



# Exploring New Horizons

- Expanding the CSD Services Portfolio

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# The CSD Landscape

## CSDs today

- ✓ Aided conversion of physical certificates into electronic form – high integrity, robust Market Infrastructure
- ✓ Targeted shortening of Settlement cycles
- ✓ Provide Settlement services for Equity & Debt markets
- ✓ Record-keeper of last resort

## Current CSD Trends

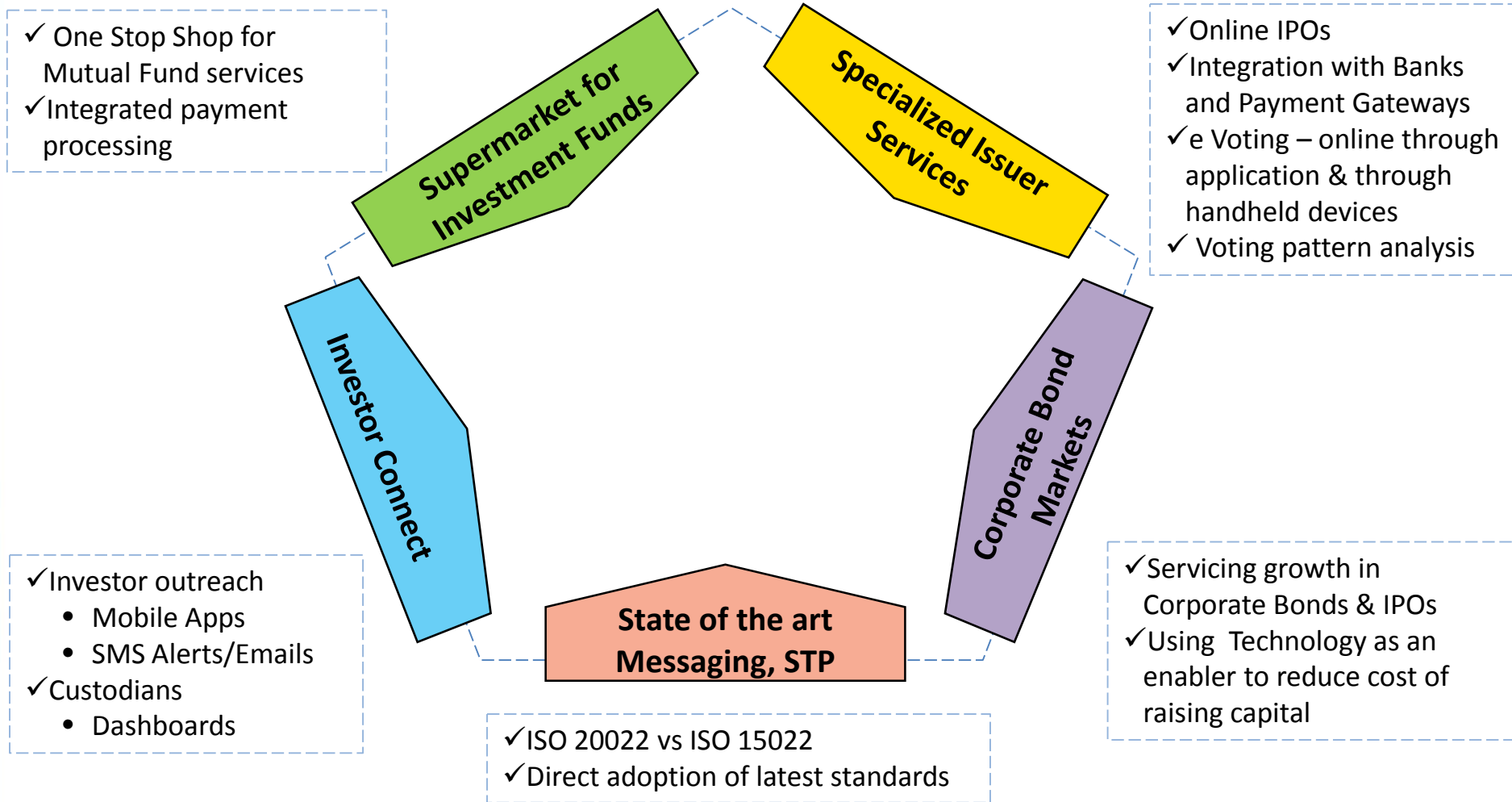
- ✓ Help remove weaknesses in the transaction chain:
  - Integrated Issuance services
  - Single gateway for Mutual Fund investments
  - State of the art communication channels
  - Investor Connect strategies
- ✓ Focus on Corporate Governance

