
SEBI'S ADR REGIME: IMPLICATIONS FOR INVESTOR PROTECTION AND REGULATORY ACCOUNTABILITY

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Statement of the problem:

The introduction of a mandatory Alternative Dispute Resolution mechanism by the Securities and Exchange Board of India represents a significant shift in the manner in which investor grievances in the securities market are addressed. From an investor's perspective, the ADR framework operates as a potential boon by offering a faster, cost-effective and relatively accessible alternative to traditional court-based litigation. The integration of online dispute resolution, conciliation, and arbitration reduces procedural complexity and minimizes the need for prolonged adversarial proceedings, enabling retail investors to seek redress without incurring substantial legal expenses. Time-bound processes and the emphasis on amicable settlement further enhance investor confidence, as disputes are less likely to remain unresolved for extended periods.

Notwithstanding these advantages, the practical functioning of the ADR framework raises concerns that qualify its investor-friendly character. A fundamental issue stems from the consent-based nature of ADR. Investors are effectively required to submit disputes to ADR mechanisms without any express contractual consent, raising questions regarding voluntariness and autonomy. Since investors are not signatories to listing agreements or regulatory instruments mandating ADR, the binding nature of such mechanisms may be perceived as regulatory compulsion rather than consensual dispute resolution. This departs from the foundational principle of ADR, which is premised on party autonomy and mutual agreement.

Another significant practical concern is the imbalance of bargaining power between investors and market intermediaries. Securities market intermediaries are repeat participants in dispute resolution processes and possess greater institutional knowledge and resources, whereas investors are typically one-time participants with limited negotiating leverage. In such circumstances, conciliation may risk becoming outcome-oriented rather than fairness-oriented, potentially disadvantaging investors. Further, the channeling of disputes that involve regulatory

non-compliance or public interest considerations into a private dispute resolution framework risk blurring the distinction between public law and private law remedies. This may weaken regulatory accountability and create an impression that investor protection responsibilities are being shifted away from the regulator.

Thus, while SEBI's ADR framework offers clear benefits in terms of efficiency and accessibility, its effectiveness as a genuine boon for investors depends on addressing issues of consent, power asymmetry, and the appropriate segregation of regulatory disputes from private grievance resolution.

Review of Literature

- 1. SEBI Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023:** These regulations constitute the statutory foundation of SEBI's ADR framework and mandate mediation, conciliation, and arbitration across multiple categories of intermediaries. While the regulations aim to create uniform and efficient investor redressal, they also raise questions regarding consent, jurisdiction, and the extent to which regulatory responsibility is shifted from SEBI to stock exchanges. The regulations exemplify the tension between procedural efficiency and substantive investor protection.
- 2. SEBI Securities and Exchange Board of India, Master Circular for Online Resolution of Disputes in the Indian Securities Market ¹(31 July 2023, updated):** The Master Circular consolidates SEBI's procedural blueprint for the SMART ODR ecosystem, translating the policy intent behind the 2023 ADR Regulations into operational steps for market infrastructure institutions (MIIs), stock exchanges, depositories and empanelled dispute-resolution professionals. At the doctrinal level the Circular is significant because it (a) prescribes a sequenced pathway pre-conciliation, formal conciliation, and then online arbitration; (b) lays down time-bound windows for each stage to curb delay; (c) sets out empanelment criteria, disclosure and independence obligations for conciliators and arbitrators; and (d) mandates integration protocols with SCORES to avoid parallel proceedings. These features address long-standing

¹ Securities and Exchange Board of India, Master Circular for Online Resolution of Disputes in the Indian Securities Market (July 31, 2023) (updated).

administrative weaknesses in investor grievance redressal and represent an institutional attempt to marry regulatory oversight with procedural standardisation.

3. **Regulatory Arbitration and Investor Protection in India², SSRN:** The paper analyses arbitration mechanisms embedded within securities regulation and argues that regulator-driven ADR can improve investor access to justice by reducing delay and cost. He recognises arbitration as a practical boon for retail investors who otherwise lack resources to pursue litigation. However, the work cautions that mandatory arbitration, when imposed without express investor consent, risks undermining the consensual foundation of ADR. This analysis is directly relevant to SEBI's 2023 ADR framework, which mandates ADR through regulation rather than contract.
4. **Analysing SEBI's Online Dispute Resolution Circular,³SSRN:** This paper evaluates SEBI's ODR framework as an efficiency-oriented reform intended to streamline investor grievance redressal. The authors acknowledge that time-bound conciliation and arbitration can significantly benefit investors by providing speedy remedies. At the same time, they highlight structural concerns such as unequal bargaining power between investors and intermediaries and the risk of settlements being driven by expediency rather than fairness. The paper reinforces the argument that ADR is a procedural boon but not a complete substitute for regulatory protection.

