

**SEBI Guidelines to Market Infrastructure Institutions
(Stock Exchanges, Clearing Corporations and Depositories)**

Key highlights include:

- a) Mechanism to Enhance Accountability:** Market Infrastructure Institutions (MIIs) must implement a system to strengthen governance, particularly regarding Public Interest Directors (PIDs). These directors are required to meet at least once every six months to review compliance, operations, risk management, and corrective actions taken by the MII.
- b) Quarterly Reporting by Compliance Officers:** Compliance officers must report any non-compliance or grievances to SEBI on a quarterly basis. Reports are due within 45 days after the end of each quarter.
- c) Whistleblower Policies:** MIIs are required to strengthen their whistleblower mechanisms. Whistleblower complaints must be resolved within 60 days, and reports on these complaints must be submitted to the MII's governing board. The audit committee plays a pivotal role in investigating and addressing these complaints.
- d) Supervision and Monitoring Mechanisms:** MIIs are encouraged to adopt advanced regulatory technologies (RegTech) and supervisory technologies (SupTech) to enhance their regulatory and supervision processes. These technologies will allow MIIs to monitor their members and participants more effectively and ensure that compliance requirements are met efficiently.
- e) Online Submissions and Reporting:** MIIs must enable online submissions from members, reducing reliance on physical information exchange. This initiative aims to streamline the monitoring process and generate automated alerts and reports for regulatory objectives.
- f) Disclosures Regarding Members:** MIIs must disclose material information about their members and participants on their websites. This includes information on investor complaints, regulatory actions, net worth, and other relevant data, ensuring transparency and accountability in the market.
- g) Training and Knowledge Upgradation for Directors:** In line with SECC Regulations, MIIs are mandated to provide at least seven days of training per year to their directors. The training programs, coordinated with institutions like the National Institute of Securities Markets (NISM), will cover updates on capital markets, regulatory developments, and the latest advancements in RegTech and SupTech.

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