## The future ?

- ✓ Trade Repository
- ✓ Insurance Repository
- ✓ Instrument Identifier Services (National Numbering Agency)
- ✓ One Demat a/c for all holdings
- ✓ Warehouse Management

Expanding services and becoming a national Financial hub...

# Current trends ...

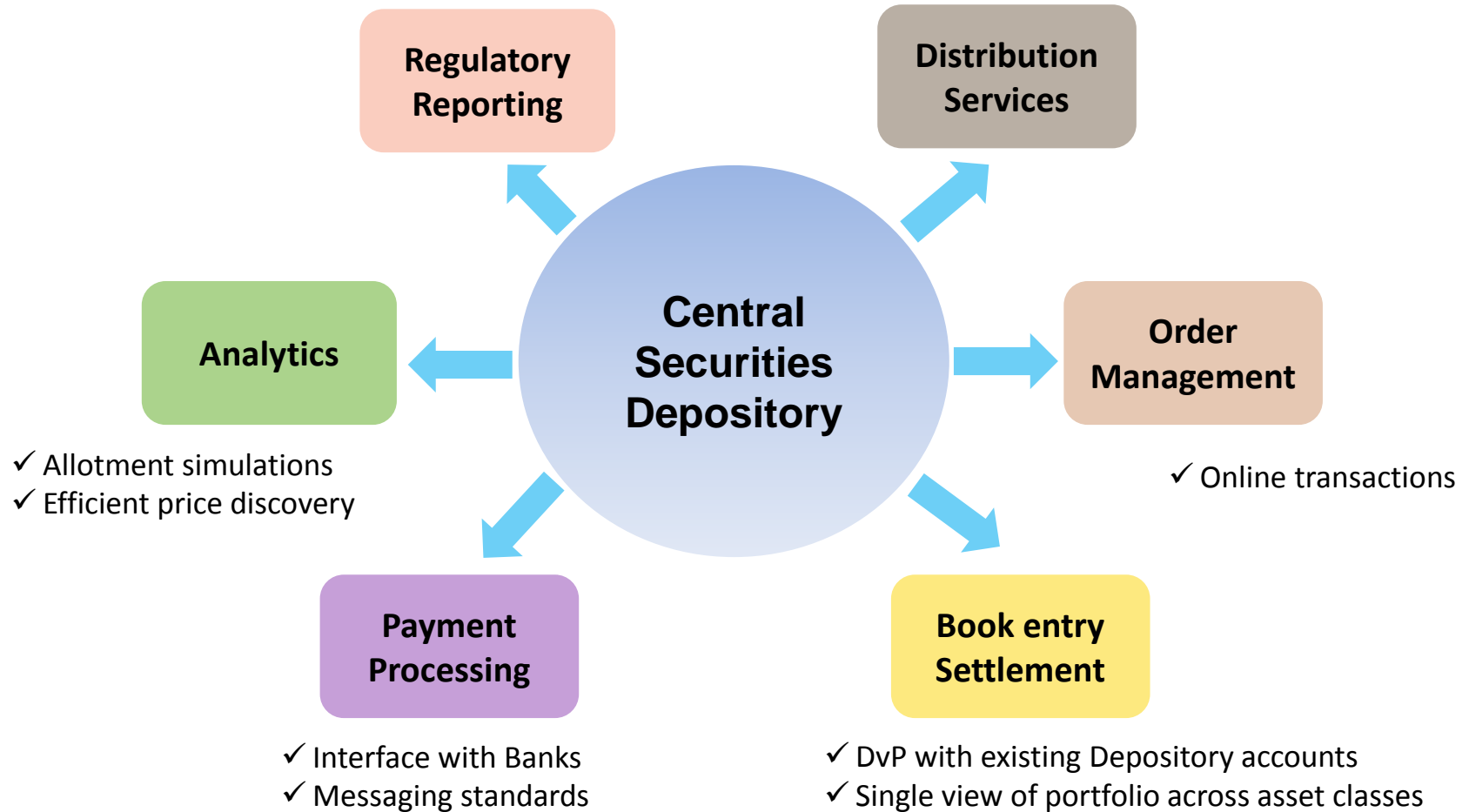


**Becoming a key enabler of a wider financial services market**

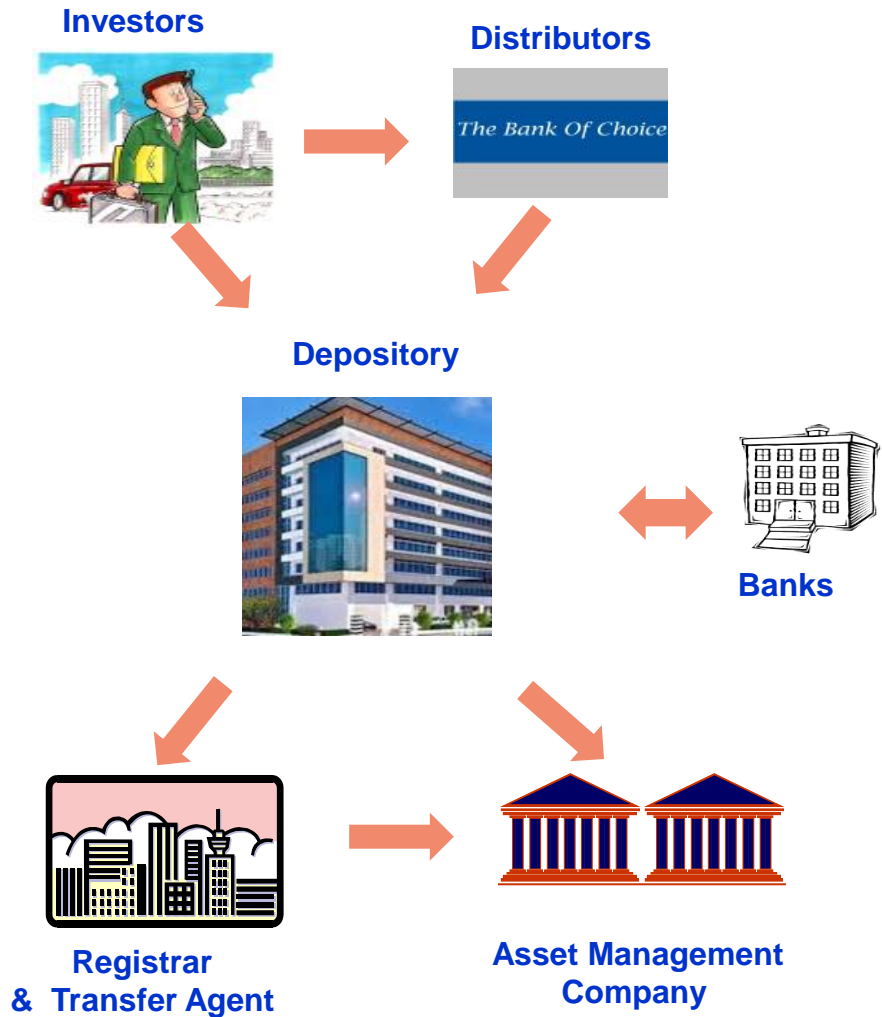
# Enabling STP in Issuance services

- ✓ Foreign ownership
- ✓ Concentration limits

- ✓ Agent & Literature maintenance



