolidated ROE	%	16.43%	16.36%	17.11%
Consolidated Operating Profit Margin	%	22.89%	20.57%	23.95%
Operational KPIs	Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total quantity of securities held in demat	In ₹ Cr	3,22,433	3,77,330	4,75,869
Depository Participants	Number	283	281	294
Demat custody value per demat account	In ₹ Cr	0.96	1.18	1.18
DP Service Centres	Number	59,401	61,665	65,391

Source: Company RHP

National Securities Depository Ltd. IPO Peer Comparison

(As on March 31, 2025)

Company Name	EPS (Basic)	EPS (Diluted)	NAV (per share) (Rs)	P/E (x)	RoNW (%)	P/BV Ratio	Financial statements
National Securities Depository Ltd.	17.16	17.16	100.27		17.11		Consolidated
Central Depository Services (India) Ltd.	25.2	25.2	84.23	68.04	29.9	20.4	Consolidated

*Financial information of the Company has been derived from the Restated Consolidated Financial Information for the year ended March 31, 2025.

Source: All the financial information for listed industry peers mentioned above is sourced from the audited consolidated financial results as available for the respective company for the year ended March 31, 2025, submitted to the stock exchanges.

Basic EPS is sourced from the audited consolidated financial results of the peer for the year ended March 31, 2025.

Diluted EPS is sourced from the audited consolidated financial results of the peer for the year ended March 31, 2025.

NAV is computed as the closing net worth divided by the closing outstanding number of equity shares as on March 31, 2025.

P/E Ratio has been computed based on the closing market price of equity shares on July 22, 2025 on NSE, divided by the Diluted EPS provided under note 2 above.

RoNW is computed as net profit after tax (including profit attributable to non-controlling interest) divided by closing net worth. Net worth has been computed as sum of paid-up share capital and other equity (including attributable to non-controlling interest).

Listed peer are as identified by the management of our Company. (7) All the financial information for listed peer mentioned above is sourced from the audited consolidated financial results as available for the respective company for the year ended March 31, 2025, submitted to the stock exchanges.

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