

## Company Profile

**Organization Name: CDS and Clearing Limited**

**Country/ Region: Nepal**

**Name of CEO: Dev Prakash Gupta**

**Capital (US\$): 2.7 million**

**Number of Officers and Employees: 24**

**Ownership and Governance**

**(Main Shareholders)**

**Nepal Stock Exchange Limited**

### **Brief History**

CDS and Clearing Limited is established in 2010 under the company act of Government of Nepal. It is fully owned and promoted by Nepal Stock Exchange Limited (NEPSE) with the aim to provide centralized depository, clearing and settlement services in Nepal. The company was formally inaugurated on 31st March 2011.

The main objective of the company is to act as a central depository for various instruments (Equity, Bonds, and Warrants etc.) especially to handle securities in dematerialized form. The organization is entrusted with the safekeeping, deposit, and withdrawal of securities certificates and transfer of ownership/rights of the said instruments. The depository functions will be performed by the company under the securities regulations of Securities Board of Nepal (SEBON).

### **Types and number of Participants**

**Depository Participants: 59**

**Clearing Members: 50**

**Beneficiaries Account Holders: 391,238**

### **Regulatory Environment**

Securities Board of Nepal is the regulator of securities market in Nepal.

It has been regulating the market under the

Securities Act, 2006. The Governing Board of SEBON is composed of seven members including one full time chairman appointed by the Government for tenure of four years. Other members of the Board include joint secretary of Ministry of Finance, joint secretary of Ministry of Law, Justice and Parliamentary Affairs, representative from Nepal Rastra Bank, representative from Institute of Chartered Accountants of Nepal, representative from Federation of Nepalese Chambers of Commerce and Industries, and one member appointed by the Government from amongst the experts pertaining to management of securities market, development of capital market, financial or economic sector.

**Stock Exchanges**

Nepal Stock Exchange is the only exchange in Nepal and was established under the company act, operating under Securities Exchange Act, 1983.

**Other CSDs or clearing organization in your country**

**Non**

**Services Provided**

- Dematerialization of Securities
- Re-materialization of Securities

**Eligible Securities**

All the companies listed eligible for trade in Nepal Stock Exchange

**Corporate Action services Provided?**

**Yes/No : Yes**

**(If yes, what kinds of services provided?):**

**Corporate action for Bonus, Rights and IPO**

**Value of Securities in Custody (US\$):**

**Amount of Cash Settled per annum (US\$):** 4344 million

**Percentage of Securities Immobilized/  
Dematerialized:** 43

**Market Capitalization/ Trading volume per  
annum (US\$):** 16 billion

**Total Revenue/ Expense and Net income  
Per annum (US\$):** Approx. 833 thousand /  
Approx 423 thousand

**Memorandum of Understanding/ Business  
Agreement (Date):** 31-03-2016

**Cross-Broader Transaction (Counterpart)**

**Withholding Tax Treatment of Cross-  
Border Trading Transactions (Details)**

**DVP Implementation (Yes/No)**

**Settlement Period :** T +3

**Contact Information**

**CDS and Clearing Limited, Fourth Floor**

**Share market Commercial Complex**

**Putalisadak, Kathmandu**

**Nepal**

**Phone: +977 1 4238008**

**Remarks**