# Mutual Funds – Single gateway to safer investment



## Key benefits to the market

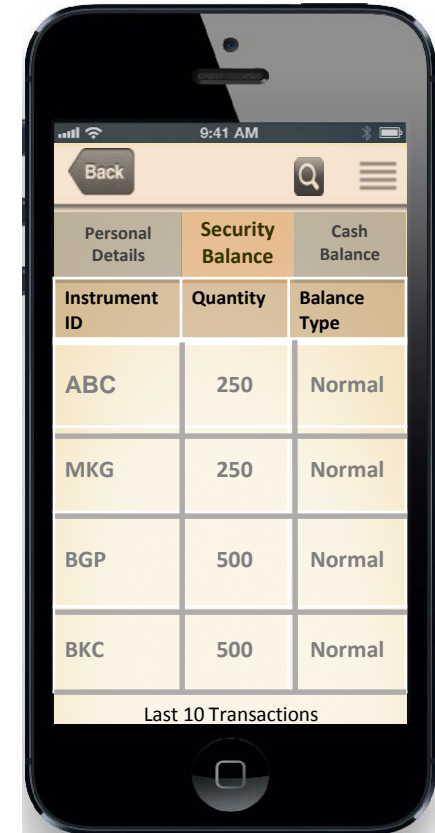
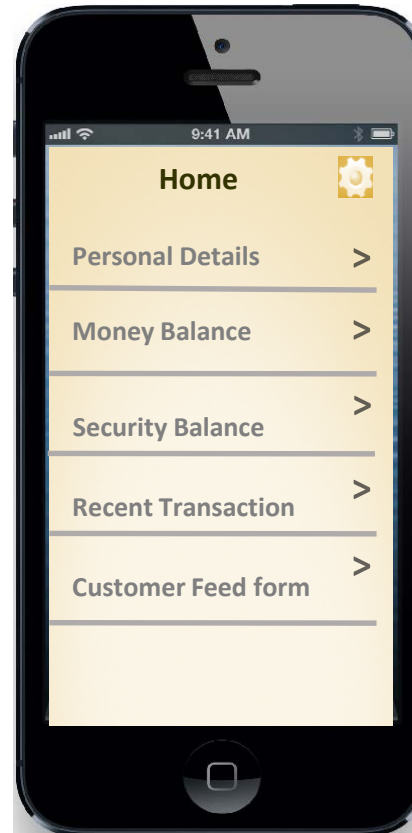
- ✓ One stop shop for a range of investment funds
- ✓ Wider participation from Retail investors
- ✓ Delivering higher levels of STP in the fund industry
- ✓ Efficient and cost effective distribution channel

## Mobile Based Applications



### Investors

- ✓ On tap Account statements
- ✓ Balance/ transactions enquiry on the go



# Expand into new Business areas...

## Instrument Code Allocation Services

- ✓ Instrument code issuance for various asset classes
- ✓ Allocation of ISIN, CFI codes

## Trade Repository

- ✓ Multi asset-class Trade Repository
- ✓ Multi-dimensional reporting – Regulators, participants, public



Depository

## Commodity Warehouse

- ✓ Demat & Book-keeping services
- ✓ Greater STP - Electronic settlement using Warehouse receipts

## Insurance Repository

- ✓ All insurance policies held under one e-Insurance A/c
- ✓ Cost reduction for Insurers
- ✓ Efficient policy servicing

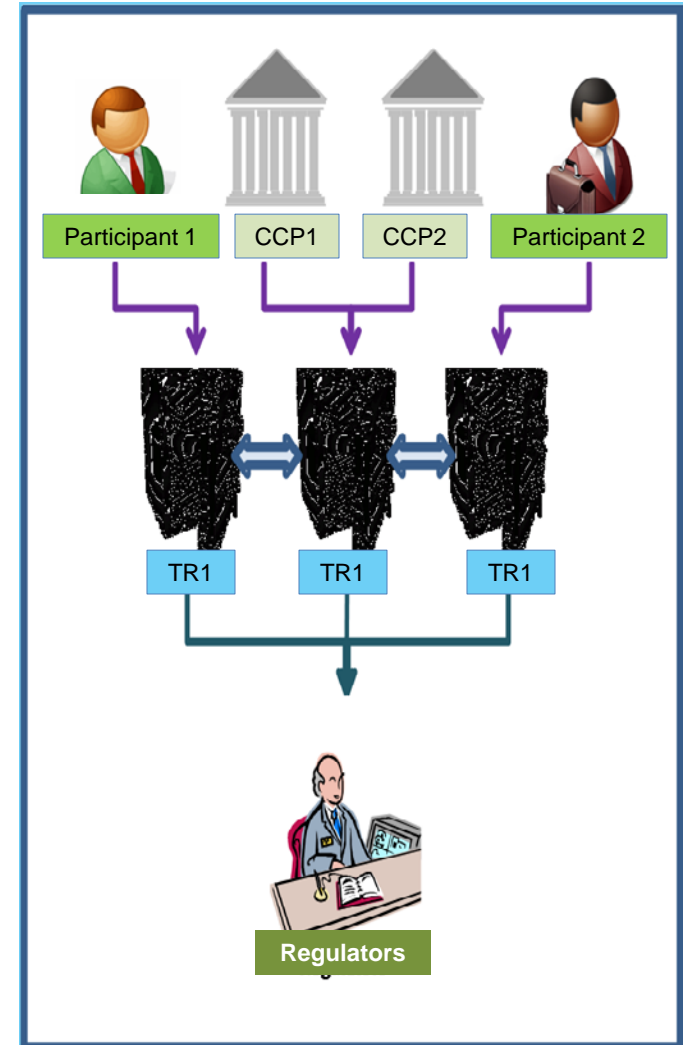
# Trade Repository

## CSDs can position themselves to do this in advance of the introduction of Derivatives

- Event reporting across the Derivative transaction lifecycle
- Connectivity with multiple entities
  - ✓ Swap Execution Facilities (SEFs)
  - ✓ Member firms
  - ✓ Regulators
- Reconciliation with other Trade Repositories
- Real-time exposure monitoring
- Use of FpML standards in messaging

### Key Business Benefits

- Ensures standardization and Regulatory compliance
- Single solution across products & markets traded
- Lower risk





# Commodity Warehouse

## Warehouse Receipts



## Electronic holding of commodities

- ✓ Facilitate delivery Settlement for trades executed on Commodity Exchanges
- ✓ Provide services including Demat/Remat of Commodity balances

## Facilitates credit

- ✓ Introduce a new asset class as Approved security for Collateral purposes
- ✓ Provides liquidity to market participants - through grant of loan against the goods stored in the warehouses

## Key Benefits

- **Mitigate risks** involved in physical settlement
  - Eliminates the chance of fraud, loss and damage to the commodity
- Easy **transfer** of ownership
- Enhance **participants confidence** on the quality of the commodity purchased



# Insurance Repository

An Insurance Repository provides centralized services to stakeholders in the insurance industry, and acts as a one stop shop for policy holding & administration across insurers.



## POLICYHOLDERS

- *Open e-Insurance A/c (e-IA)*
- *Enquire Premium payments schedule, claims history etc*
- *Update contact details (Policy Servicing)*



## INSURANCE REPOSITORY

- Maintains **KYC** information
- Holds all **policy information** of policyholders under one e-IA
- Allows **demat/ remat** of policies
- Sends **premium reminders** to policyholders
- Maintains Historical information on Payments, Claims etc
- Provides Policy servicing
- Reporting to Insurance Regulator

## Business Benefits

- Significant savings to the industry due to digitization
- Eliminates multiple KYC efforts
- Higher levels of STP in policy issuance and administration
- Safeguard rights of citizens during natural calamities such as hurricane Sandy (US), typhoon Haiyan (Philippines), etc.

