

Circular No.: NSDL/POLICY/2023/0142

October 05, 2023

**Subject: Submission of Artificial Intelligence (AI) and Machine Learning (ML) applications and systems usage report by all Participants.**

Attention of participants is invited to circular no. NSDL/POLICY/2019/0016 dated March 27, 2019 regarding reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications and systems offered and used by market intermediaries in accordance with SEBI Circular no. SEBI/HO/MIRSD/DOS2/CIR/P/2019/10 dated January 4, 2019, within 15 calendar days of the expiry of the quarter.

At point no. 1 of aforesaid NSDL circular dated March 27, 2019, it was stated that '*Participants who are offering or using applications or systems as defined in Annexure B to SEBI Circular dated January 04, 2019 should participate in the reporting process by completing the AI/ML Reporting Form and Participants who are not offering or using the applications or systems as defined in Annexure B need not submit the AI/ML Reporting Form*'.

In partial modification to the aforesaid circular dated March 27, 2019, Participants are hereby informed that **all Participants** are required to submit quarterly AI/ML Report through online portal i.e. e-PASS. Participants using AI/ML applications have to submit report on e-PASS portal as per the procedure specified vide circular no. NSDL/POLICY/2021/0102 dated October 4, 2021 and Participants not using AI/ML application have to submit 'NIL' report as per the procedure mentioned at enclosed Annexure.

All Participants are requested to take note of the above and submit the quarterly report of AI/ML on e-PASS system for the quarter ended September 30, 2023 onwards.

**For and on behalf of  
National Securities Depository Limited**

**Arockiaraj  
Manager**

Enclosed: One



### FORTHCOMING COMPLIANCE

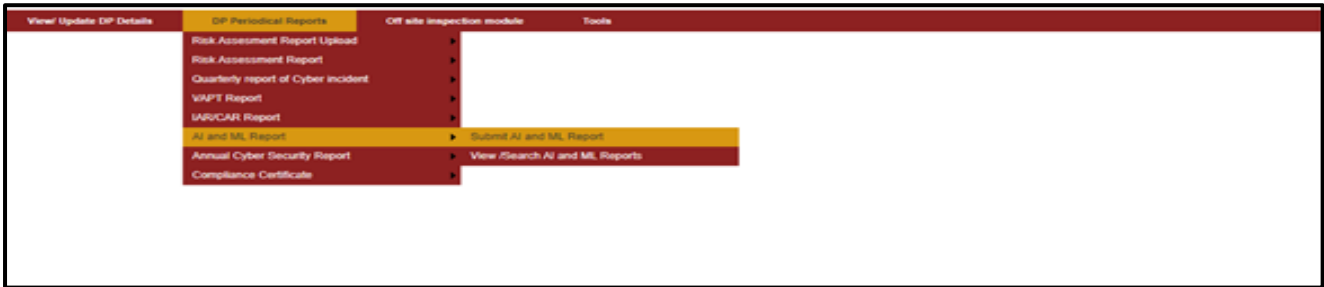
Particulars	Deadline	Manner of sending	Reference
Investor Grievance Report (Monthly)	By 10 <sup>th</sup> of the following month	Through e-PASS	Para 20 of NSDL Master Circular for Participants on 'Grievance Redressal' chapter.
Networth Certificate and Audited Financial Statements (yearly)	October 31 <sup>st</sup>	Through e-PASS	Para 27 of NSDL Master Circular for Participants on Internal Controls/Reporting to NSDL / SEBI chapter and Circular Nos. 1.NSDL/POLICY/2023/0069 dated June 16, 2023, 2.NSDL/POLICY/2023/0122 dated September 11, 2023, 3.NSDL/POLICY/2023/0131 dated September 25, 2023.
Artificial Intelligence /Machine Learning Reporting Form (if offering or using such technologies as defined) (Quarterly)	By 15 <sup>th</sup> of the following month.	Through e-PASS	Para 10 of NSDL Master Circular for Participants on 'Internal Controls/Reporting to NSDL/SEBI' chapter and NSDL/POLICY/2023/0142 dated October 05, 2023.
Cyber Security & Cyber Resilience framework of Depository Participants (Quarterly)	By 15 <sup>th</sup> of the following month	Through e-PASS	Para 2.59 of NSDL Master Circular for Participants on 'Internal Controls/Reporting to NSDL/SEBI' chapter.
Internal/ Concurrent Audit Report (April - September)	November 15 <sup>th</sup>	Through e-PASS	Para 20.4 of NSDL Master Circular for Participants on 'Internal Controls/Reporting to NSDL/SEBI' chapter and Circular No. NSDL/POLICY/2023/0141 dated October 04, 2023.
Risk Assessment Template (April - September)	October 30 <sup>th</sup>	Through e-PASS	Para 7 of NSDL Master Circular for Participants on 'Internal Controls/Reporting to NSDL/SEBI' chapter.
Reporting of status of the surveillance alerts generated by Participants (Quarterly)	Within 15 days from end of the quarter	Through e-PASS	Para 11.7 of NSDL Master Circular for Participants on 'Internal Controls/Reporting to NSDL/SEBI' chapter.



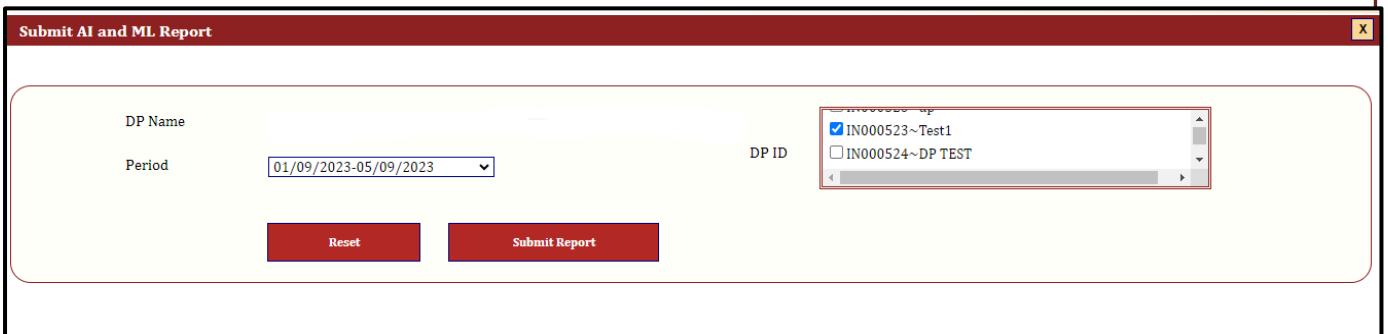
**Annexure**

**Procedure for submission of ‘NIL’ Quarterly Report of Artificial Intelligence (AI) and Machine Learning (ML) through e-PASS**

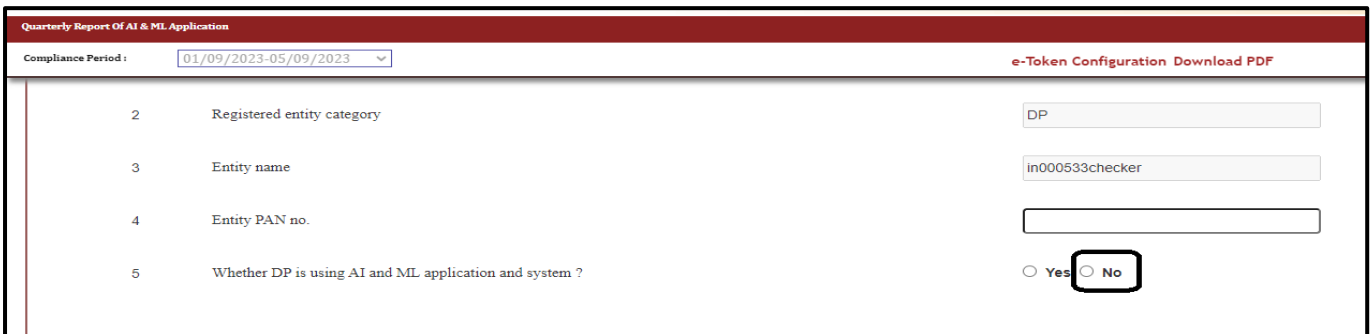
1, After login to ePASS through checker user login, click on tab ‘AI and ML Report’ provided under menu - ‘DP Periodical Reports’ and subsequently click on sub menu ‘Submit AI and ML Report’ as exhibited below:



2. On clicking ‘Submit AI and ML Report’ tab, below screen will appear and user will have to select period for which report is to be submitted and DP ID(s) and subsequently click on ‘Submit Report’ as exhibited below:



3. In case where AI and ML application or system is not used by DP, in order to submit NIL report, user will have to click on option ‘NO’ provided at point no. 5 and click on ‘OK’ as exhibited below:





4. After clicking on ‘OK’, user will have to click on ‘validate’ button and once report is validated successfully, then submit the digitally signed AI and ML Report to NSDL by clicking on “Sign and submit to NSDL” button as exhibited below.



5. Once the report get submitted, same can be viewed by user from ‘View/Search AI and ML Report’ tab provided under option - ‘AI and ML Report’ as exhibited below:

