Circular No.: NSDL/POLICY/2020/0139 October 23, 2020

Subject: Insurance Premium Computation Methodology

As Participants are aware, NSDL obtains a comprehensive insurance policy to cover NSDL and its Participants against various risks viz.; Infidelity of employees, Electronic & Computer Crime and Professional Indemnity. This policy is due for renewal in October 2020. The premium paid by the Participants is calculated based on their level of activity (such as aggregate custody value held in demat accounts of their clients, transaction volumes etc.) and certain other factors.

Participants were informed vide Circular No. NSDL/POLICY/2019/0072 dated October 29, 2019 about the methodology for computing premium payable by Participants in respect of insurance policy for the insurance year 2019-20. Continuing with the same methodology, the incidences of insurance claims would be considered while computing the premium payable by Participants for the insurance policy for the insurance year 2020-21.

The computation methodology is given below:

- The insurance premium to be paid by each Participant will be first computed on the activity volume (such as custody value and transaction volume) of each Participant, subject to a minimum value.
- There will be a loading on the premium for the insurance year 2020-21 for Participants who have lodged claim(s) in the previous years.
- A Participant closing its depository operations, will be required to pay the annual premium for the succeeding year, in order to cover the claims (if any) arising in the year immediately following the year of closure.
- Since NSDL will include the premium in the monthly bill for October 2020, it is not necessary to send the premium amount to NSDL separately and must be paid along with the monthly bills.

In case you need any clarifications, please contact Mr. Suresh Uchlani on 022-4914 2758 or on e-mail id: sureshu@nsdl.co.in.

For and on behalf of
National Securities Depository Limited

Chirag Shah
Senior Manager

FORTHCOMING COMPLIANCE			
Particulars	**Deadline**	**Manner of sending**	**Reference**
Investor Grievance Report (Monthly)	By 10th of the following month.	Through e-PASS	Circular No. NSDL/POLICY/2015/0096 dated October 29, 2015
Networth Certificate and Audited Financial Statements for the FY 2019-20	October 31st , 2020	By hard copy to Inspection Department	Circular No. NSDL/PI/98/414 dated September 1, 1998 Circular No. NSDL/POLICY/2020/0131 dated September 30, 2020
Risk Assessment Template (April - September)	October 31st, every year	Through e-PASS	Circular No. NSDL/POLICY/2018/0050 dated September 25, 2018
Internal/ Concurrent Audit Report (April - September)	November 15th every year	Through e-PASS	Circular No. NSDL/POLICY/2020/0136 dated October 19, 2020

Digitally signed by
Name : Chirag Shah
Date : 23-10-2020 13:17:57
Reason : Authentication