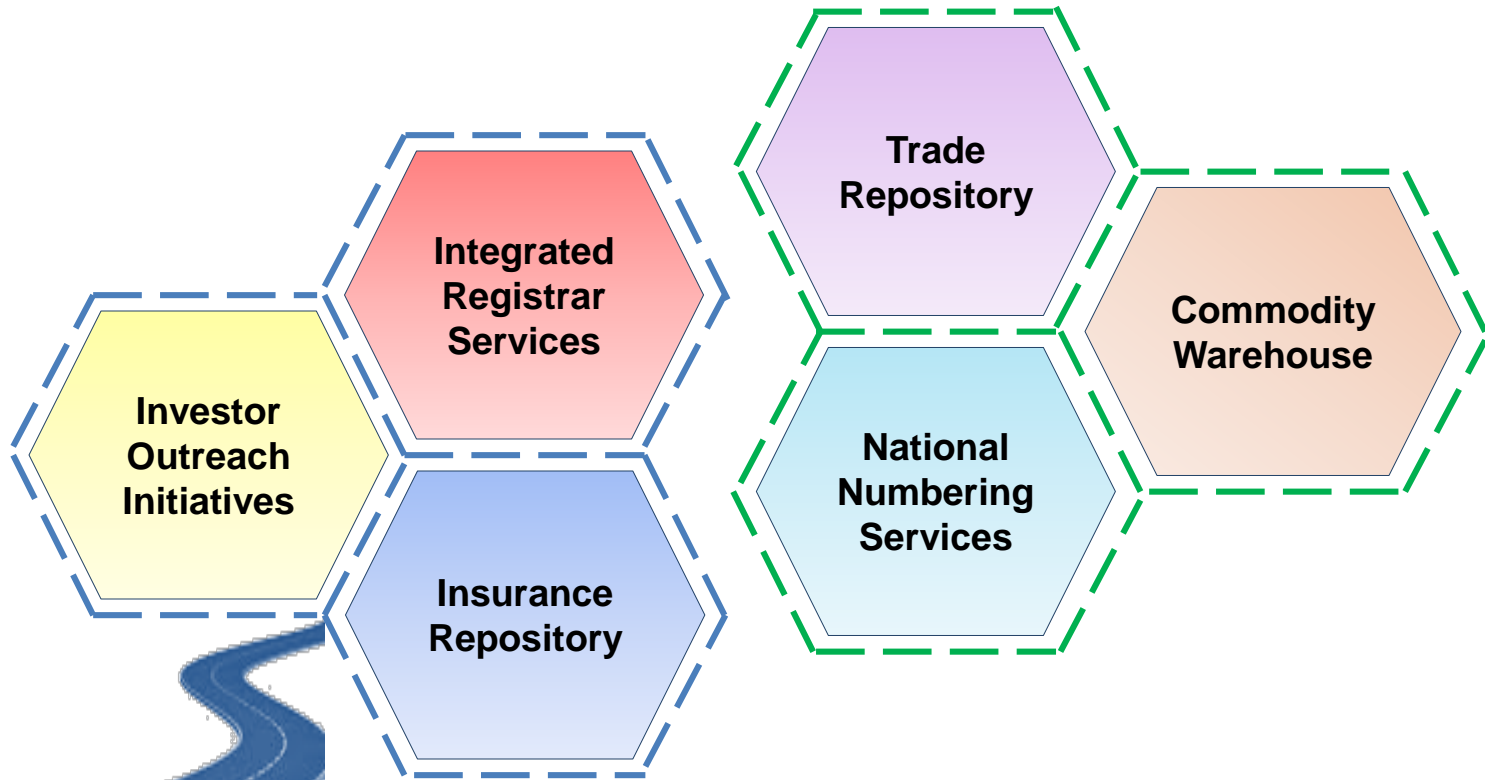
- *Enquire KYC details of its prospects*
- *Tag Insurance policies under the Customer e-IA*



## INSURERS

**Significant growth potential globally in terms of number of existing policies, and wide variety of insurance products available**

# The way forward – your opinion



- *Which are the topics of interest for the AMEDA community?*



Thank You