INVESTOR AWARENESS AND USES OF SEBI SCORE (SEBI COMPLAINTS REDRESS SYSTEM): A SOCIO-LEGAL STUDY

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ABSTRACT

Investor protection is one of the main objectives of securities regulation and of Security exchange board of India (SEBI). Retail investors are important participants in the capital markets and the protection of their rights and interests is fundamental to the healthy and stable development of capital markets. When an investor or financial consumer is harmed by misconduct or illegal practices, the existence of effective mechanisms for addressing the issue is important not only for the aggrieved individual, but also for producing positive externalities such as improving market discipline and promoting investor confidence in financial markets. Redress or dispute resolution mechanisms are considered an important way to protect consumers against misappropriation and theft, a fundamental component of corporate governance principles, and a safeguard in an effective resolution regime for financial institutions.

Keywords: Capital Markets, Financial Markets, Investor Protection, Security Exchange Board of India (SEBI), Retail investors.

Introduction

The Stock market plays a significant role in the growth of manufacturing and service industries of the country. The deep and liquid equity markets have a predominant and persistent impact on economic performance. It channelizes the savings of the public into equity investments to support the booming economy. Stock price movements have a profound psychological impact on the individual investor and businesses. The stock market is the story of the human behaviour that is responsible for overreaction in both directions (Klarman 1998). The introduction of the financial reform process in early 90s usurped in significant economic development of India and the stock market remained as an important conduit for the long-term fund destination for the corporate. Liquidity and capital appreciation attracted the investors both institutional and retail investors. In spite of the stock market growth, barring institutional investors both domestic and foreign, very few retail investors stand to benefit out of the boom. The meager two percent of the Indian population in equity market participation reflects disillusionment of the retail investors with the market.

Review of Literature

There is a general consensus that protection of investors is the foundation for the growth and stability of the capital market. Participation of investors directly varies with the level of protection guaranteed to an investor against irregularities in the market. An investor is an individual investing his capital in a venture but does not do the business himself, he is exposed to certain risks as the utilizer of funds can make mistakes. Therefore, an investor needs protection. (Vashisht, AK Gupta and RK, 2005)[1]

Sehgal Sanjay, G.S Sood and Namita, (2009)[2] have analysed that Investor sentiment translates into investor confidence or lack of it and acts as a proxy for collective investor behaviour and affects the stock market. They conclude that the regulatory framework of financial markets does seem to have a strong bearing on investor sentiment especially the legal provisions relating to corporate governance and grievance redressal mechanism.

[1] Vashisht, A K Gupta and RK, INVESTMENT MANAGEMENT AND STOCK MARKET: STRATEGIES FOR SUCCESSFUL INVESTING, 5-10, Deep publications Pvt Ltd, (1st ed. 2005)
[2] Sanjay Sehgal, G. S. Sood and Namita Rajput, 'Investor Sentiment in India- A survey' Vision Vol. 13 The Journal of Business Perspective 13-23 (2009)

A study by Saroja S (1991)[3] and Vinayakam N (1994)[4] explores the areas were investor's need protection. The research indicates that investor's need proper allocation of securities, safety of their investment, and proper use of the issue proceeds for the stated purpose and a liquid market to enable them to sell the shares whenever needed.

A study by Neelamegam R. & Srinivasan R (1998)[5] on the efficacy of protection given to investors under the Companies Act, 1956, the Securities Contract Regulation Act, 1956 and the Securities and Exchange Board of India Act, 1992, reveals that stabilizing volatility caused by bear and bull situations, protection from 'fly by night' operators, smooth share transfer process and a public float of shares are some of the areas where investors need protection.

Prasuna G D (2005)[6] has analysed the role of BRIC nations in Investor protection. The study observes that most of the emerging economies are in an evolutionary stage and their retail and Institutional investors are relatively less sophisticated when compared to those of developed countries. The study concludes that investor confidence is linked to Investor education and protection and given the varied levels of awareness, understanding and skill sets of investors there cannot be a common curriculum for educating investors.

Gurunathan Balanaga (2007)[7] studied the investor's requirements in the Indian Securities Market and analysed a host of reasons undermining the confidence of investors which include misstatements in the offer documents, irregularities in the dealings of the brokers, extreme volatility and price rigging in the secondary market operations and vanishing companies. The study calls for a stronger regulation of the market operations so that investors are assured of safety, liquidity and return on investments.

One of the pillars of good corporate governance is investor protection. Rafeal et al (2000)[8] analyse that strong investor protection may be a particularly important manifestation of

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[3] S SAROJA, EMERGING TRENDS IN CAPITAL MARKET IN INDIA, 131 (I ED. 1991)

[4] VINAYAKAM N, A PROFILE OF INDIAN CAPITAL MARKET, 61-62 (1ST ED. 1994)

[5] 7 NEELAMEGAM, R., & SRINIVASAN, R. 'INVESTORS' PROTECTION: A STUDY ON LEGAL ASPECTS' (1 ED.1998)

[6] Prasuna G D 'Role of BRIC nations in Investor Protection' in, CAPITAL MARKET –REFORMS, ICFAI University Press (2005)

[7] Gurunathan Balanaga, 'An Investors 'requirements In Indian Securities Market', 31-39 Delhi Business Review X Vol.8, No1, January-June (2007)

[8] Rafael La Portaa, Florencio Lopez-de-Silanesb, Andrei Shleifera, and Robert Vishnyc, Investor Protection and Corporate Governance, 3-27, Vol. 58, Issue 1-2, Journal of Financial Economics, (2000)

effective corporate governance as reflected in valuable and broad financial markets, dispersed ownership of shares and efficient allocation of capital across the firms.

A study conducted by the National Foundation for Corporate Governance (2007)[9] covering the corporate governance practices of leading corporates in India concludes that lack of shareholder activism on the side of retail investors is one of the key weaknesses in the country's corporate governance framework.

Vivek Kuduva (2011)[10] explains that effective investor protection can help in making the financial markets efficient and transparent thereby enhancing the depth of the markets. The investor protection framework needs to ensure that there is •

No imbalance of information and knowledge.

• A check on the Issuers, intermediaries and financial service providers so that they do not engage in unfair practices.

• A clear framework covering investor rights and dispute resolution mechanisms.

• A clear distinction between professional/sophisticated investors and retail investors - as the complexity of the financial product and suitability could vary.

Using the above framework as a potential benchmark, the study concludes that Indian markets and industries are well regulated with high disclosure norms and clear policies.

Legal Frame Work Behind Investor Protection

Both the Primary and the secondary markets for corporate and Government securities are governed by the Government by means of a few legislations. These legislations have a direct bearing to protect the interest of investors. The salient features of these legislations are summed up so as to examine whether the measures are adequate to protect the interest of the investors.

Income — Tax Act, 1961 and the Finance Act of Every Year

The Finance Act of every year is administered by the Income-Tax Act, 1961. The Finance Act

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[9] National Foundation for Corporate Governance, Corporate Governance Review of Practice- A study of Corporate Governance Practices in leading corporates in India (2007) Available at http://www.nfcgindia.org/pdf/ASCI.PDF last accessed on 14.09.2013

[10] Vivek Kudva, 'Financial Education and Investor Protection', Vol. 8, Banking and Finance Digest, 5: 5-8, (2011)

of every year carries taxation measures of the Government including tax exemptions. To protect the interest of investors the Government gave exemption from income tax on dividend income in the hands of the tax—payers from1997 to2000-01, further the Government authorizes the corporates to issue tax free bonds. Indexed bonds can be issued so as to avail capital gains protection. The investors in Life Insurance Corporation Policies can claim tax rebate under section 88 of the Income Tax Act. The investment made in the securities of infrastructure providing corporations can be taken to claim additional tax rebate. Investments made in med claim policies, superannuation fund ...etc. can be deducted from the taxable income to pay less tax.

The Securities Contract (Regulation) Act 1956

The object of the SC(R) Act is to prohibit undesirable transactions in the stock market so as to transform the secondary securities market as a ready market for securities and not as a place for gambling. It gives Central Government regulatory jurisdiction over (a) stock exchanges through a process of recognition and continued supervision, (b) contracts in securities, and (c) listing of securities on stock exchanges. As a condition for recognition, a stock exchange complies with the condition prescribed by Central Government. Organised trading activities in securities take place on a specified recognised stock exchange. The stock exchange determines their own listing regulations which have to conform to the minimum listing criteria set out in the Rules[11]

Capital Issues (Control) Act, 1947

The Act had its origin during the II world war in 1943 when the objective was to channel resources to support the war effort. It was retained with some modifications as a means of controlling and raising of capital by companies and to ensure that national resources were channelled into proper lines, i.e., for desirable purposes to serve goals and priorities of the government, and to protect the interest of investors. Under the Act, any firm wishing to issue securities had to obtain approval from the Central Government, which also determined the amount, type and price of the issue. As a part of the liberalization process, the Act was repealed in 1992 paving way for market determined allocation of resources[12].

[11] National Stock Exchange of India Limited, A Riew of Indian Securities Market — Volume V 2002 p.7
[12] National Stock Exchange of India Limited, A Riew of Indian Securities Market — Volume V 2002 p.22

Companies Act, 1956

It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure of public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. It also regulates underwriting, the issue of shares at premium and on discounts on issues, rights and bonus issues, payment of interest and dividends, supply of annual report and other information[13].

The SEBI Act, 1992

The SEBI Act, 1992 was enacted to empower SEBI with statutory powers for:
(a) Protecting the interests of investors in securities,

(b) Promoting the development of the securities market, and

c) Regulating the securities market. Its regulatory jurisdiction extends over corporate in the issuance of capital and transfer of securities, in addition to all intermediaries and persons associated with the securities market.

It can conduct enquiries, audits, and inspection of all concerned, and adjudicate offences under the Act. It has the powers to register and regulate all market intermediaries, as well as to penalize them in case of violations of the provisions of the Act, Rules, and Regulations made there under. SEBI has full autonomy and the authority to regulate and develop an orderly securities market.

Depositories Act, 1996:

The Depositories Act, 1996 provides for the establishment of depositories in securities with the objective of ensuring free transferability of securities with speed, accuracy, and security by:

(a) Making securities of public limited companies freely transferable, subject to certain exceptions.

(b) Dematerializing the securities in the depository mode.

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[13] The Companies Act 1956 was an Act of the Parliament of India, enacted in 1956, which enabled companies to be formed by registration, and set out the responsibilities of companies, their directors and secretaries. It was repealed and replaced by the Companies Act 2013.

(c) Providing for the maintenance of ownership records in a book entry form.

In order to streamline the settlement process, the Act envisages the transfer of ownership of securities electronically by book entry, without making the securities move from person to person. The Act has made the securities of all public limited companies freely transferable, restricting the company's right to use discretion in effecting the transfer of securities, and the transfer deed and other procedural requirements under the Companies Act have been dispensed with.

Investors Protection Fund (IPF)

The Government has established an Investor Education and Protection Fund (IEPF) under Sec. 205 C of the Companies Act, 1956 under which unclaimed funds on account of dividends, matured deposits, matured debentures, share application money etc. are transferred through the IEPF to the Government by the company on completion of seven years. The Government is required to utilize this amount through an Investor Education and Protection Fund. For this purpose, the proceeds from the companies are credited to the Consolidated Fund of India through this fund. The Fund may then be entrusted with full-fledged responsibility to carry out activities for education of investors and protection of their rights.

SEBI Complaints Redress System (SCORES)

SEBI launched a centralized web-based complaints redress system 'SCORES' in June 2011. The purpose of SCORES is to provide a platform for aggrieved investors, whose grievances, pertaining to securities market, remain unresolved by the concerned listed company or registered intermediary after a direct approach. SCORES also provides a platform, overseen by SEBI through which the investors can approach the concerned listed company or SEBI registered intermediary in an endeavour towards speedy redressal of grievances of investors in the securities market.

The salient features of SCORES[14] are:

i. Centralised database of investor complaints

[14] https://www.sebi.gov.in/legal/circulars/dec-2014/redressal-of-investor-grievances-through-sebi-complaints-redress-system-scores-platform_28700.html?QUERY

ii. Online movement of complaints to the concerned listed company or SEBI registered intermediary

iii. Online upload of Action Taken Reports (ATRs) by the concerned listed company or SEBI registered intermediary

iv. Online viewing by investors of actions taken on the complaint and its current status

Statement of the Problem

The emergence of the Liberalization, Privatization, Globalization (LPG) era and subsequent financial reforms in India initiated in 90s, with a goal of turning the economy in to more market oriented, invited huge investment from Domestic and Foreign investors. The impact of the reforms increased the prospects of stock market as Potential Avenue for wealth maximization. However, in reality, the retail investors stand to lose their wealth in any prevailing market conditions. Although the regulatory mechanism initiated by the SEBI (Security exchange board of India) to curb the fraudulent practices and effective clearing by rolling settlement, the participation of retail investors has not been encouraging since the erosion of the investment was the major cause.

Objectives of the Study

The study has the following objectives:

- To know awareness and uses of SEBI Complaints Redress System (SCORES) by retail investor.
- To find major sources of awareness of SEBI Complaints Redress System (SCORES).

Research question

The study addresses the following research questions

1. What extent retail investors are aware of SEBI Complaints Redress System (SCORES)?
2. What are the sources of awareness of SEBI Complaints Redress System (SCORES)?
3. What types of compliant generally made by retail investors in SEBI Complaints Redress System (SCORES)?
4. What is the satisfaction level of retail investors towards SEBI Complaints Redress System (SCORES)?

Hypothesis of the Study

The following null hypothesis are framed

Ho_1: Retail investors are not aware of SEBI Complaints Redress System (SCORES).

Ho_2: Retail investors are not satisfied with SEBI Complaints Redress System (SCORES).

Ho_3: Retail investors are majorly complaint about stock brokers in SEBI Complaints Redress System (SCORES).

Scope of the Study

The present study "Investors Awareness and Uses of SEBI SCORE (SEBI Complaints Redress System) – A Socio-Legal Study" is confined to analyse the investors awareness and extent of uses, types of compliant lodge by retail investor in SEBI Complaints Redress System (SCORES). The primary data were collected from the individual investors from the stock broking firms in Tirupati town.

Research Methodology

Research Design

The present study is descriptive a well as explanatory in nature as it is associated with opinion of investors towards SEBI Complaints Redress System (SCORES).

Sampling Design

The purposive sampling method has been applied to select the retail investors in study area.

Data Collection

The retail investors in Tirupati town are selected through various NSE authorized stock broking firms. There are ten stock broking trading members in Tirupati town with an investor's strength of 2456 investors. Out of total 2456 investors 120 investors are selected as sample size for the present study.

Table 1 Sample size

S.No	Stock Broking Firm Name	Sample Investors
1	Motilal Oswal Financial Services Limited	30
2	Sharekhan Limited	30
3	Kotak Securities	30
4	IIFL Securities	30
	Total	**120**

Statistical Tools Used

To analyse the primary data, the statistical tools such as Descriptive Analysis, Chi square test, Arithmetic mean and Standard deviation are used to describe the data.

Analysis and Discussion

Table 2 Gender of investor

Particulars	Frequency	Percent
Male	102	85
Female	18	15
Total	120	100

(Source: Field Survey)

It can be seen from the above table that majority of the total respondents (85%) are male investors. Only 15 % of the total respondents perceived themselves as aggressive investors.

Table 3 Age of investor

Particulars	Frequency	Percent
20-30 Years	60	50
30-40 Years	49	41
Above 40 years	11	9
Total	120	100

(Source: Field Survey)

Table 3 gives the age wise classification of investors. It is found that out of 120 respondents taken for the study, 60 respondents (50%) were in the age group between 20-30 20 years, 49 respondents (416%) were in the age group 30 to 40 years.11 respondents (9%) were in the age group above 40 years.

Table 4 Educational Qualification

Particulars	Frequency	Percent
School level	25	21
College level	53	44
Professional level	42	35
Total	120	100

(Source: Field Survey)

The survey finds that 44 (n=53) percent of the individual investors covered in the study are having college education, 21 (=25) percent investors are having schooling education and 35 (n=42) percent of these investors are having professional qualification.

Table 5 Occupation of investor

Particulars	Frequency	Percent
Salaried	19	16
Business	45	38
Professional	36	30
Retired	20	17
Total	120	100

(Source: Field Survey)

It can be seen from the above table that 38 percent of the investors covered in the study have been found in business. 30 percent of the respondents can be said to belong to professional category. 16 percent of the investors are salaried persons and rest of 17 percent are retiree.

Table 6 Amount invested in equity

Particulars	Frequency	Percent
Below Rs 1 lakh	33	28
Rs 2 lakhs - 3 lakhs	57	48
Above Rs 3 lakhs	30	25

Total	120	100

(Source: Field Survey)

The table 6 reveals that the 57 (48%) respondents were invested Rs 2 lakhs - 3 lakhs followed by 33 (28%) respondents are invested below Rs 1 lakh. Only 30 (25%) of investors invested above Rs 3 lakhs.

Table 7 Investing period

Particulars	Frequency	Percent
Below 3 years	16	13
3-6 years	39	33
6-9 years	33	28
Above 9 years	32	27
Total	120	100

(Source: Field Survey)

Table 8 Investor type

Particulars	Frequency	Percent
Long term Investing	76	63
Day trading	21	18
Both long term and day trading	23	19

Total	120	100

(Source: Field Survey)

It can be seen from the above table that approximately more than half of the total respondents (63%) consider themselves as long term investors, 18 percent are day traders and only 19 percent of the total respondents perceived themselves as both long term and day trading investors.

Table 9 Awareness of SEBI Complaints Redress System (SCORES)

Particulars	Frequency	Percent
No Awareness	5	4
Partial Aware	17	14
Fully Aware	98	82
Total	120	100

(Source: Field Survey)

Table 9 explains the awareness of investors of SEBI Complaints Redress System (SCORES) more than 82 percent (n=98) are fully aware of SEBI Complaints Redress System (SCORES) 14 percent (17) are partial aware and rest of 4 percent (n=5) are no awareness about SEBI Complaints Redress System (SCORES).

Table 10 Sources of Awareness of SEBI Complaints Redress System (SCORES)

Particulars	Frequency	Percent
SEBI website	45	38

Through Stock broker	25	21
Electronic Media	23	19
Print media	19	16
Family& Friends	8	7
Total	120	100

(Source: Field Survey)

Table 10 makes an attempt to explains sources of awareness of SEBI Complaints Redress System (SCORES). 45 (38%) investors out of 120 investors get information from SEBI website, 25 (21%) investors through Stock broker, 23 (19%) investor got information about SEBI Complaints Redress System (SCORES) through electronic media followed by 19 (16%) investors from print media and only 8 (7%) investors used to get information from family& Friends.

Table 11 Extent of uses SEBI Complaints Redress System (SCORES)

Particular	Frequency	Percent
Large Extent	93	78
Little Extent	18	15
Not-used	9	8
Total	120	100

(Source: Field Survey)

Only 25.5 percent of the respondents said that SEBI measures are inadequate. It can therefore be said that SEBI is perceived to be a good entity for development of the market. It is however interesting to note that 40.7 percent of the investors covered in the study answered "Can't say". About -259- one-f1fth of the respondents opined that the regulation of the market needs improvement (Table 7.1).

Table 12 Benefits of SEBI Complaints Redress System (SCORES)

Particulars	Frequency	Percent
Effective communication of grievances	95	79
Speedy redressal of the grievances	18	15
Both	7	6
Total	120	100

(Source: Field Survey)

From the table 12 it is inferred that majority of nearly 79 % of the investor opinion that SEBI Complaints Redress System (SCORES) is Effective communication of grievances, 15% opinion that it is useful for speedy redressal of the grievances and only 6 % are opinion that SEBI Complaints Redress System (SCORES) is used for both.

Table 13 **Complaint Against**

Particulars	Frequency	Percent
Listed companies / registrar & transfer agents	54	45
Brokers	22	18
stock exchanges	3	3

Depository participants / depository	4	3
Mutual funds	28	23
Portfolio Managers	3	3
Other entities	6	5
Total	120	100

(Source: Field Survey)

Multiple choice questions with regard to the complaints lodged with SEBI were asked to the investors. A perusal of Table 13 shows that the most of the complaints lodged by investors against are listed companies / registrar & transfer agents (45 per cent), followed by brokers (18 per cent), mutual funds (23 per cent) and other entities (5 percent).

Table 14 Types of compliant

Particulars	Frequency	Percent
Public or Rights issue	44	37
Issue and transfer of securities	20	17
Non-payment of dividend	3	3
violation of Takeover Regulations	4	3
Violation of Delisting Regulations	21	18
Bonuses	5	4

debt securities certificate	8	7
Duplicate share certificate	6	5
Dematerialisation	9	8
Total	120	100

(Source: Field Survey)

The grievances faced by the investors while dealing with the listed companies were identified as public or rights issue, issue and transfer of securities, non-payment of dividend, violation of takeover regulations, violation of delisting regulations, bonuses, debt securities certificate, duplicate share certificate and dematerialisation. From the study is found that type of complaint filed by the investors mainly related to Public or Rights issue (37%), followed by issue and transfer of securities (17%), non-payment of dividend (3%) and violation of takeover regulations (3%).

Table 15 Satisfied with timeline to get compliant resolved

Particular	Frequency	Percent
Dissatisfied	7	6
Partially-satisfied	16	13
Fully-Satisfied	97	81
Total	120	100

(Source: Field Survey)

From the above table 15 it is inferred that out of 120 respondents, 97 respondents (81%) are fully-satisfied with the timeline fix by SEBI for resolution of complaint, 16 respondents (13%)

are partially-satisfied and rest of 7 respondents (6%) of respondents are dissatisfied with timeline limit to get grievances redress by the SEBI.

Table 16 Satisfaction with SEBI Complaints Redress System (SCORES)

Particulars	Frequency	Percent
Dissatisfied	10	12
Partially-Satisfied	13	15
Fully-Satisfied	78	93
Total	120	100

(Source: Field Survey)

It is inferred that majority of 78 respondents (93%) are fully-satisfied with the SEBI Complaints Redress System (SCORES), 13 respondents (15%) are partially-satisfied and rest of 12 respondents (10%) of respondents are dissatisfied with SEBI Complaints Redress System (SCORES).

fully-satis, 201 respondents (47.9%) are strongly agree with statement that High loading charges is the basic reason for not interested in investment in mutual funds, 62 respondents (14.8%) are agree with this statement and 29 respondents (6.9%) are neither agree nor disagree with the statement, and rest of 128 respondents (30.5 %) of respondents either strongly disagree or disagree with the statement.

Hypothesis Test Results

Ho_1: Retail investors are not aware of SEBI Complaints Redress System (SCORES).

Ho_a: Retail investors are aware of SEBI Complaints Redress System (SCORES).

Table 17 Gender and level of awareness of Awareness of SEBI Complaints Redress System (SCORES)- (Chi-Square Test)

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	113.725	2	.000
Table Value = 5.991			

(Source: Primary Data)

It is identified from the above table that the calculated chi square value (113.72) is greater than the table value (5.99) and the result is significant at 5% level. Hence, the null hypothesis (H0) is rejected and the Alternative (H1) is accepted. The hypothesis "Retail investors are aware of SEBI Complaints Redress System (SCORES)." Are accepted.

Ho_2: Retail investors are not satisfied with SEBI Complaints Redress System (SCORES).

Ho_a: Retail investors are satisfied with SEBI Complaints Redress System (SCORES).

Table 18 Gender and level of satisfaction with SEBI Complaints Redress System (SCORES)- (Chi-Square Test)

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.059	2	.971
Table Value = 5.991			

(Source: Primary Data)

From the above table 17 it is inferred that the calculated chi square value (0.059) is less than the table value (5.99) and the result is insignificant at 5% level. Hence, the null hypothesis (H0) is accepted and the Alternative (H1) is rejected. From, the results it is inferred that investor are not satisfied with SEBI Complaints Redress System (SCORES).

Ho_3: Retail investors are majorly complaint about stock brokers in SEBI Complaints Redress System (SCORES).

Ho_a: Retail investors are not majorly complaint about stock brokers in SEBI Complaints Redress System (SCORES).

Table 19 Gender and complaint about stock brokers in SEBI Complaints Redress System (SCORES) - (Chi-Square Test)

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.673	6	12.59
Table Value = 5.991			

(Source: Primary Data)

From the above table 18 it is inferred that the calculated chi square value (11.63) is less than the table value (12.59) and the result is insignificant at 5% level. Hence, the null hypothesis (H0) is accepted and the Alternative (H1) is rejected. From, the results it is inferred that investor are not majorly complaint about stock brokers in SEBI Complaints Redress System (SCORES).

Conclusion

In India, in the context of the share markets witnessed of stock market scam, it is now clear that there must be a closer regulation of the share markets and thereby giving protection to the investors become necessary in the legislations concerned. For instance, SEBI's Act 1992, had been put more teeth into it, authority was complete for doing a job of regulation that companies should set up an investors' redressal cell across the country to look after the investors' complaints such as non-receipt of share certificates sent for transfer, share split up, endorsements, non-receipt of bonus shares, rights issue, dividends and so forth. In addition to the above, the stock markets all over the country with the securities scam had also its own harmful effect on the share markets scaring away investors who had seen only the bright side of the operations.