Objectives of the Study

1. To examine the investor-centric objectives and procedural benefits of the ADR and Online Dispute Resolution framework introduced by SEBI through the 2023 regulatory amendments and the Master Circular for Online Resolution of Disputes.
2. To analyse the legal and jurisprudential basis of mandating ADR for investor disputes in the securities market, particularly in the context of consent, party autonomy, and the public–private law divide.
3. To evaluate the practical functioning of SEBI's ADR mechanism in addressing investor grievances, with specific reference to power asymmetry between investors and market

² Umakanth Varottil, *Regulatory Arbitration and Investor Protection in India*, J. Corp. L. Stud. (India).

³ Vidushi Sehgal & Rahil Arora, *Analysing SEBI's Online Dispute Resolution Circular*, SSRN (2024).

intermediaries.

4. To assess whether the ADR framework complements or dilutes SEBI's statutory obligation to protect investor interests and enforce regulatory compliance under the SEBI Act, SCRA, and allied laws.

Hypothesis:

Primary Hypothesis: The mandatory ADR framework introduced by SEBI provides an effective, fair, and investor-friendly mechanism for grievance redressal without undermining regulatory accountability or investor rights.

Secondary Hypothesis

The mandatory ADR framework, while procedurally efficient, undermines investor autonomy and regulatory accountability by compelling investors into private dispute resolution mechanisms for disputes with public law elements.

Research Questions:

1. To what extent does SEBI's mandatory ADR and Online Dispute Resolution framework enhance investor access to timely and effective grievance redressal in the Indian securities market?
2. Does the compulsory nature of SEBI's ADR mechanism conform to established principles of consent, party autonomy, and the public-private law distinction in dispute resolution?
3. How does the implementation of SEBI's ADR framework impact the balance between investor protection and SEBI's statutory responsibility to enforce regulatory compliance under the SEBI Act and the SCRA?

Methodology:

The present study adopts a doctrinal and analytical research methodology, relying primarily on the examination of statutory provisions, delegated legislation, regulatory circulars, and judicial precedents governing investor grievance redressal in the Indian securities market. The research

involves a detailed analysis of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Companies Act, 2013, the Mediation Act, 2023⁴, and the Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023⁵, along with the Master Circular for Online Resolution of Disputes in the Indian Securities Market. Judicial decisions of the Supreme Court of India, High Courts, and the Securities Appellate Tribunal are examined to understand the public–private law distinction, consent in ADR, and the scope of SEBI’s regulatory jurisdiction. Secondary sources, including peer-reviewed journal articles, policy reports, and authoritative commentaries, are used to contextualise the regulatory framework and identify practical challenges in implementation. The study also employs a comparative and evaluative approach by drawing insights from international ADR and ODR practices to assess whether SEBI’s framework effectively balances procedural efficiency with substantive investor protection.

Background and Context

Investor grievance redressal in India’s securities market has changed considerably within a legal environment that continues to grow more complex. In earlier periods, most investor disputes were resolved through court litigation or exchange-based arbitration, both of which tended to be slow, expensive, and difficult for small investors to pursue in practical terms. As participation from retail investors has expanded and financial instruments along with intermediaries have become more sophisticated, the need for a faster and technology enabled dispute resolution system has become increasingly evident.

In response to these systemic gaps, the Securities and Exchange Board of India (SEBI), as the primary market regulator, has taken steps to strengthen investor protection. A key development is the introduction of a structured ADR framework in 2023 along with the rollout of Online Dispute Resolution (ODR). This reflects a move away from traditional adjudicatory processes toward a more streamlined and digitally driven system that aims to deliver quicker outcomes. The framework brings together multiple stages such as pre conciliation, conciliation, and arbitration, with the goal of resolving disputes at a standard comparable to formal courts while making the process easier and faster; delays, which have long affected dispute resolution, are

⁴ Mediation Act, No. 32 of 2023

⁵ Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023.

addressed more directly within this system in a more immediate way.

This initiative is grounded in the broader objective of improving access to justice for investors. Conventional litigation is often costly, time consuming, and rigid in both procedure and outcome, which discourages many investors, particularly retail participants, from pursuing formal claims. ADR provides a more workable alternative, allowing disputes in the securities market to be settled more quickly and at lower cost, and it has gradually become a central mechanism in this space. Digital tools further support this shift by enabling remote access, reducing geographical barriers, and improving transparency in procedures.

At the same time, making ADR mandatory in securities disputes introduces both benefits and concerns. Unlike traditional ADR systems that rely on voluntary participation and mutual agreement, SEBI's framework operates through statutory compulsion. Investors may therefore be required to enter ADR processes even without prior contractual consent. This raises questions about party autonomy, which is a core principle of ADR, and creates tension between regulatory efficiency and individual choice. Transforming ADR from a voluntary mechanism into a legally mandated one requires a corresponding shift in how market policy and regulatory approaches are understood.

Another key aspect is the imbalance between investors and intermediaries in the securities market. Intermediaries such as brokers and financial institutions usually have greater operational knowledge and familiarity with dispute resolution processes, while individual investors may lack similar resources or expertise. This imbalance can sometimes make dispute resolution more efficient, yet it also raises concerns about fairness. Efficiency alone is not enough. The system must ensure that outcomes remain equitable and that one party does not gain an advantage simply due to structural differences.

A further concern involves how ADR interacts with SEBI's wider regulatory responsibilities, especially in maintaining competition and accountability in the securities market. The movement of disputes into private resolution mechanisms has led to concerns about reduced regulatory oversight. Issues relating to compliance, market integrity, and public interest remain central. While ADR can reduce the burden on formal enforcement systems, it may also blur the boundary between regulatory enforcement and private dispute resolution, which calls for careful handling by SEBI.

In sum, SEBI's ADR and ODR framework operates within a complex regulatory environment that requires a careful balance between efficiency, accessibility, and fairness. While the system strengthens investor grievance redressal and modernizes dispute resolution, important concerns such as consent, access, and the balance between investor protection and regulatory control still need close attention. Ensuring that both investors and market participants are treated fairly, while preserving strong regulatory oversight, remains essential for the long-term effectiveness of the framework.

Legal and Regulatory Framework Governing Securities Dispute Resolution

We are now able to implement the securities dispute resolution process in India under a variety of statutory instruments both statutory acts and law-based in nature to protect the market integrity of securities market, protect investors and process dispute resolution through process as a part of securities law. The Securities and Exchange Board of India Act, 1992⁶ (SEBI Act) has been enacted with a scope for securities law. And SEBI has certain powers under it that are very wide applied (the market regulation is implemented under the act, the compliance (to protect shareholders and firms in the market is made more certain as the mechanism in which to do so is set). So far in the history of investing and dealing with issues in securities there has been much talk about investor complaints and dispute resolution within securities.

In addition to the SEBI Act, there are also Securities Contracts (Regulation) Act, 1956⁷ and stock exchanges' regulation regarding the rules governing their functioning as well as the stock trading itself. The SCRA acts to determine exchanges' disputes in the marketplace including arbitration between customers and vendors (broker and depository). The provisions of Companies Act, 2013⁸ act as an additional layer in the law that binds listed companies to protect investors, disclose them and answer the issues and complaints of their customers. These statutes bring together the framework that the stock industry and investor protection and disclosure systems provide; hence securities disputes should be resolved and the problem resolved.

The key to the SEBI's regulatory system is delegated legislation. SEBI takes many steps to implement and govern by issuing circulars, regulations, and master directions in order to meet the statutory guidelines that it was passed by the parliament. We have introduced Securities

⁶ Securities and Exchange Board of India Act, No. 15 of 1992

⁷ Securities Contracts (Regulation) Act, No. 42 of 1956

⁸ Companies Act, No. 18 of 2013 (India).

and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023⁹ as a case in point and this system is the first step to ensure that ADR rules work for securities. It is also followed by Master Circular for online resolution of disputes, which is more systematic and has clarity and uniform rules for dispute resolution for all players.

Investor grievance redressal in India had been performed in several stages. For the first time, disputes were settled through meetings with external parties to address them; other parties involved directly and through arbitration that were conducted by stock exchanges. In this system, investors would apply to arbitration against brokers or other depository representatives in an alternative to one for compensation and their award would have to be reviewed once it had been made in the exchange context. It proved to be an effective mechanism to resolve disputes, but still had delays and failed to resolve them efficiently.

To deal with this, SEBI introduced SEBI Complaints Redress System (SCORES) designed to¹⁰ connect investors with the firms through which their complaints with regulated companies can be submitted (online) at any stage of the process and in real time. SCORES is also a move towards digital governance, giving investors a platform to seek redress for their complaints with transparency and transparency. Investors are now required to first go to the concerned individual (or entity) and go to the company concerned and escalate the complaint through the platform to be seen before being reported and by the regulatory agency.

