



A Study on Importance of Depository System in India

Neethu Lekshmi M J

Abstract: The depository is a place where deposits of money, property, securities etc. are deposited for safekeeping. In this system the investor can keep their financial assets like shares, mutual funds, bonds etc. The investors can avail these services from a registered agent called depository participants. There are two depositories in India. They are NSDL and CDSL. The main aim behind this system is to reduce settlement risks by avoiding the huge paperwork. This study is focusing to know about depository system in India and its importance.

Key words: Depository system, NSDL, CDSL, depository participants, dematerialization