



LSI FINANCIAL SERVICES PRIVATE LIMITED

## **IL&FS Securities Services Limited (ISSL)**

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**Proposal for Acquisition of Operational Business - Teaser**

*September 2023*

## EXECUTIVE SUMMARY

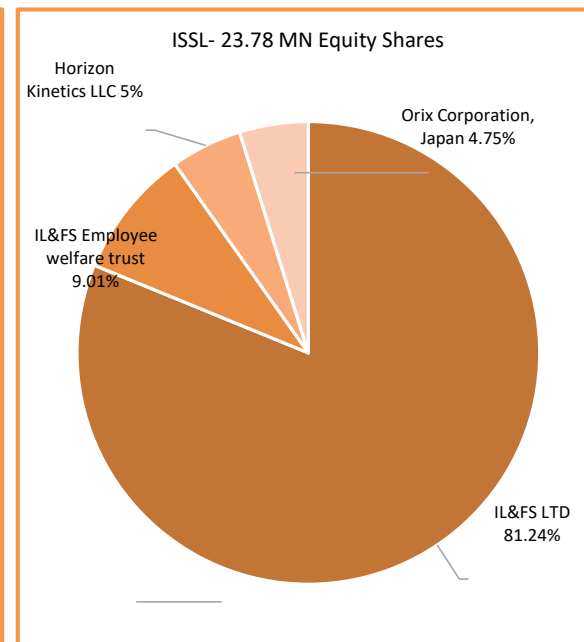
### COMPANY OVERVIEW

- ISSL is a Capital Market Intermediary that provides Depository and Custodial Services.
- Incorporated in FY2006 as a subsidiary of IL&FS.
- ISSL has a well-integrated product portfolio across the capital markets value chain, including Custody and Depository, with NRIs, FPIs, PMS provider, Corporates, Individuals & others.
- ISSL provides secured gateway for clients to access their accounts directly with branches at key centers like Mumbai, Delhi, Bangalore & Chennai, to caters existing & walk in customers.

### BUSINESS OVERVIEW

- Custody Staff consists of contract staff and ISSL, which at present serving a vast client base.
- Generated income of around Rs 4.95 Cr. from its Depository Clients in FY23.
- Generated income of around Rs 2.04 Cr. from its Custodian Services in FY23.
- As on 31.07.2023, average Asset Under Custody (AUC) is around Rs. 9000 Crore with approx. 1700 no of Clients.
- Infrastructure & experienced employees capable enough to serve a vast client base in the security business.

### SHAREHOLDING PATTERN



### PROPOSITION

- Proposals are invited for the potential acquisition of the 'Custody Business' (Option 1) , 'Depository Participant Business' (Option 2) of ISSL on a slump sale basis.
- It is clarified that Applicants may express their interest for either: (i) Option 1 only; or (ii) Option 2 only; or (iii) for both Option 1 and Option 2 ("Option 3")



## KEY INVESTMENT HIGHLIGHTS



**Depository participant for both NSDL & CDSL:** ISSL is amongst the very few depository participants, who have both the NSDL & CDSL registration.

**Active DP Clients:** ISSL has a base of more than 90000 DP Clients & CM accounts of more than 475, as on 31.07.2023, which also presents a significant possibility for cross-selling additional products.

**SEBI Registered Custodian in India:** Only 17 SEBI registered custodian is available in India & ISSL is one of them. For FPIs and Portfolio Management Services (PMS) to commence operations in India, appointment of a Custodian is mandatory\*

**Income from Custodian Services:** ISSL is amongst the recognized custodian in PMS and manages a vast asset of more than Rs 9000 Crore with more than 1700 clients as SEBI registered Custodian and generate income.

**Operational Model:** ISSL is pioneer in the establishment of end-to-end operational model for Alternate Investment Fund (AIF) Cat .III

**Dedicated Technological Infrastructure:** ISSL has the Infrastructure and technology to swiftly cater to high profile clients for both equity and commodity market.

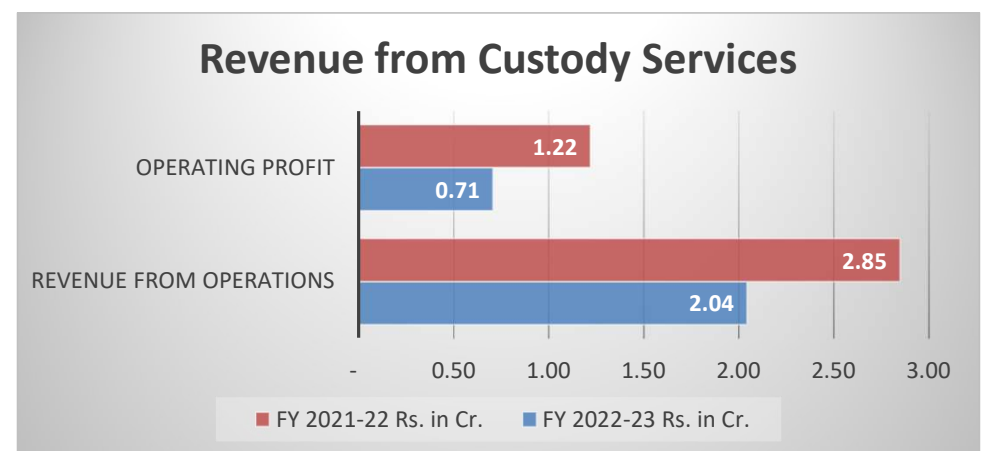
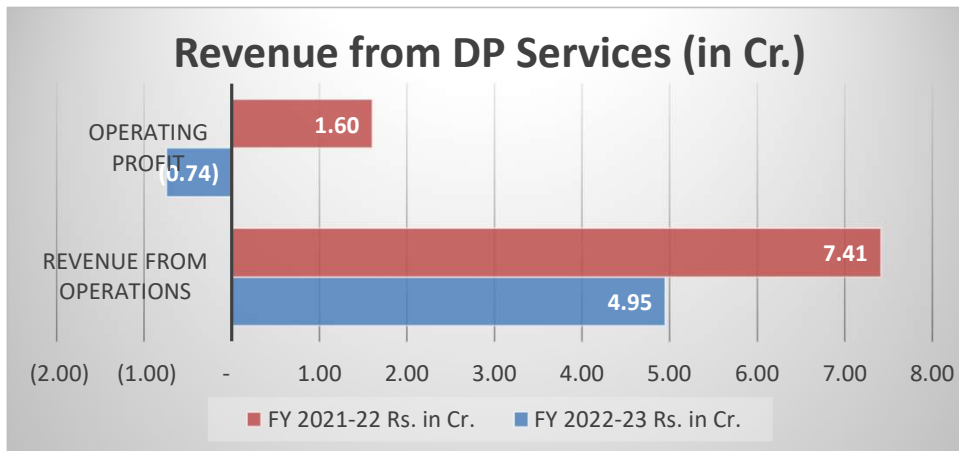
# ISSL FINANCIAL HIGHLIGHTS



## ISSL

Approximate Revenue from DP Services	FY 22-23	FY 21-22
	Rs in Cr.	Rs in Cr.
Revenue from Operation	4.95	7.41
Operating Profit	-0.74	1.60

Approximate Revenue from Custody Services	FY 22-23	FY 21-22
	Rs in Cr.	Rs in Cr.
Revenue from Operation	2.04	2.85
Operating Profit	0.71	1.22



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