

ANNEXURE

USER MANUAL FOR ELECTRONIC REPORTING FOR ARTIFICIAL INTELLIGENCE (AI) AND MACHINE LEARNING (ML) APPLICATIONS AND SYSTEMS OFFERED AND USED BY MEMBERS (Electronic NSE interface for Trading Members)

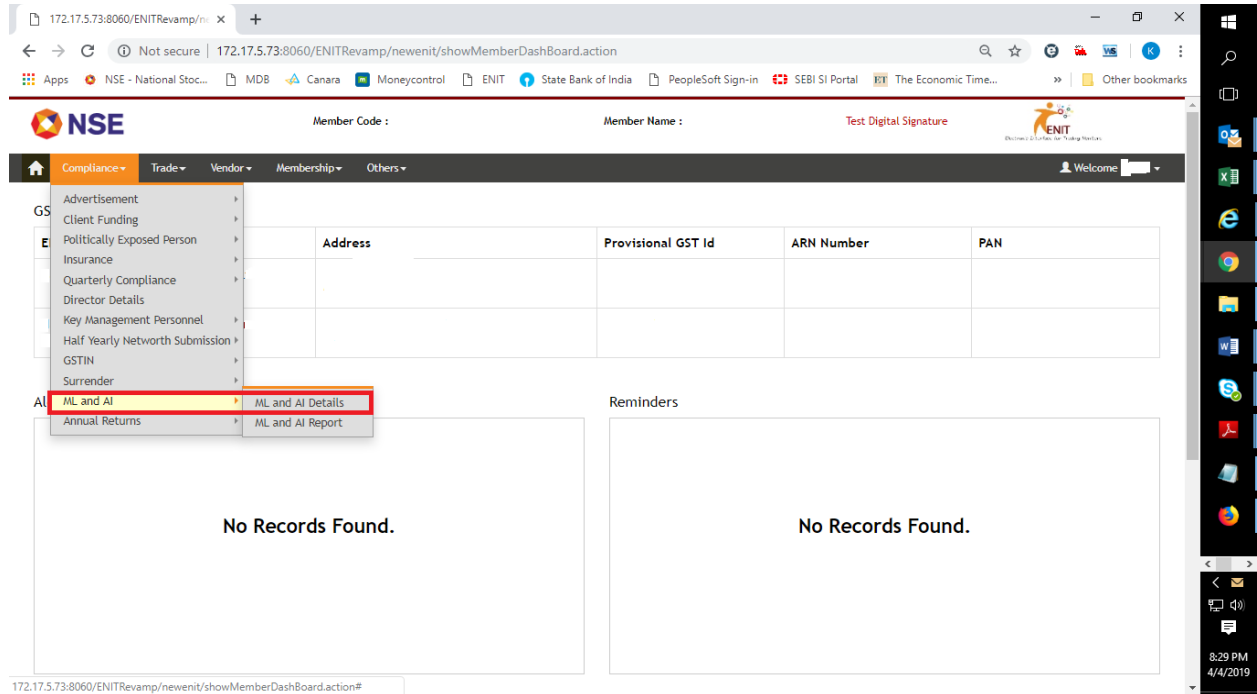
1.1 Quarterly Compliance for ML and AI

Trading members need to do the Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications and systems offered and used by them for every quarter. Using this module, user can submit the details.

1.1.1 ML and AI

[A] Open 'ML and AI' screen:

1. Login with correct member credentials.
2. Click on 'Compliance'.
3. Go to 'ML and AI'.
4. Select 'ML and AI details' & click on it.



The screenshot shows a web browser window displaying the NSE Member Dashboard. The browser address bar shows the URL: 172.17.5.73:8060/ENITRevamp/newenit/showMemberDashboard.action. The dashboard header includes the NSE logo, Member Code, Member Name, and a Test Digital Signature button. The main navigation menu is open, showing options like Compliance, Trade, Vendor, Membership, and Others. Under the Compliance menu, the 'ML and AI' option is highlighted, and a sub-menu is visible with 'ML and AI Details' and 'ML and AI Report'. The 'ML and AI Details' option is selected, and the main content area displays a table with columns: Address, Provisional GST Id, ARN Number, and PAN. The table is empty, and a message 'No Records Found.' is displayed below it. The right sidebar shows a list of application icons, and the bottom status bar shows the time as 8:29 PM on 4/4/2019.