The latest and most significant development is the introduction of the Online Dispute Resolution system (ODR) framework through SEBI circulars, 2023. It's based on modern technology to implement arbitration and conciliation for ADR. The system provides a framework through a single digital platform (SMART ODR portal) to resolve the disputes in time-bound and cost - effective manner. That platform is controlled by Market Infrastructure Institutions (MIIs) including stock exchanges and depositories and monitors who are responsible for conciliators and arbitrators and the adhesion of results.

The ODR process is a hierarchy mechanism for escalation. Investors are required to first seek and receive complainants and then escalate complaints to SCORES and settle disputes through the website. The processes in the world typically start with online conciliation or if such dispute

⁹ Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023.

¹⁰ NITI Aayog, Designing the Future of Dispute Resolution: The ODR Policy Plan for India (2021).

is not resolved online arbitration with a winner in both cases being awarded per the Arbitration and Conciliation Act, 1996.

Importantly, the application of SCORES to the ODR platform is part of SEBI's push to make dispute resolution a seamless, integrated issue resolution platform within SEBI. Such a link of the two systems prevents consumer complaint settlement fragmentation and ensures that investor complaints are escalated and addressed based on mutual agreement.

Also, the Mediation Act, 2023¹¹ enhances the legal incentives for consensual dispute resolution processes in India, strengthening the policy shift towards ADR and ODR. While not specific to securities law, it further helps to recognize mediation under the law that is available and is consistent with the SEBI's regulatory approach toward dispute resolution by non-adjudicatory practices.

In general, how securities dispute resolution in India is governed is moving in a gradual, but significant direction from traditional adjudicative mechanisms to a technology enabled, multi-tiered ADR system and so on. The goal is a regulatory oversight mechanism that helps to balance the two and that the standards in the securities market should always shift based on evolving digital markets.

SEBI's ADR and Online Dispute Resolution Framework: Structure and Operation

The introduction of the Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023¹², and Master Circular for Online Resolution of Disputes¹³ in the Indian Securities Market are a substantial improvement in the status and procedures for Investor-List Stakeholder conflict resolution on the securities market today. These tools represent the beginning of a technology-based methodology to provide a transparent but efficient resolution of Investor-List Stakeholder disputes by all parties.

At a structural level, the framework promotes a three-tier dispute resolution based on internal grievance sorting processes, regulated company controls and formal dispute resolution. For a matter of the investor's complaints to be addressed, investors must approach the concerned

¹¹ Mediation Act, No. 32 of 2023

¹² Securities and Exchange Board of India (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023.

¹³ Securities and Exchange Board of India, Master Circular for Online Resolution of Disputes in the Indian Securities Market (July 31, 2023) (updated).

market player-broker, listed company, or intermediary-and resolve them directly. The next step is an escalation of complaint resolution mechanism on SEBI Complaints Redress System (SCORES), where investors may register complaint and be monitored by the system.

The third and the most important tier is the Online Dispute Resolution (ODR) mechanism that happens in the context of a common digital platform, in which SMART ODR Portal is situated. This scheme is built in agreement with the Market Infrastructure Institutions (MIIs) including stock exchanges and depositories and is central to SEBI ADR framework. Once a dispute appears via the ODR portal, it is automatically assigned to an empanelled ODR institution in the terms of system-based payment, so that it is free-to-do in a seamless manner.

The ODR framework is structured so the disputes are initially scheduled for an arbitration. At one stage any dispute should be resolved in advance by MIIs (typically around 21 days); if not the dispute is resolved it can still go to formal online conciliation by anonymous and impartial conciliators who have signed up to ODRs. If this failure of conciliation happens the dispute starts to escalate towards arbitration where the decision is binding according to the Arbitration and Conciliation Act 1996¹⁴ as in that kind of structured progression reflects SEBI's focus on settlements but also ensures adjudicatory recourse. Arbitration on disputes to first go through the conciliation process contributes both to the goal of preventing adversarial litigation and allowing for a consensual settlement where possible. Arbitration also guarantees the courts can operate in the same way as courts, with enforceability as well as permanence.

From a field of concern, the ODR framework applies substantially to fights relating to investors (both the company of investors and the client) as well as any other marketplace participants (listed companies, stock brokers, depository owners, registrars, all involved entities via SEBI). The 2023 amendments would expand the ecosystem of ADR mechanisms beyond the typical participants and more uniformly develop dispute resolution mechanisms.

