

Technology for Awareness & Action: Enabling India's Investors Through Knowledge and Access



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Introduction

India's securities markets are in the midst of a transformative shift—one that is not just digital, but deeply democratic. With over **19 crore demat accounts** and **80% of new accounts originating from Tier 2 and Tier 3 cities**, the story of financial inclusion is no longer about access alone. It is about readiness, responsibility, and resilience. This transformation is being driven by a two-fold objective: of **investor awareness** and **investor empowerment via seamless access to services**. Together, these are shaping a new generation of investors—digitally native, geographically diverse, and increasingly *Atmanirbhar* (self-reliant).

This shift has not happened overnight. India, one of the oldest markets in the world started moving to electronic anonymous order matching exchange platforms, with dematerialization of securities and shorter rolling settlement cycles in the Ninties. This journey of modernization has been breathtaking with constant reforms towards adoption of technology, transparency,

reduction on systemic risk, investor awareness & protection, ease of doing business for all market participants and last but not the least a very robust market infrastructure that inspires trust. From physical certificates and transfer deeds, settlement cycles running into weeks, high percentage of settlement failures and dispute; fast forward to today, and India has rapidly evolved to the T+1 settlement cycle (with T+0 cycle as an option) with guaranteed settlement and adoption of gold standard risk management practices. The rapid evolution and continued endeavour by all market participants & market infrastructure intermediaries under stewardship of SEBI to further raise the benchmark makes India arguably one of the most evolved and dynamic capital markets in the world.

CDSL is at the forefront of leading the above transformation in collaboration all market participants under guidance of SEBI. Our motivation and drive emanate from a singular, powerful purpose — to aid investors in becoming truly *Atmanirbhar*, or self-reliant. This vision recognizes that true financial inclusion extends beyond mere market access to encompass comprehensive empowerment through education, technology, and transparent processes that enable informed decision-making.

Enabling Informed Participation Through Awareness and Access

The foundation of confident investing lies in awareness and ability to evaluate the investment options judiciously. CDSL's investor-first approach has focused on bridging the knowledge-access gap through multilingual education, intuitive platforms, and simplified onboarding.

Demat account is now a seamless experience, allowing investors located in any remote corner of the country to access the market easily and invest as efficiently as any other Tier-I investor. **eKYC** and **eSign** are reducing bottlenecks and allowing investors to complete all processes securely and remotely, eliminating paperwork and delays.

Interoperability stands as one of the most significant milestones in the evolution of India's securities market. Operating within a duopolistic framework and a segregated account structure, where each investor's assets are individually mapped within the depository, unlike the omnibus model prevalent internationally—India has prioritized transparency and investor protection. Under the stewardship of the regulator, Market Infrastructure Institutions (MIIs) have successfully implemented interoperability, allowing clearing members to settle trades with the clearing corporation of their choice irrespective of the venue of trade execution and allow investors to open their securities account with the depository of their choice. It also allows brokers to trade on any exchange and settle on clearing corporations. Further market intermediaries can upload and fetch KYC records from the KRA of their choice irrespective of the primary KRA where a given KYC record is uploaded. This flexibility not only enhances operational efficiency but also places the investor at the heart of market design, setting aside competitive boundaries to foster a unified, investor-first ecosystem.

Expanding investor population

At the back of an ever-evolving suit of investor services is adoption of newer concepts and technology enhancements by the Indian investor. As we continue this journey which is largely technology driven, younger participants will play an increasingly larger role in shaping market reforms. As per March 2025 edition of the NSE Market Pulse, young investors,

under the age of 30 have risen from 22.6% in March 2019 to 39.6% in February 2025. **The mean age dropped from 41.3 years in March 2019 to 35.8 years in February 2025.** These investors, expect intuitive, tech-enabled experiences and are more inclined to make independent financial decisions. Unlike previous generations who relied heavily on traditional financial advisors and physical documentation, younger investors prefer leveraging technology for making independent investment decisions. The new age investors also increasingly prefer availing services of platforms that are technologically advanced aiding seamless execution, reconciliation, tracking and recordkeeping.

We have grown to almost 20 crore demat accounts as of June 2025 and 79% of investors transacting are up to 35 years of age. While more geographically diverse and younger investors are coming into the fold, we are also seeing a rise in the participation from women investors. There has been a 39% growth in female investors from March 2019 to March 2025.

To support this evolving demographic shift and increasingly broad-based investor population, CDSL has built a robust ecosystem of multilingual investor education and technology-enabled learning. Through its Investor Protection Fund (IPF), CDSL conducted 2,526 Investor Awareness Programs during FY24-25 across 34 states and union territories, reaching over 1.47 lakh participants in 15 regional languages, with targeted initiatives for women, youth, and underserved geographies. CDSL IPF also recently launched a multilingual investor education website (www.cdslipf.com), now making information accessible to investors in more than 11 languages apart from English.

These initiatives ensure that investors are not just included—they are informed, engaged, and equipped to participate meaningfully in India's securities markets.

Facilitating Confident Investing Through Seamless Settlement Infrastructure

Investor confidence is built not only on knowledge, but also on the reliability and transparency of the systems they interact with. CDSL's infrastructure reforms have focused on making market participation faster, safer, and more investor-centric.

CDSL, under SEBI's guidance, has also introduced multiple offerings that help investors throughout their investment journey not only in terms of ease of execution but also towards risk deduction. To name just a few:

When it comes to facilitating of movement of securities towards settlement action **Electronic Delivery Instruction Slip (eDIS)** allows investors to pre-authorize debit instructions electronically from anywhere in the country through a **unique B2B business and B2C authorization framework**. This system sends One-Time Passwords (OTPs) directly to customers, ensuring intermediaries have no visibility on passwords while intelligently allowing intermediaries to block that number of shares required by the investor for selling transactions on exchange platform but not exceeding the authorisation given by the investor. For active investors, the **Demat Debit and Pledge Instruction (DDPI)** framework offers seamless authorization, streamlining high-frequency trading while maintaining robust security.

Transparency is further enhanced through the **CUSPA account**, which ensures that that client unpaid securities remain in client account giving him/her the visibility while they are pledged in favour of the intermediary and are processed as per regulatory framework. In a major step toward reducing intermediary risk, Clearing Corporations and depositories now credit securities directly to investor accounts instead of clearing member pool account for further transfer to investor accounts. This **Direct Payout** initiative aims to enhance operational efficiency and reduce risks associated with securities settlement.

The digitization of corporate actions marks a critical extension of these reforms, ensuring that investor entitlements are processed with the same speed, security, and reliability as their trades. Digitized for greater efficiency, all actions – including rights issues which were in physical form till a few years ago – are now processed electronically. Features such as **ASBA integration, escrow facilities, and shortened IPO cycle** have made participation smoother and more secure for retail investors.

Complementing these efforts are tools like the MyEasi app, which provide a secure and convenient platform for investor, that consolidates financial data from the depositories, stock exchanges & clearing corporations, enabling investors to make informed decisions with ease. The investor app offers investors access to a consolidated view of their securities across both the depositories; Transaction cum Holding Statements in one place and; monitoring open positions and margin details across various exchanges and clearing corporations, making it easier to track investments and manage risks effectively. In July 2025, this app has been further upgraded with a new feature that enables retail shareholders to access proxy advisor recommendations while voting on company resolutions through the e-Voting system.

Additionally, CDSL has also introduced two multilingual services - The **electronic Consolidated Account Statement (eCAS)** is one such transformative step in empowering investors—offering a unified view of their holdings and transactions across securities, mutual funds, and NPS. By placing information directly in the hands of investors, it simplifies access and enhances transparency. In January 2024, we deepened this commitment to investor ease by launching eCAS in 23 Indian languages—an inclusive move that reflects our belief that every investor, regardless of geography or language, deserves seamless access to their financial journey. Secondly, the CDSL Buddy Chatbot, available in four languages channels investors complex market concepts, expands access of services and information beyond the tier-I communities, and offers real-time assistance.

SEBI-mandated revamp of **nomination facilities**, changes to **account transfer cum closure processes** for faster processing and initiatives **to identify and return unclaimed assets** ensure that investors and their designated nominees retain control throughout the lifecycle of investment. Importantly, even corporate benefits on the holding in the **in dormant accounts** are credited, safeguarding investor rights regardless of activity status.

Together, these reforms reflect a mature market infrastructure—one that is responsive to investor needs, aligned with global best practices, and committed to building a secure, seamless, and inclusive investment ecosystem where access of information about their investments, security, and ease of execution across all aspects of investment lifecycle is comparable to that of institutional investors.

Towards becoming a global powerhouse

India's securities market is no longer the domain of a few—it is a national movement. The growth from **4 crore to 19 crore demat accounts** in just five years is not just a reflection of trust, transformation, and technological progress of the market infrastructure but also underpins the expectations of India's rising investing population.

As India aspires to become a global financial powerhouse, the strength of its markets will rest on the conviction and confidence of its investors. Through awareness, access, and seamless infrastructure, we are not just enabling transactions—we are nurturing trust.

The future belongs to the informed investor. And that future is already here.
