

ANNEXURE

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

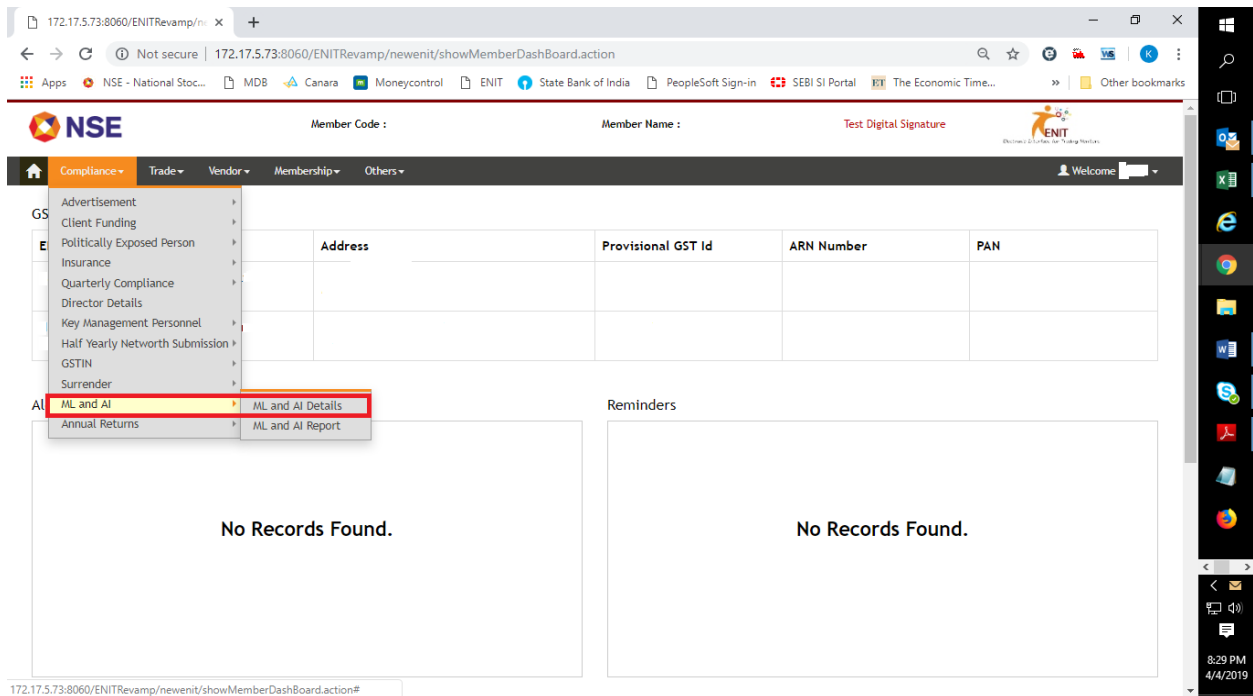
1.1 Quarterly Compliance for ML and AI

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 the NSE ENIT Revamp web application interface. The top navigation bar includes the NSE logo, Member Code, Member Name, and a Test Digital Signature button. The main menu on the left has a 'Compliance' dropdown menu. The 'Compliance' menu is open, showing a list of options: Advertisement, Client Funding, Politically Exposed Person, Insurance, Quarterly Compliance, Director Details, Key Management Personnel, Half Yearly Network Submission, GSTIN, Surrender, ML and AI, and Annual Returns. The 'ML and AI' option is highlighted, and a sub-menu is visible with 'ML and AI Details' and 'ML and AI Report' options. The 'ML and AI Details' option is highlighted. The main content area displays a table with columns: Address, Provisional GST Id, ARN Number, and PAN. Below the table, there are two sections: 'No Records Found.' and 'Reminders'.

Address	Provisional GST Id	ARN Number	PAN

Reminders

No Records Found.



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. Select the quarter from the drop down to submit the relevant details for the selected quarter.

Machine Learning & Artificial Intelligence

Quarter*

Entity SEBI Registration Number

Entity Name

Registered Entity Category

Entity PAN no.

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

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

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

Machine Learning & Artificial Intelligence

Quarter

Entity SEBI Registration Number

Entity Name

Registered Entity Category

Entity PAN no.

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

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

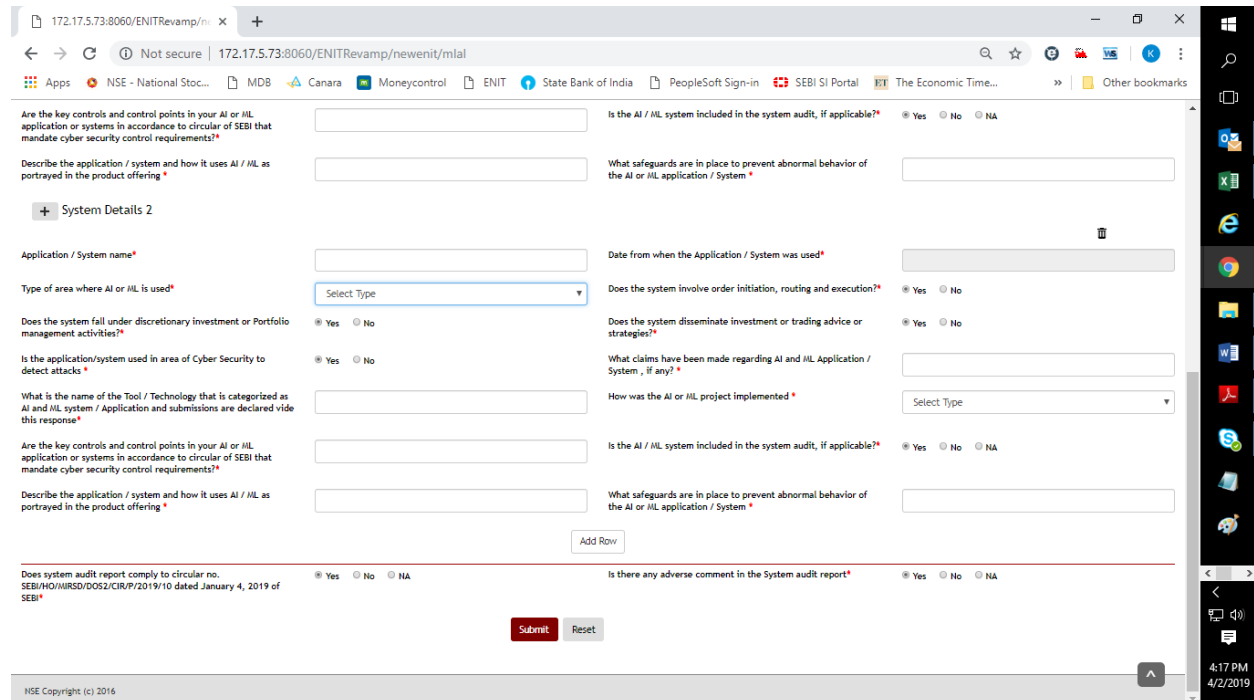
Does system audit report comply to circular no. SEBI/NO/HRD/DOCS/CR/P/2018/10 dated January 4, 2019 of SEBI* ☒ Yes ☐ No ☐ NA

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

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.



The screenshot shows a web browser window displaying the NSE AI/ML System Audit Form. The form is titled 'System Details 2' and contains various input fields and radio buttons for reporting on an AI/ML system. The form is organized into two main sections, each with a set of questions and corresponding input fields. The first section includes questions about key controls, application description, system audit inclusion, safeguards, and system type. The second section includes questions about discretionary investment, system dissemination, claims, implementation, and audit compliance. At the bottom, there are 'Submit' and 'Reset' buttons, and a footer indicating 'NSE Copyright (c) 2016'.

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

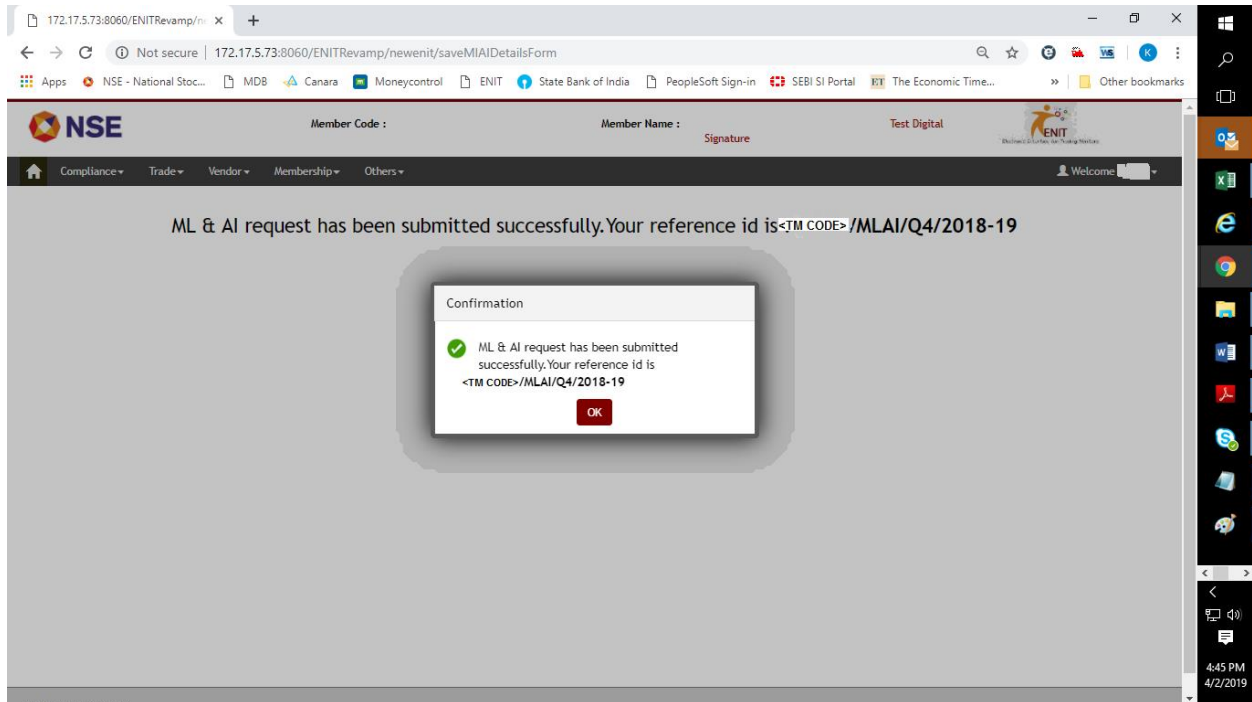
Does system audit report comply to circular no. SEBI/HO/MIRSD/DOS2/CIR/P/2019/10 dated January 4, 2019 of SEBI* **Yes/No/NA**

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

[B] Submitting the details:

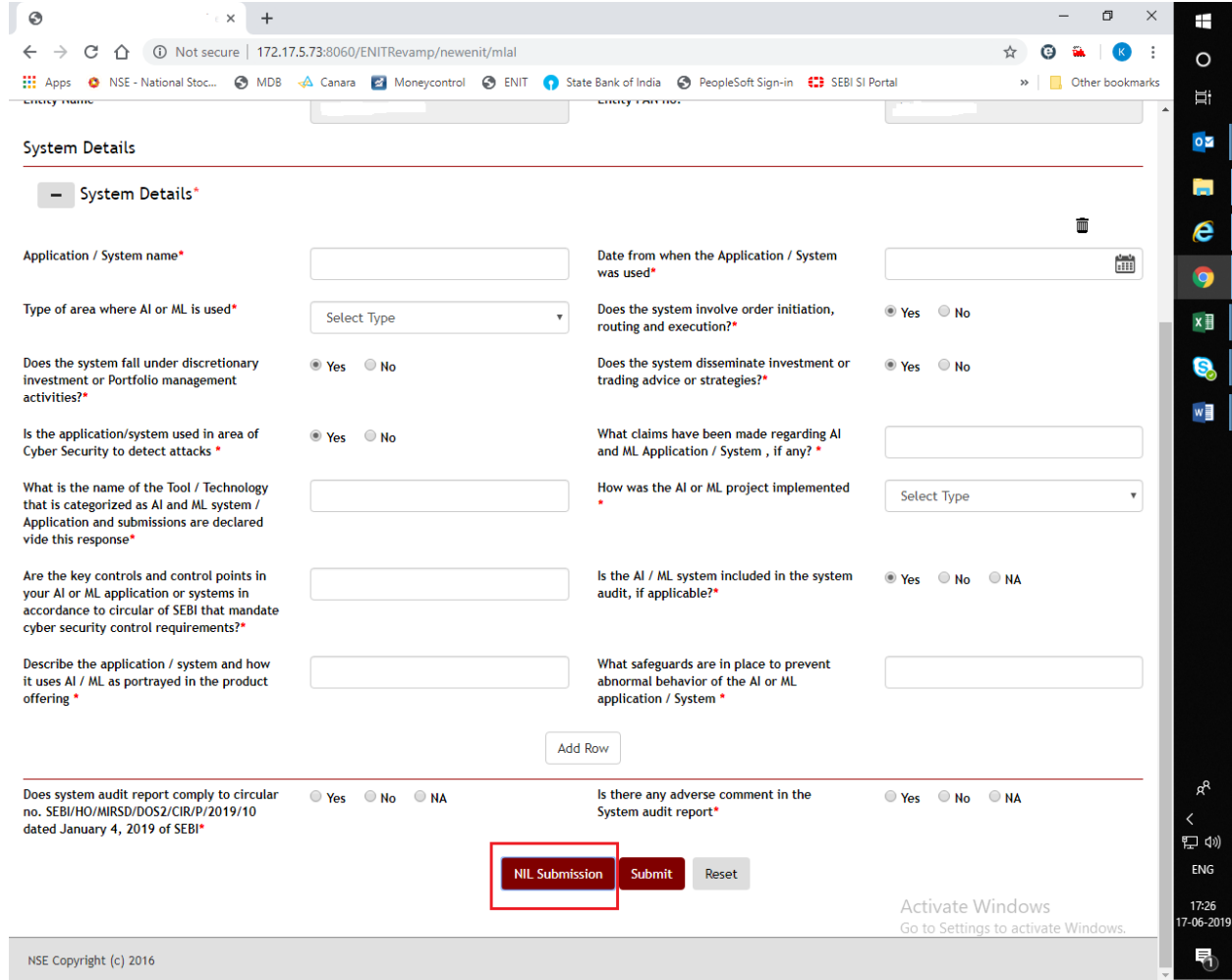
Once user has finished filling the details,
Click on 'Submit'

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



[C] NIL Submission:

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:

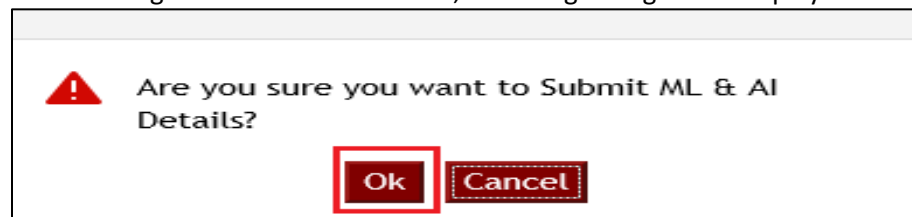


The screenshot shows a web browser window with the URL 172.17.5.73:8060/ENITRevamp/newenit/mlal. The page title is 'System Details'. The form contains the following fields and controls:

- 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 fall under discretionary investment or Portfolio management activities?***: Radio buttons for Yes and No.
- Does the system disseminate investment or trading advice or strategies?***: 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.
- Buttons**: 'Add Row', 'NIL Submission' (highlighted with a red box), 'Submit', and 'Reset'.

The footer of the page includes 'NSE Copyright (c) 2016' and an 'Activate Windows' watermark.

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



The dialog box has a title bar and contains the following elements:

- Warning Icon**: A red triangle with an exclamation mark.
- Text**: 'Are you sure you want to Submit ML & AI Details?'
- Buttons**: 'Ok' (highlighted with a red box) and 'Cancel'.

Click 'OK' button to submit the report.

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