Below screen will get open & user has to fill all editable fields. This form will contain dropdowns, texts and fields to be filled.

‘Name of Trading Member, SEBI Reg. No., PAN No. and Registered Entity Category’ are the auto populated fields which are disabled.

‘Quarter’ represents the applicable quarter period for which the Member needs to submit the details. The quarter period changes as per the applicable quarter.

Below ‘Quarter’, the **Member details** also get changed as per the login credentials.

The screenshot displays the NSE National Stock Exchange portal. The top navigation bar includes the NSE logo and links for Compliance, Trade, Vendor, Membership, and Others. The main content area is titled 'Machine Learning & Artificial Intelligence'. It features a 'Quarter' dropdown menu, followed by fields for 'Entity SEBI Registration Number' (INZ000000000), 'Entity Name' (ABC SECURITIES LTD.), 'Registered Entity Category' (Trading Member), and 'Entity PAN no.' (AAAAA1234A). Below these fields is a section for 'System Details' with a table for reporting AI/ML systems. The table has columns for 'Application / System name', 'Type of area where AI or ML is used', and various compliance questions. The form also includes 'Add Row', 'Submit', and 'Reset' buttons.

In this form, Name of Trading Member, SEBI Reg. No., PAN No. and Registered Entity Category are the auto populated fields which are disabled.

User needs to fill/select other details as required in the form under ‘System Details 1’.

In case user wants to report more than one such AI-ML system, user needs to click on ‘Add Row’ button and a new ‘System Details 2’ will be available to fill the details. Similarly, user can create as many ‘System Details’ as he wants – by clicking on ‘Add Row’ button.



172.17.5.73:8060/ENITRevamp/newenit/mlal

Are the key controls and control points in your AI or IIL application or systems in accordance to circular of SEBI that mandate cyber security control requirements?*

Describe the application / system and how it uses AI / IIL as portrayed in the product offering *

+ System Details 2

Application / System name*

Type of area where AI or IIL is used*

Does the system fall under discretionary investment or Portfolio management activities?*

Is the application/system used in area of Cyber Security to detect attacks *

What is the name of the Tool / Technology that is categorized as AI and IIL system / Application and submissions are declared vide this response*

Are the key controls and control points in your AI or IIL application or systems in accordance to circular of SEBI that mandate cyber security control requirements?*

Describe the application / system and how it uses AI / IIL as portrayed in the product offering *

Is the AI / IIL system included in the system audit, if applicable?*

What safeguards are in place to prevent abnormal behavior of the AI or IIL application / System *

Date from when the Application / System was used*

Does the system involve order initiation, routing and execution?*

Does the system disseminate investment or trading advice or strategies?*

What claims have been made regarding AI and IIL Application / System , if any? *

How was the AI or IIL project implemented *

Is the AI / IIL system included in the system audit, if applicable?*

What safeguards are in place to prevent abnormal behavior of the AI or IIL application / System *

Add Row

Does system audit report comply to circular no. SEBI/HO/MIRSD/DOS2/CIR/P/2019/10 dated January 4, 2019 of SEBI*

Is there any adverse comment in the System audit report*

Submit Reset

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User is required to suitably select the option for last two questions which are common to all the systems. Same are as below:

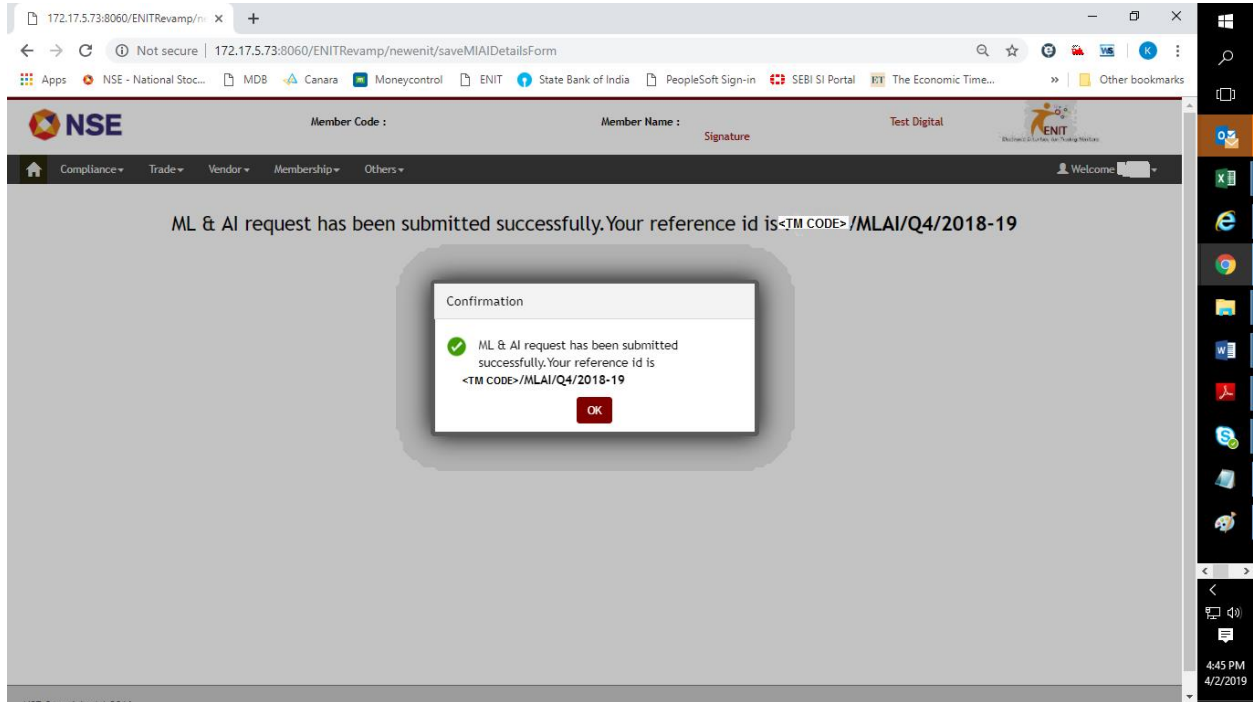
Does system audit report comply to circular no. SEBI/HO/MIRSD/DOS2/CIR/P/2019/10 dated January 4, 2019 of SEBI* **Yes/No/NA**

Is there any adverse comment in the System audit report* **Yes/No/NA**

[B] Submitting the details:

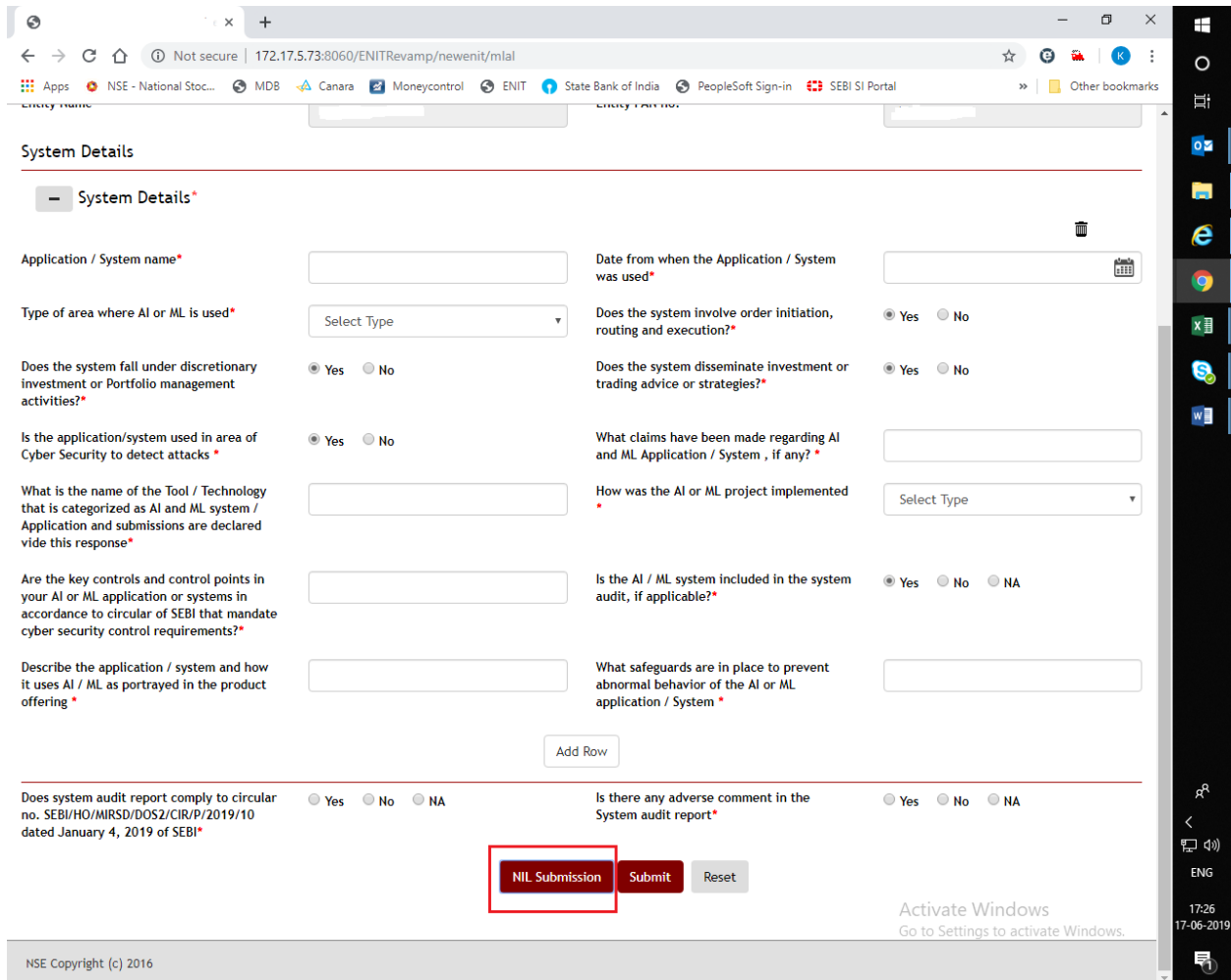
1. Once user has finished filling the details,
2. Click on 'Submit'