But some exclusions are made. Disputes already before courts, arbitral tribunal or other adjudicatory forums will not be addressed in the ODR portal. Disputes are not arbitrable in Indian law such as insolvency cases or for public law enforcement problems either. These exclusions assure that the ODR mechanism is situated in the wider legal framework of arbitrability and jurisdiction.

¹⁴ Arbitration and Conciliation Act, No. 26 of 1996

An essential part of the framework is the integration of ADR with SCORES platform¹⁵ which provides a seamless and integrated redressal of complaints. With SCORES together with ODR portal, the investor complaints are escalated at higher levels than they were before grievance registration and dispute resolution remains consistent without loss of procedural expertise. This provides clarity, saves time and is also connected with the business processes and processes for ongoing dispute settlements.

The framework also emphasises institutional integrity, so that we empower a number of trusted conciliators and arbitrators, adhere to codes of conduct and provide specific timelines on each stage of what happens. Digital infrastructure will allow for remote participation, less geographical barriers to participation and in the end help to align the dispute resolution procedure to an international situation in online arbitration.

All in all, SEBI's ADR and ODR framework can be seen as a paradigm shift in the process of securities dispute resolution, as a more integrated body of regulators and enforcement of securities policy with the use of technology at the industry level. It adopts a laid-back structure, mandatory conciliation-arbitration procedure, expanded scope integration with SCORES so as to develop a simplified and investor friendly system. In turn, it does this while being efficiently, fairly, and ethically compliant in an ever-increasing securities regulations marketplace.

Investor Protection and Practical Challenges under the Mandatory ADR Regime

SEBI's mandatory Alternative Dispute Resolution (ADR) and Online Dispute Resolution (ODR) framework is a gamechanger on investor protection in the Indian securities market. Investor-centred, the solution can bring fast, complete, and time-sensitive resolution. However, it also leads to the important practical and conceptual limitations concerning consent, power imbalance and blurring of public and private law remedies.

The main advantages of the ADR scheme are in terms of cost effectiveness plus time and access. Old ways for disputes to be resolved through courts has been criticised for being slow and expensive, and retail investors often are unwilling to pursue the issues because they are not supported. By contrast, SEBI's all-inclusive, integrated system -- from SCORES to ODR -- is

¹⁵ Securities and Exchange Board of India, Circular on Redressal of Investor Grievances through the SEBI Complaint Redressal (SCORES) Platform and Linking it to Online Dispute Resolution Platform (Sept. 20, 2023).

a seamless solution with an online interface. It has proved that a big proportion of problem areas can be resolved in less than 10 days and that the redress rate is exceeding 90 percent in some cases. This shows that regulation coupled with digital channels can make the difference between investors who do not have faith in the courts as well and investors who do.

And in the ODR, conciliation and arbitration are time-bound and are not open for a long time. The systematic escalation mechanism is that of internal grievance redressal, SCORES¹⁶, and finally ADR, which removes the need for procedural friction and clarity to investors in case there are remedies available.

But due to its compulsory nature regarding consent and party autonomy, many concerns rise due to these types of ADR framework: ADR systems are based on voluntary engagement and negotiation amongst parties. But the very nature of SEBI rules, are to force investors' issues to be submitted to ADR as a product or result of the regulatory mandate rather than consent on the part of the party. As legal experts have pointed out, this way, the foundational nature of ADR is being violated-the fundamental requirement of consent cannot be ignored. And the compounding and settlement of disputes is not an academic matter and has so far been a bedrock and a bedrock problem in securities law. The existence of no explicit investor consent in SEBI's process raises the question whether ADR is in fact, only an "alternative" mechanism or rather quasi-compulsory.

Another important challenge is the imbalance of the bargaining power between investors and market intermediaries across sectors. Securities market intermediaries like brokers, listed entity and financial institutions are typically repeat participants in dispute resolution processes as they provide experienced legal resources and institutional knowledge. Investors are one-time participants with little knowledge of procedure. Studies on SEBI's grievance redressal facilities suggest that incumbents tend to have structural advantages where one person receives the results and the other man receives none; with each group getting less as resources and experience. This suggests that conciliation procedures, when pursued in a very short term, focus too much on getting the result at the highest speed with the potential to reach outcomes that are no more than the best possible.

¹⁶ Securities and Exchange Board of India, Circular on Redressal of Investor Grievances through the SEBI Complaint Redressal (SCORES) Platform and Linking it to Online Dispute Resolution Platform (Sept. 20, 2023).

