

'Tracking service quality of market intermediaries will be challenging'

OUR BUREAU

Mumbai, February 15

Even as the regulator is preparing to promote transparency, timely servicing and enhancing awareness on the services provided by market intermediaries through digital initiatives, the former SEBI chief Damodaran said tracking all transactions will be a mammoth challenge.

With most transactions in the financial sector are now taking place through the internet, the quality of service rendered needs to be monitored closely and grievances have to be redressed quickly, he said.

Last November, SEBI published the 'Investor Charter' for securities markets to protect investors' interests, promote transparency in markets and enhance awareness, trust and confidence among investors.

Investors charter

Terming SEBI's Investors Charter as a consolation prize



M Damodaran,
Former SEBI Chairman

for many who have been at the receiving end of the major "offering" last year, M Damodaran, former Chairman of SEBI, UTI and IDBI and Chairperson, Excellence Enablers, told *Business-Line* that the products that are offered by service providers have undergone a change and in many cases, aided by technology, services rendered are instantaneous.

In these circumstances, he said tracking the quality of ser-

vice delivery, through timelines expressed in days, or even in hours, becomes an infructuous exercise.

Each service provider renders several hundred services and therefore, monitoring and tracking service quality, through the medium of charters is a mammoth challenge.

Damodaran said the ten most common services rendered by each service provider should be tracked and systemic solutions should be found. Rushing into making penal provisions and enforcing them could perhaps be premature and counterproductive, he said.

The SEBI charter contains information related to details of various services provided by the intermediaries (exchanges, depositories, brokers, AMCs etc) to investors, their timelines, importance of preservation of relevant documents, investor grievance redressal mechanism.