The successful alert is seen when user submits the details successfully. It will also generate a Reference No. as follow:



[C] NIL Submission:

1. If AI-ML systems are not being used by member and user wants to report accordingly, user needs to submit 'NIL Submission'. To submit NIL Submission report, click on button 'NIL Submission' as shown in below screenshot:



The screenshot shows a web browser window with the URL 172.17.5.73:8060/ENITRevamp/newenit/mlai. The page is titled 'System Details' and contains a form for submitting a NIL Submission. The form includes the following fields and options:

- Application / System name***: Text input field.
- Date from when the Application / System was used***: Date picker.
- Type of area where AI or ML is used***: Dropdown menu with 'Select Type'.
- Does the system involve order initiation, routing and execution?***: Radio buttons for Yes and No.
- Does the system disseminate investment or trading advice or strategies?***: Radio buttons for Yes and No.
- Does the system fall under discretionary investment or Portfolio management activities?***: Radio buttons for Yes and No.
- Is the application/system used in area of Cyber Security to detect attacks***: Radio buttons for Yes and No.
- What claims have been made regarding AI and ML Application / System , if any? ***: Text input field.
- What is the name of the Tool / Technology that is categorized as AI and ML system / Application and submissions are declared vide this response***: Text input field.
- How was the AI or ML project implemented ***: Dropdown menu with 'Select Type'.
- Are the key controls and control points in your AI or ML application or systems in accordance to circular of SEBI that mandate cyber security control requirements?***: Text input field.
- Is the AI / ML system included in the system audit, if applicable?***: Radio buttons for Yes, No, and NA.
- Describe the application / system and how it uses AI / ML as portrayed in the product offering ***: Text input field.
- What safeguards are in place to prevent abnormal behavior of the AI or ML application / System ***: Text input field.
- Does system audit report comply to circular no. SEBI/HO/MIRSD/DOS2/CIR/P/2019/10 dated January 4, 2019 of SEBI***: Radio buttons for Yes, No, and NA.
- Is there any adverse comment in the System audit report***: Radio buttons for Yes, No, and NA.

At the bottom of the form, there are three buttons: 'NIL Submission' (highlighted with a red box), 'Submit', and 'Reset'. Below the buttons, there is a footer that reads 'NSE Copyright (c) 2016'.

2. After clicking 'NIL Submission' button, following dialog box is displayed:



The screenshot shows a confirmation dialog box with a red warning icon. The text inside the dialog box reads: 'Are you sure you want to Submit ML & AI Details?'. Below the text are two buttons: 'Ok' (highlighted with a red box) and 'Cancel'.

3. Click 'OK' button to submit the report.

4. After clicking 'OK' button, confirmation dialog box is popped-up. It will also generate a Reference No. as shown below:

