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Understanding SEBI Scores and its Efficacy

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ABSTRACT

The paper ahead aims to introduce that the financial infrastructure of any country depends a lot on its capital market and the barometer for the effectiveness of such market depends on how much developed the grievance redressal forum for the investors is. Keeping this in mind further on chapter 2 provides for the need and objective behind the introduction of SCORES by SEBI in 2011. Chapter 3 details an enlisted procedure redesigning how the entities are to be registered under SCORES as per SEBI mandate along with the steps by which an aggrieved investor can lodge complaints in SCORES. Chapter 3 provides for the step by step increase in the effectiveness of SCORES graphically using a line graph showing the increase in effectiveness of SEBI Complaint redressal mechanism since 1992-92 till 2013-14 , a pie chart showing how SCORES not only caters to complaints against listed companies but also against the other registered entities of the stock exchanges and a tabular statistics shows the effectiveness of SCORES regarding the percentage of cases submitted categorically along with those pending redressal in 2020 . The statistics used are taken from SEBI website. And lastly the conclusion deals with an analysis of all the chapters and findings relating to how much effectively SCORES is going to develop in future with respect to the various SEBI reports and newspaper articles.

Keywords: Scores, Financial Infrastructure, Grievance redressal, online, timely.

I. INTRODUCTION

The financial infrastructure of any country depends on its capital market and moves on to provide direct finance to corporate sector. The capital market in India mainly consists of equity, debt, and derivatives market. It has shown marvelous growth in last three decades since SEBI was established in 1988 followed by its legislative recognition through the SEBI Act of 1992, by achieving the halo of the fourth best functioning capital market in the world. Among all investors, retail investor's accounts for 97 percent of total investors in Indian mutual funds

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accounting for nearly 47 million investor accounts (IMF, 2013). And if heed is paid on intermediaries, there are 3,191 brokers authorized to trade in 9 Indian stock exchanges, 195 merchant bankers, 188 portfolio managers and the market capitalization of 5624 listed companies in Bombay Stock Exchange account for 80.2 percent of India GDP in 2014-15 (SEBI, 2015).³ Further the security market falls into category of asymmetric information, which means information between investor and firm can also be called as provider and receiver in layman's language it's an analytical framework of asymmetry information between the insiders, here seller who is receiver of the funds knows more than the buyer who are acting as investors in this particular situation and they are the ones who take risk of buying these items- the risk exposure that exists before the money is lent (adverse selection) and the risk after the transaction (moral hazard), academicians have referred this problem as promoter's problem which will lead to selling bad securities among.

Academic studies show that among other developing countries Indian capital market has a relatively higher cost of capital. Indian capital market's future depends on the retail investors who are generally unsophisticated – individuals and households- participate in the market and how their interests are protected and enforced by the regulator(s). The relation between intermediaries and clients is fiduciary in nature. As the market grew competition also increased along with various complexes during the global financial crises, it becomes difficult for companies to compete successfully unless they pay attention to service quality, customer value and customer feedback/complaints, and the company started considering customer complaints as a center of cost or as an opportunity for learning. Investors whose money has been compromised by error or wrongdoing by market participants expect the system of complaint handling and redress to be accessible, efficient and fair (equity).⁴ This is crucial in not only reducing the cost of capital in India but enhance retail investor participation and conduct of capital market activities in an efficient manner.

Investors all over the world were in dire need of protection for which there was the requirement of a body which will deal with the protection of investors and dispute arising in the security market, On the one hand, there is academic work based on the works of Coase (1960) and Stigler (1964) which argues that private enforcement of investor protection via both disclosure and private liability rules instead of regulatory interventions.⁵ Worldwide if investor and

³ D Ajit, Sarat Malik & Sneha Nautiyal, *Effectiveness of SEBI's Complaints Redress System (SCORES) in India* 72.

⁴ https://www.nseindia.com/content/equities/SEBI_SCORES.pdf. (last visited Dec 25, 2018).

⁵ Frank H. Easterbrook & Daniel R. Fischel, *Mandatory Disclosure and the Protection of Investors*, 70 VIRGINIA LAW REVIEW 669–715 (1984).

issuers/distributors of securities are not able to resolve their disputes directly, it is often referred to a third-party who is either a self-regulatory organization (SRO) or a regulator and who will resolve the issue through conciliation, mediation, arbitration etc.

Though global disputes cannot be resolved by litigation hence various resolution mechanisms (ADR) evolved in last decade, and it is basically following two models namely- arbitration and ombudsman model on international basis to solve the issues, Some countries have a single regulator and grievance mechanism for the entire financial sector (like UK, Canada, Australia etc.) but in others (like US and India), there is a separate consumer dispute resolution mechanism for securities market.⁶

II. EVOLUTION OF SCORES IN INDIA

Unlike all other countries, we in India also have a financial regulator that acts as the agent of both service provider and customer which led to various disputes and mostly very few financial intermediaries have to pay any heed to complain of a customers at first which further leads to increase in number of pending suits, Companies often use delay, selectivity, and priority as strategies to deal with customer complaints. More often, regulatory agencies (like SEBI) is often called up to deal with investor complaints. In that process, they are confronted with maintaining a delicate balance between claims of overly lenient versus excessive regulations and this involves preserving _ organizational reputations, their decision-making process and output are more often influenced by considerations of preserving or enhancing the reputation of the third-party.

SEBI SCORES system is one of the unique mechanism for investors, it is a hybrid system with emphasis on investor advocacy ‘as it is more inclusive than the U.K. Ombudsman model and US binding arbitration model due to the following reasons.⁷ Firstly, it is an open scheme where the investor can directly approach SEBI before exhausting other bilateral redressed avenues. Secondly, it has no time restrictions or statutes of limitation. The number of complaints received in SEBI’s investor redressed system decreased from a peak of 584,662 in 1993-94 to 33,550 in 2013-14 which could be interpreted as a testimony to investor’s faith in SEBI as a fair and just’ arbitrator in the capital market in India (SEBI, 2000, 2013).⁸ Moreover, the number of actionable pending grievance in SEBI’s SCORES system has also decreased from 49,113 in 2008-09 to 9,147 in 2013-14 which indicates the timeliness of disposal of customer grievances. The redressal rate has further improved from 21.6 percent in 1991-92 to 95.5

⁶ Ajit, Malik, and Nautiyal, *supra* note 1.

⁷ *Id.*

⁸ *Id.*

percent in 2013-14.⁹ The in-house customer satisfaction surveys done by SEBI shows at various times show a satisfaction rate of around 54 percent. But the cumulative grievance pending as at the end of 2013-24 at 9,147 continues to be a threat to its reputation risk.¹⁰ The present study looks at the various facets of its investor redressal system in India taking similar experiences in other countries (especially in United States, United Kingdom, China, South Africa, Singapore and 10 Hong Kong) taking into consideration the attributes of a good third-party dispute resolution system which is adequately discussed in the literature, it also makes easy for the intermediaries and listed companies to deal with the complaint online.

III. LAWS AND REGULATIONS GOVERNING SCORES

One cannot file complaint in SCORES relating to all issue of capital market, as there are various issues which SEBI cannot deal through SCORES like complaint relate to unlisted, delisted, wound up, liquidated or sick companies, or companies that are sub-judicial etc., under section 29 and section 30 of SEBI Act ¹¹there is provision relating to the very fact that the central government may by notification may make rules and regulation for carrying out purposes of this Act¹².

Matters against which complaint are dealt by SEBI through SCORES are as follows:-

Complaints emerging out of matter that is enshrined under-¹³

- a. The Securities and Exchange Board of India Act, 1992 and its rules and regulations.
- b. The Securities Contract (Regulation) Act, 1956.
- c. The Depositories Act, 1996 and rules and regulation made thereunder and
- d. The Provisions that are enshrined under section 55A of Companies Act, 1956.

Further many circulars are being issued by SEBI on 18th December 2014 for the grievance redressal mechanism.¹⁴ Investors can also seek the assistance from SEBI while filing complaints on SCORES by dialing the toll-free helpline number 1800 266 7575 or 1800 22 7575.

⁹ Sebi sees significant fall in pending investor complaints, , <https://www.deccanchronicle.com/business/in-other-news/030917/sebi-sees-significant-fall-in-pending-investor-complaints.html> (last visited Dec 25, 2018).

¹⁰ Ajit, Malik, and Nautiyal, *supra* note 1.

¹¹ https://www.bseindia.com/downloads/invdesk/file/13_08_2012.pdf.

¹² https://www.sebi.gov.in/legal/circulars/apr-2013/redress-of-investor-grievances-through-scores_24632.html.

¹³ CS Avinash Godse, SCORES - SEBI COMPLAINTS REDRESS SYSTEM CAclubINDIA, <https://www.caclubindia.com/articles/scores-sebi-complaints-redress-system--18015.asp> (last visited Dec 25, 2018).

¹⁴ Circular - Redressal of Investor Grievances through SCORES.pdf, <https://scores.gov.in/scores/Docs/Circular%20-%20Redressal%20of%20Investor%20Grievances%20through%20SCORES.pdf> (last visited Dec 25, 2018).

Presently following types of complaints are not being dealt with by SCORES:-¹⁵

1. Complaints against the companies which are unlisted/delisted, in dissemination board of Stock Exchanges,
2. Complaints those are sub-judice i.e. the cases which are under consideration by the court of law, quasi-judicial proceedings etc.
3. Complaints falling under the domain of other regulatory bodies viz. RBI, IRDAI, PFRDA, CCI, etc., or under the domain of other ministries viz., MCA, etc.
4. Complaints against a sick company or a company where a moratorium order is passed in winding up / insolvency proceedings.
5. Complaints against the companies where the name of the company is struck off from ROC or a vanishing company as per list published by MCA.
6. Suspended companies, companies under liquidation / BIFR / etc.¹⁶

The Circulars are being issued by SEBI in an exercise of powers conferred under section- 11(1) of the Securities and Exchange Board of India Act, 1992 for the fulfillment of the prime objective of the Act i.e. protection of the interest of investor and development of securities market.

Other than SCORES, SEBI provides two other forums for investor's grievance redressal namely-

- 1.) IGRC (Investor grievances redressal committee)

Securities and Exchange Board of India (SEBI) is a statutory body established under the SEBI Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market. Grievance redressal is one of the major components of SEBI's initiative to protect the interests of investors. There might certain events where an investor has a grievance against, a listed company or any intermediary registered with SEBI. In case of such events, the investor should first approach the concerned company/intermediary against whom the grievance lies. Sometimes the response received may not be satisfactory. Therefore, investors should know as to which authority they should approach, to get their complaints redressed.¹⁷

¹⁵ SEBICircular_Investor_grievance_redress_mechanism.pdf, https://www.bseindia.com/downloads1/SEBICircular_Investor_grievance_redress_mechanism.pdf (last visited Dec 25, 2018).

¹⁶ Investor grievance redress mechanism – new policy measures | Corporate Law Reporter, <http://corporatelawreporter.com/2018/03/29/investor-grievance-redress-mechanism-new-policy-measures/> (last visited Dec 26, 2018).

¹⁷ investorgrievance.pdf, <http://www.investmentz.co.in/researchnew/pdf/investorgrievance.pdf> (last visited Dec

2.) RICRC (Regional investor complaint redressal committee)

Regional Investor Complaints Resolution Committees (RICRC), this forum acts as a mediator too like IGRC in resolving the claims, disputes, and differences between entities and complainants. A standard format is being provided by Stock Exchanges to the complainant for referring the matter to IGRC/RICRC.¹⁸ The committee calls for the parties and acts as a nodal point to resolve the grievances. For any detailed information, the website of the respective stock exchanges to be visited. If the grievance is still not resolved, an investor can file arbitration under the Rules, Bye-laws, and Regulations of the respective Stock Exchange/Depository.¹⁹

IV. PROCEDURE FOR A COMPANY TO GET REGISTERED TO SCORES

All the listed companies and every SEBI registered intermediary (other than the stock brokers, sub-brokers and depository participants) have to get themselves mandatorily registered to SEBI SCORES.

They have to send their details as per FORM-A (for listed companies) and FORM-B(for intermediaries) annexed to the circular CIR/OIAE/1/2014 of SEBI to SEBI in hard copy form and through email to scores@sebi.gov.in and obtain SCORES USER-ID and PASSWORD immediately within a month from the date of the listing. The email-id that is furnished by the listed company has to be a corporate permanent mail-id. If any listed company or SEBI registered intermediary fails to obtain SCORES USER-ID and PASSWORD, then it will be held as wilful avoidance and non-redressal of investor's grievance. They are also required to review the investor's grievance redressal mechanism from time to time and strengthen it to correct the existing shortcomings.²⁰ And SEBI will impose fine and damages for such non-conformance.

The process for getting registered to SCORES can be summed up in the following three steps:

Step 1: Preparation of application form (FORM-A or FORM-B)

Step 2: Submission of the application form (hard copy and soft copy) to SEBI

25, 2018).

¹⁸ Investor Grievance Redressal Mechanism at Stock Exchanges: Investor Grievance Redressal Mechanism at Stock Exchanges: ... All the activities starting - [PDF Document], VDOCUMENTS.MX, <https://vdocuments.mx/investor-grievance-redressal-mechanism-at-stock-grievance-redressal-mechanism.html> (last visited Dec 25, 2018).

¹⁹ SEBI | Investor Complaints Cell, <https://www.sebi.gov.in/department/investment-management-department-9/investor-complaints-cell-123/committee.html> (last visited Dec 25, 2018).

²⁰ Circular - Redressal of Investor Grievances through SCORES.pdf, *supra* note 12.

Step 3: Issue of log-in credentials by SEBI²¹

Procedure for registration of complaint online through scores:

Step 1: Firstly the official portal of scores is to be opened at www.scores.gov.in.

Step 2: Then we are required to click on the “Complaint Registration” under “Investor Corner” of the portal

Step 3: Thereafter the mandatory fields are to fill in the registration form.

Step 4: Now we are required to select

- a) the complaint category,
- b) the entity name,
- c) the nature of complaint and
- d) write the complaint details in 1000 words.

A pdf document (up to 1 MB of size for each nature of complaint) may be attached along with the complaint as the supporting document along with this.

Step 5: Then we have to submit the complaint successfully and a system generated unique registration number will be displayed on the screen. This unique number is to be noted for future correspondence.

Step 6: And lastly an email acknowledging the complaint with complaint registration number shall be sent to the complainant's email id entered in the complaint registration form.²²

In addition to this, the complainant is also facilitated with the feature to send reminder and view complaint status after logging in at SCORES and then clicking on the respective options under the head investor's corner. To raise a new complaint one has to click on complaint registration again.

Aftermath:

After receiving the complaint the listed company or the SEBI registered intermediary will take the complaint into account and solve it by uploading an ACTION TAKEN REPORT (ATR) along with necessary documents electronically on SCORES. Failure to file the ATR within 30 days of receiving the grievance will be treated as a failure to furnish information to SEBI and

²¹ How to get registered on SCORES – SEBI Complaints Redress System?, CS KRUTI (2017), <http://www.cskruti.com/how-to-get-registered-on-sebi-scores/> (last visited Dec 26, 2018).

²² SCORE-Sebi Complaints Redress System — Vikaspedia, , <http://vikaspedia.in/e-governance/online-citizen-services/government-to-citizen-services-g2c/grievance-redressal-1/online-complaint-process-against-mutual-fund-stock-exchange-listed-company-depository-participants-depository-broker> (last visited Dec 26, 2018).

constitute non-redressal of investor's grievance.

A complaint shall be deemed to be resolved, disposed or closed only when SEBI disposes or closes the complaint in SCORES.²³

And if the investor is not satisfied with the redressal then he can do any of the following:

1. He can file a fresh complaint.
2. He can send a mail to the officer entrusted with the complaint.
3. He can take up the problem with the senior officers.
4. He can initiate legal proceedings against the listed company or the registered intermediary.

V. STEP BY STEP INCREASE IN THE EFFECTIVENESS OF SCORES

The Hindu Businessline, New Delhi dated 30th December 2012 while praising the effectiveness of SEBI SCORES provided that it was established by SEBI in June, 2011 and the new mechanism had improved investor grievance redressal significantly, with the percentage of disposal touching nearly 150 per cent during the first eight months of this fiscal.²⁴ But it was much before 2011 when the investor's grievance redressal mechanism of SEBI had begun in the very year of its enforcement through the SEBI Act, 1992. SCORES is merely an addition to it with a modernised approach.

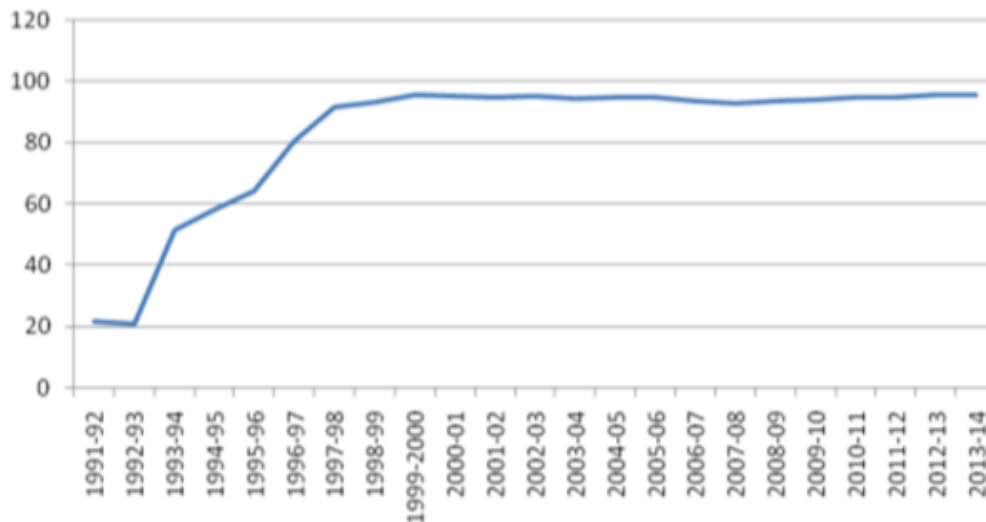
The other two existing forums of SEBI are:

1. Investor Grievances Redressal Committee (IGRC)
2. Regional Investor Complaint Redressal Committee (RICRC)

Astonishingly the redressal rate has improved from 21.6 per cent in 1991-92 to 95.5 per cent in 2013-14 and this huge leap is only possible because of SCORES. The chart below graphically shows how the redressal mechanism of investor's complaints has increased over the years.

²³ Circular - Redressal of Investor Grievances through SCORES.pdf, *supra* note 12.

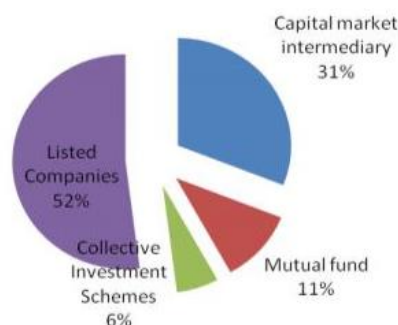
²⁴ SEBI scores well in solving investor complaints - The Hindu BusinessLine, <https://www.thehindubusinessline.com/markets/SEBI-scores-well-in-solving-investor-complaints/article20546423.ece> (last visited Dec 26, 2018).



Data Source: SEBI

According to the above mentioned graph we are to confer and draw inferences that with introduction of SEBI as the statutory regulatory body in 1992 the investments in stock market arose drastically and with it the grievances against the issuers and intermediaries. The effectiveness of redressal increased manifold from 20% in 1992-93 to 98% in 1997-98. Thereafter it schematically remained in a horizontal line with slight discrepancies and then it increased in 2011-12 after the introduction of SEBI SCORES stepping upwards over the years. With the introduction of SCORES began a new journey of an existing system. SCORES is not only restricted to the complaints against the listed companies in which the investments are made but also against the intermediaries registered with SEBI.²⁵

Distribution of complaints in SCORES for 2015 and its analysis will help us in understanding how SCORES is not confined to the grievance redressal of the listed companies but is also branching towards the other registered entities with SEBI and the stock exchanges.



²⁵ SCORES: Sebi's complaint redressal system - The Economic Times, , <https://economictimes.indiatimes.com/scores-sebis-complaint-redressal-system/articleshow/12209549.cms> (last visited Dec 26, 2018).

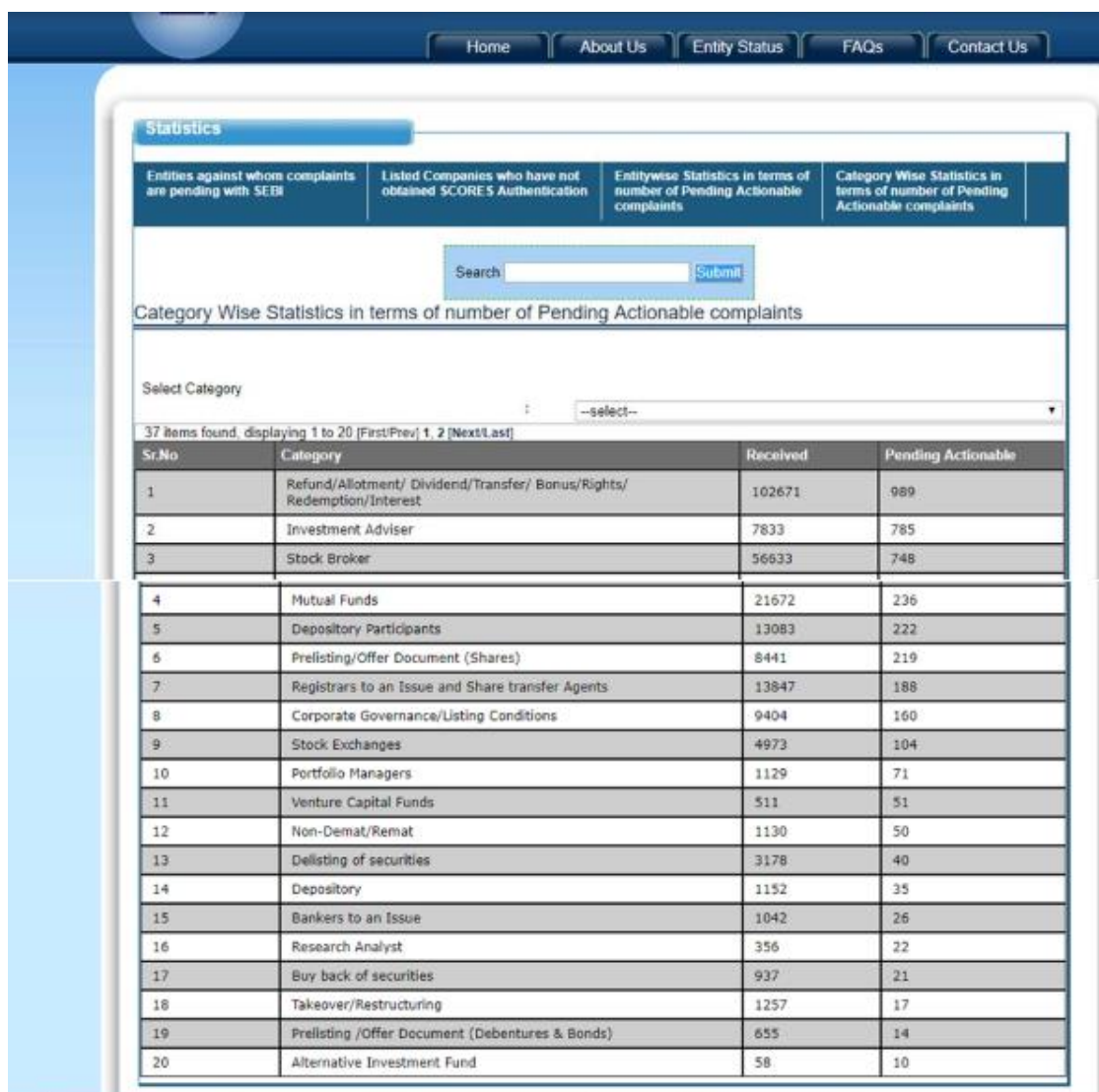
Data Source: SEBI

From the above pie –chart we are to infer that in 2020 out of the total 100% of the complaints received from the investors by SCORES,

- 52% were against the listed companies
- 31% against the Capital Market Intermediaries
- 11% against the Mutual Funds
- 6% against the Collective Investment Schemes.

Thus any sort of grievance which an investor has against any entity can be redressed under the fast-track redressal mechanism of SEBI SCORES online within 30 days.

Proper analysis of the table below regarding the ratio of cases that are received by SEBI through SCORES for redressal to the number that are pending as actionable in 2018 categorically will help us in understanding how effective the scheme of redressal mechanism of SCORES is.



The screenshot shows the SEBI SCORES Statistics page. It features a navigation bar with links for Home, About Us, Entity Status, FAQs, and Contact Us. Below the navigation bar, there are four tabs: 'Entities against whom complaints are pending with SEBI', 'Listed Companies who have not obtained SCORES Authentication', 'Entitywise Statistics in terms of number of Pending Actionable complaints', and 'Category Wise Statistics in terms of number of Pending Actionable complaints'. The 'Category Wise Statistics' tab is selected, and a search box is visible. Below the search box, the title 'Category Wise Statistics in terms of number of Pending Actionable complaints' is displayed. A dropdown menu for 'Select Category' is set to '--select--'. Below the dropdown, it says '37 items found, displaying 1 to 20 (First/Prev) 1, 2 (Next/Last)'. The table below shows the following data:

Sr.No	Category	Received	Pending Actionable
1	Refund/Allotment/ Dividend/Transfer/ Bonus/Rights/ Redemption/Interest	102671	989
2	Investment Adviser	7833	785
3	Stock Broker	56633	748
4	Mutual Funds	21672	236
5	Depository Participants	13083	222
6	Prefiling/Offer Document (Shares)	8441	219
7	Registrars to an Issue and Share transfer Agents	13847	188
8	Corporate Governance/Listing Conditions	9404	160
9	Stock Exchanges	4973	104
10	Portfolio Managers	1129	71
11	Venture Capital Funds	511	51
12	Non-Demat/Remat	1130	50
13	Delisting of securities	3178	40
14	Depository	1152	35
15	Bankers to an Issue	1042	26
16	Research Analyst	356	22
17	Buy back of securities	937	21
18	Takeover/Restructuring	1257	17
19	Prefiling /Offer Document (Debentures & Bonds)	655	14
20	Alternative Investment Fund	58	10

Data Source: SEBI

The aforementioned statistics of SEBI essentially shows us that on an average only 3.6775% of the complaints are pending redressal in the sectoral and categorical basis. To add on we can understand this better by the percentile of cases pending against those received with the help of the following table:

<i>Sl. No.</i>	<i>Category</i>	<i>Percentage of complaints pending redressal</i>
1.	Refund /allotment/dividend transfer/bonus/rights/redemption/interest	0.96
2.	Investment Advisor	10
3.	Stock Broker	1.32
4.	Mutual Fund	1.08
5.	Depository Participant	1.69
6.	Pre-listing /Offer Documents(shares)	2.59
7.	Registrar to an issue and Share transfer agents	1.21
8.	Corporate Governance/ Listing Conditions	1.70
9.	Stock Exchanges	2.09
10.	Portfolio Managers	6.28
11.	Venture Capital Funds	9.98
12.	Non Demat/ Remat	4.42
13.	De-listing of securities	1.25
14.	Depository	3.03
15.	Banker to an issue	2.53
16.	Research analyst	2.49

17.	Buy-back of securities	0.21
18.	Takeover/Restructuring	1.35
19.	Pre-listing / Offer Documents (Debentures and bonds)	2.13
20.	Alternative Investment Funds	17.24

And above all in order to enhance ease, speed & accuracy in redressal of investor grievance, SEBI has provided that the investor may lodge a complaint on SCORES within three years from the date of cause of complaint from 1st August 2018 as limitation period where; the investor has approached the listed company or registered intermediary for redressal of the complaint and, the concerned listed company or registered intermediary rejected the complaint or, the complainant does not receive any communication from the listed company or, the complainant is not satisfied with the reply given to him or redressal action taken by them.²⁶

Thus the above analysis of graph, pie-chart and tabular representation of SEBI statistics regarding SCORES, we are now sure regarding how the effectiveness of the grievance redressal system has increased with the introduction of SEBI SCORES in 2011 and is manifold increasing till date.

VI. CONCLUSION

SEBI has operated a complaint redressal system since 1992 including the IGRC AND RICRC which have catered to the grievances of the investors at NSE/ BSE and the regional stock exchanges respectively. With the advancement of technology, SEBI has come up with a complete automatic first level investor's complaint redressal system named SCORES in 2011-12 via a website that operates 24 x 7. The aim is to provide for the good governance of the listed companies through effective online complaint redressal mechanism that provides for timely redressal. The present redressal rate at the rate of 96% is among the highest of the regulators solving such disputes worldwide. Through SCORES there is a portrayal of the concept of liberalization, privatization, and globalization of the existing redressal system that was being followed by SEBI to cater into the ground level complaint redressal mechanism for its investors at a faster pace. But the remedy through SCORES can only be attained if the

²⁶ [SEBI] Investor Grievance Redress Mechanism - New Policy Measures, <https://www.corporate-cases.com/2018/03/investor-grievance-redress-mechanism-new-policy-measures.html> (last visited Dec 26, 2018).

companies and entities are registered with SEBI.

IGRC, RICRC, and SCORES act as mediators between issuers and investors for solving their grievances. SCORES being the fastest among them brings the redressal to the investor's complaint within 30 days. The very aim is to provide easy access to the investors to raise their complaints against the entities. They can now in the era of smartphone and internet very well use the opportunity provided by SEBI through SCORES to lodge complaints from anywhere and anytime. And in the modern day world inter-twinned with technology, gadget uses like smartphones, tabs, laptops etc. and less time in the hands of the investors with busy life schedule we can very well understand why SEBI had introduced SCORES in 2011 and its motive behind such introduction.

Now just as a well administered and managed and properly governed securities market serves as the economic barometer of a nation, similarly, an effective grievance redressal mechanism system for the investors like that of SCORES and its effectiveness serves as the barometer of the Indian Securities Market.

The detailed discussion with the charts and graphs illustrating the increase in the effectiveness of SCORES only forecasts the future of Indian capital market and its efficient management and governance system that will further move on to provide for an efficient capital market system regulated by SEBI wherein SEBI itself acts as an investor-advocate by being investor-friendly. Day by day the reports and analysis of the functioning of SEBI SCORES from 2011 till date provides us with its growth and how effectively the system has been implanted to redress the grievances of the investors in the stock market. But turning the other side of the coin we come across a few hurdles and ineffectiveness including-

1. The system is investor friendly but not at all corporate friendly.
2. It only provides for mandates and penalizes if they are not adhered to
3. Time limit of 30 days at times also serves as a constraint as entities at times go on to do the monotonous task of uploading similar ATR reports blindly without properly analysing the complaint.

But here in we are to focus more on the effectiveness of SCORES than what are its drawbacks, And with a proper analysis of the need for worldwide investors grievance redressal system, evolution of SCORES and need for its establishment, laws regulating SCORES, procedure for registration of complaint through SCORES, step by step increase in the effectiveness of SCORES with proper statistics we have come to the conclusion that SEBI SCORES is increasing in its effectiveness day to day and is above all helping SEBI to achieve its object of

being investor-friendly by protecting the investors against all odds.

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