

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)

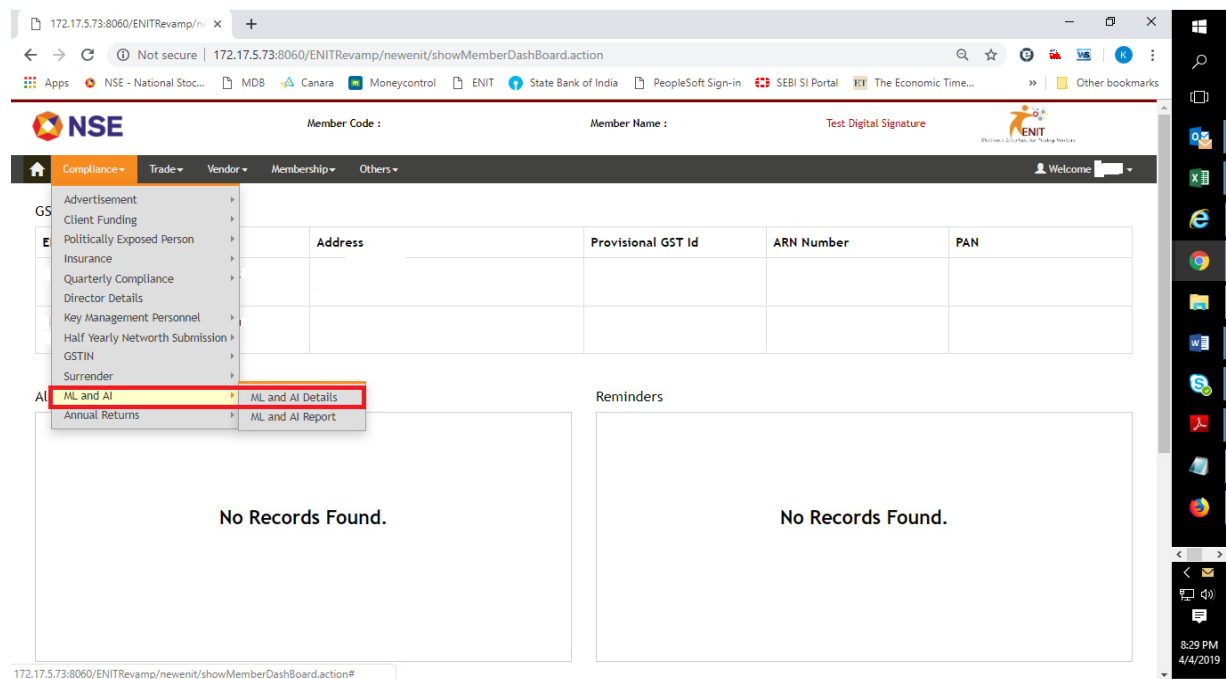
1.1 Quarterly Compliance for ML and AI

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.





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.

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.



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Apps NSE - National Stoc... MDB Canara Moneycontrol ENIT State Bank of India PeopleSoft Sign-in SEBI SI Portal The Economic Time... Other bookmarks

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?*

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

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

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

+ System Details 2

Application / System name*

Type of area where AI or ML 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 ML system / Application and submissions are declared vide this response*

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?*

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

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 ML Application / System , if any? *

How was the AI or ML project implemented *

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

What safeguards are in place to prevent abnormal behavior of the AI or ML 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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4:17 PM 4/2/2019

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**

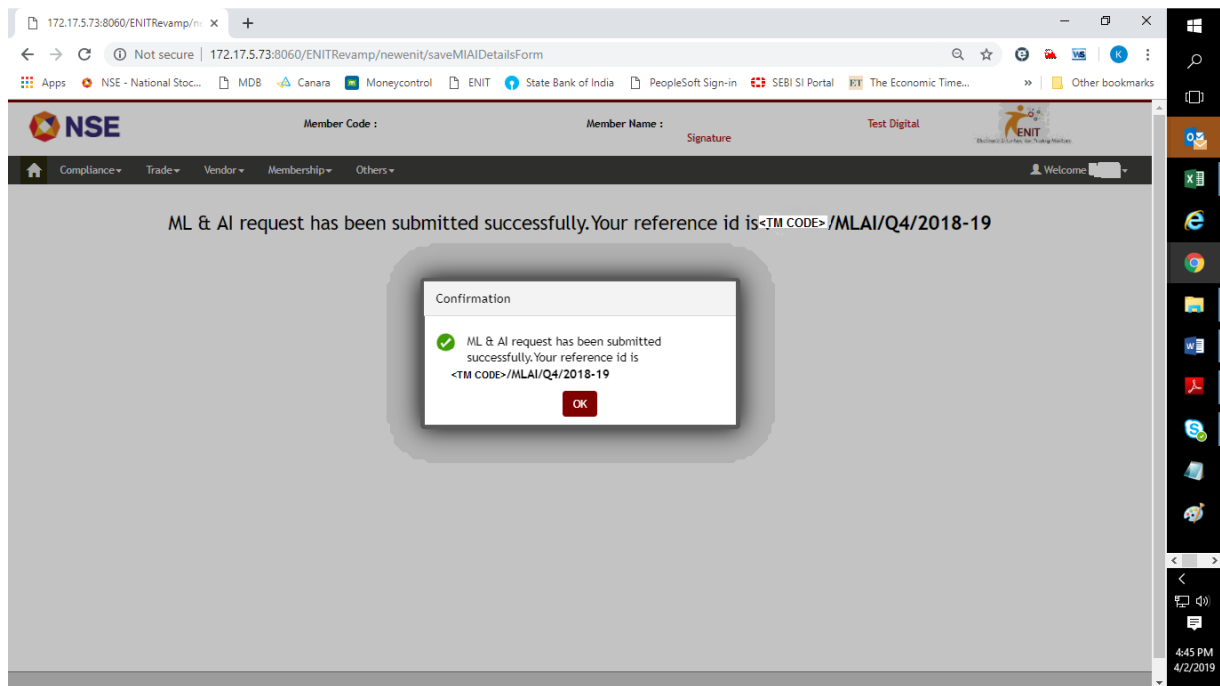
Is there any adverse comment in the System audit report* **Yes/No/NA**



[B] Submitting the details:

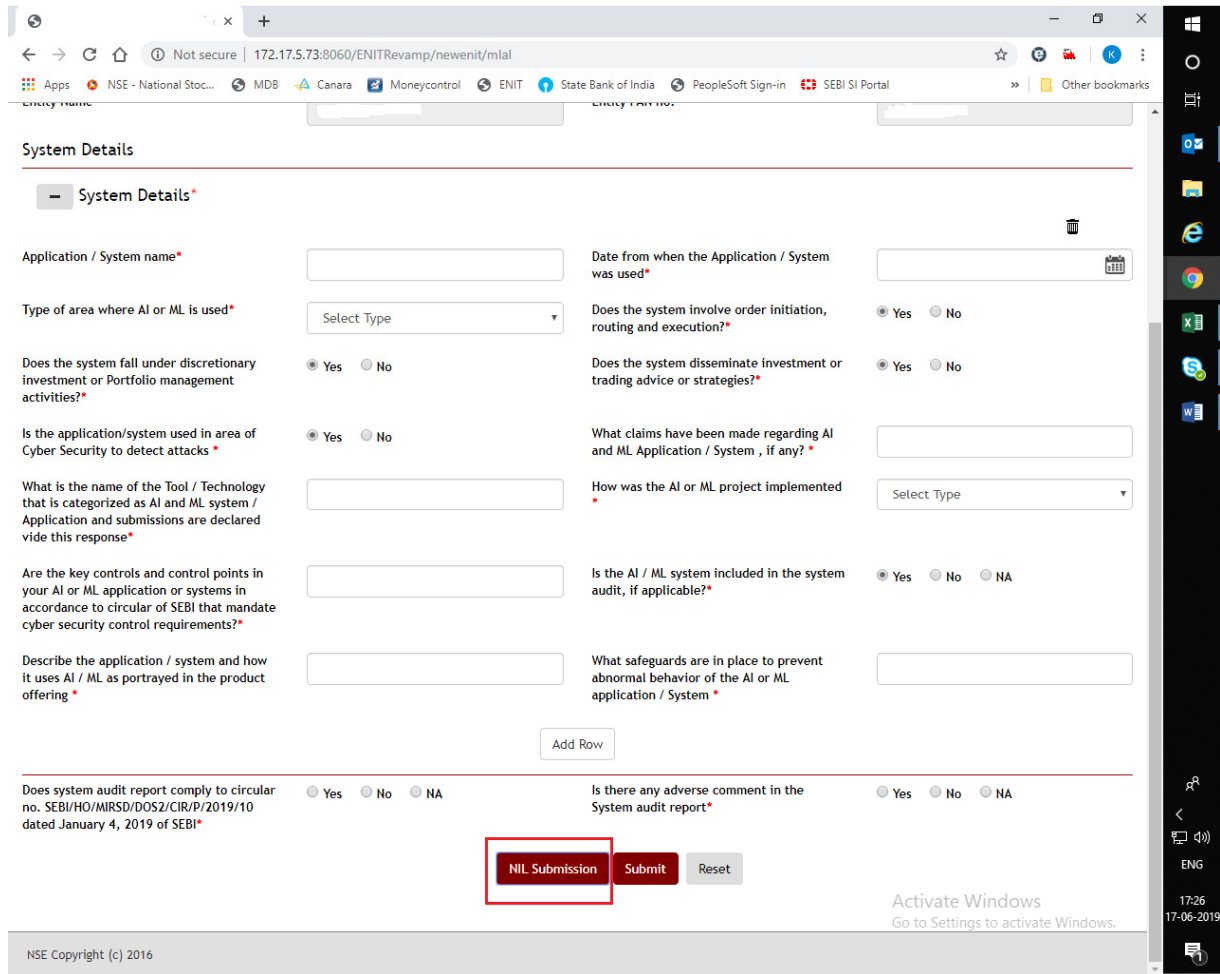
1. Once user has finished filling the details,
2. Click on 'Submit'

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:



System Details

System Details*

Application / System name*

Date from when the Application / System was used*

Type of area where AI or ML is used*

Does the system involve order initiation, routing and execution?* ☒ Yes ☐ No

Does the system fall under discretionary investment or Portfolio management activities?* ☒ Yes ☐ No

Does the system disseminate investment or trading advice or strategies?* ☒ Yes ☐ No

Is the application/system used in area of Cyber Security to detect attacks* ☒ Yes ☐ No

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

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

How was the AI or ML project implemented*

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?*

Is the AI / ML system included in the system audit, if applicable?* ☒ Yes ☐ No ☐ NA

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

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

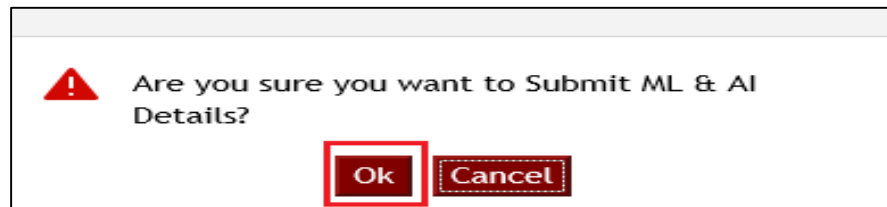
Does system audit report comply to circular no. SEBI/HO/MIRSD/DOS2/CIR/P/2019/10 dated January 4, 2019 of SEBI* ☒ Yes ☐ No ☐ NA

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

Activate Windows
Go to Settings to activate Windows.

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



Are you sure you want to Submit ML & AI Details?

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:

