

# This stock zoomed over 250% in one year, do you own this multibagger?

The share stood at Rs 297.9 on July 9, 2020. It has zoomed to Rs 1,064 today, translating into gains of 257 per cent during the period. In comparison, Sensex rose 42 per cent in one year.

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Share of Central Depository Services (India) Limited (CDSL) has delivered more than 250 per cent return to its shareholders in one year. The share stood at Rs 297.9 on July 9, 2020. It has zoomed to Rs 1,064 today, translating into gains of 257 per cent during the period. In comparison, Sensex rose 42 per cent in one year.

Rs 5 lakh invested in the leading depository a year ago would have turned into Rs 17.85 lakh today.

The mid-cap stock has gained 97 per cent since the beginning of this year. It rose 3.8 per cent to hit an all-time high of Rs 1,064 against the previous close of Rs 1025.20 today.

With a market capitalisation of over Rs 10,000 crore, the share stands higher than 5 day, 10 day, 20 day, 50 day, 100 day, and 200-day moving averages.

Fundamentally, CDSL is a very strong company on the back of a strong return on equity at around 25 per cent. The company's income from operations has seen a CAGR of 22 per cent from FY18 to FY21 and net profit has seen a CAGR of 25 per cent during the same period. CDSL is the first depository to open four crores plus (40 million) active Demat accounts which shows strong revenue visibility," Akhil Rathi, Vice President Advisory, Marwadi Shares and Finance Limited told BusinessToday.In.

"The company is well established to capitalise on the growth in the industry due to low-interest rates and investors are moving towards investment in stocks for the long term. Based on the company's past performance and future outlook we are bullish on the stock for the long term," he added.

According to MarketsMojo, the company has strong long-term fundamental strength and high institutional holdings at 41.97 per cent. Along with generating 257 per cent return in the last one year, the stock has outperformed BSE 500 in the last 3 years, 1 year, and 3 months. However, it noted that the valuation seems to be very expensive right now.

The leading depository said the number of active Demat accounts opened with it has reached the 4-crore mark. CDSL added that it is the largest depository in the country in terms of active Demat accounts

"Our milestones are a result of the hard work and coordination of all the market infrastructure institutions and the market intermediaries," CDSL Managing Director and CEO Nehal Vora said.

"This journey of financial inclusion has to enhance to engage with a higher number of persons to foray into the securities market to achieve the objective to make India a capital market hub that is highly focused on corporate governance, technology, investor protection, transparency, and sustainability," he added.

CDSL posted a net profit of Rs 51.74 crore for the quarter ended March 2021 as against a net profit of Rs 28.60 crore in March 2020. Total income stood at Rs 110.25 crore in March 2021 compared to Rs 72.97 crore in March 2020. The EPS of the company has increased to Rs 4.95 in March 2021 from Rs 2.74 in March 2020.

The company had 1 crore active Demat accounts in September 2015, crossed 2 crore in January 2020, 3 crore in