Another issue concerns how rapidly public law and private law suits dissociate as we view things. A securities market has such a broad area as private contractual disputes, regulatory compliance, market integrity, and public interest. ADR and how much more might be used to help to separate the disputes if these involve regulatory and non-regulatory violations. Studies in both literatures argue that SEBI can no longer function as a public regulated agency and institutionalise ADR that indirectly hands the enforcement work to other players when disputes have far-reaching public law implications.

Indian courts have consistently acknowledged the role of arbitration in securities disputes while simultaneously preserving the primacy of regulatory oversight. In *National Stock Exchange of India Ltd. v. Moneywise Financial Services Pvt. Ltd.*¹⁷, the Bombay High Court upheld the validity and enforceability of arbitration agreements between brokers and clients that mandated dispute resolution through stock exchange arbitration mechanisms. The Court affirmed that such clauses, when properly incorporated in client agreements, are legally binding and enforceable, thereby strengthening the institutional framework for private dispute resolution within the securities market.

At the same time, judicial and quasi-judicial authorities have clarified that arbitration agreements do not oust the regulatory jurisdiction of the Securities and Exchange Board of India (SEBI). In *Angel Broking Ltd. v. Sejal Glass Ltd.*¹⁸, the Securities Appellate Tribunal (SAT) held that the existence of an arbitration clause does not preclude SEBI from exercising its statutory powers under securities law. This distinction is significant, as it reinforces that while contractual disputes between parties may be resolved through arbitration, issues involving regulatory compliance and market integrity remain within SEBI's exclusive enforcement domain. The ruling thus ensures that private dispute resolution mechanisms do not dilute the regulator's authority.

Compared to other securities regulation practices to be made, countries like the United States and the UK have been using arbitration and ombudsman-based arbitration systems for securities. But these systems generally contain stronger investor empowerment, and separate them better from regulatory enforcement and private dispute resolution as well. SEBI's model represents a hybrid approach of regulatory supervision and mandatory ADR, with each sector

¹⁷ Nat'l Stock Exch. of India Ltd. v. Moneywise Media Pvt. Ltd., MANU/MH/2384/2015

¹⁸ Angel Broking Ltd. v. Sejal Glass Ltd., Appeal No. 86 of 2017, Securities Appellate Tribunal (SAT).

experiencing a dual burden of efficiency and fairness.

Finally, although SEBI's ADR and ODR framework significantly enhances investor access to dispute resolution through efficiency, digitisation in its systems and structures, it also raises critical questions of consent (eg, power asymmetry) and regulatory responsibility. Not only does this framework, however, need procedural innovation and implementation as well as the protections investors are guaranteed; the public law nature of securities regulation cannot be circumvented.

Conclusions and Recommendations

The study shows that SEBI's ADR and Online Dispute Resolution framework is an important step towards improving investor grievance redressal in India. It has made dispute resolution faster, simpler, and cheaper especially for retail investors who are less knowledgeable that have time and money for the process and cannot make it there anyway and how to apply it at court in the past. Digital platforms and time-bound procedures have not just been an improvement but also made much the thing done faster in the old system a lot faster in terms of workflow. Investor protection is therefore raised thanks to the framework in some way as this is a good way of doing, which in fact is more of an investor protection model.

But the framework is not without some challenges, as the research shows. The most significant trouble, though of course, is the fact by which the system does not provide real consent because investors effectively must use ADR mechanisms. This goes against a basic principle of ADR which is supposed to be voluntary. Another problem is the situation in which investors are not equal to market intermediaries. Market intermediaries often have greater experience and financial resources, yet this does not necessarily ensure timely or equitable resolution of disputes.

Moreover, the increasing use of ADR has raised questions about regulatory accountability. Many disputes are around market regulation, and they ought to be brought under SEBI's watch. In this respect, this sort of disputes could undermine SEBI's role and the alignment between public regulation and private remedies may also disappear.

Several improvements are needed to our system. At the beginning the issue, however, should be much clarity on which disputes that should be considered for ADR, and by which system

such cases should be kept within SEBI or courts. Moreover, further protection mechanisms must be given in place to protect investors— more legal protection, transparency in the conduct of the disputes and stricter requirements for conciliators and arbitrators - and that enforcement should be maintained for ADR in terms of the conduct of its regulatory activities as per SEBI's guidelines.

In summary, SEBI's ADR framework is a progressive reform, but there is also a delicate balancing act with efficiency but also consent and effective regulatory oversight within this framework.