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## ROLE OF THE STATE IN CONSUMER PROTECTION

**Dr. Rajaram Nathaji Wakchavre**

M.Com., M.A. (Eco), M.Phil. Ph.D. (Fin.), G.D.C. & A.

Recognised Research Guide SPPU, [Pune University],  
Pune,

Associate Profesor, & HOD., P.G. Department Of  
Commerce Arts.Science & Commerce College, Rahata,  
Tal.Rahata, Dist. A'nagar.

### ABSTRACT

Consumer protection has become a serious issue with the liberalization of Economic policies in India. The liberalization has opened the flood gates for the entry of big players from the world over into the country. The profit motive has surfaced as a major motive, leading to jettisoning the much avowed objective of giving prime importance to consumers interest. In the wake of such a situation, the issue would be who should take the responsibility of protecting the consumers. Should the protection of consumers be left to consumers only or to their organizations ? In the realm of the consumer protection, what should be the role of the state ? Should the protection of consumers be left to consumers only or to their organizations ? In the realm of the consumer protection, what should be the role of the state ? Should the state adopt a passive approach or reactive role or proactive role? The analysis of the data reveals that much more is required to be done by state governments.

**KEYWORDS :** Role of the state, perceived risk, consumer behaviour, state liberalization of economic policy, profit motive, consumer's interest, consumer rights, security of consumer protection, website security, availability of consumer care centre, factors analysis.

### INTRODUCTION :

The traditional rule of marketing is left the bugler beware. This clearly means that the buyer has to protect himself in the market. He has to exercise education in all his purchase related activities and has to ensure that the other

### State Consumer Protection

- State consumer protection offices provide information and help enforce state consumer protection laws.
- Offices may assist consumers with individual problems.



party in the transaction does not cheat him.

Expecting all consumers to protect themselves. All the time is well – night possible. This is because all customers are not equally informed, trained or educated. Some are more informed than others. An informed customer takes more care than an uninformed. An educated customer could make the difference between rice and chaff. An uneducated customers may not. The does not necessarily mean that only an uneducated customer requires an external protection. Every customer, irrespective of background, any require protection at one time or the other time. All this is because the other side of the fence i.e., the seller may not always be acting in the best interest of the customer.

## REVIEW OF LITERATURE :

Several studies have been conducted in order to find out the role of the state in consumer protection. S Anitha, the Indian Consumer Sphere of Consumer Protection Act. 1986. predicted whether the role of the state will protect to consumer or not.

One of the basic challenges and concern of the consumer protection has become a serious issues with the liberalizations of economic policies in India. The profit motive has surfaced as majors motive, leading to jettisoning the much avowed objective giving prime importance to consumer interest in the wake of such situation the issue would be who should take the responsibility of protecting the consumer. The consumer protection(Amendment) Bill 2001 introduced in 2001 addresses the issue of quicker disposal of complaints widening the scope of the act strengthen of consumer courts trembling the procedure and a proposal to strengthen consumer moment.

Policy statement :The role of self-regulation in the OFT's consumer protection work September 2009,OFT1115 1.1 This policy statement sets out the OFT's belief that self-regulation offers benefits for consumer protection and adds real value to the functioning of efficient markets. The OFT has extensive experience of working with self-regulation and will continue to do so where it offers the best solution for resolving consumer issues.

**1.2 In this document we explain:** our commitment to supporting and working with self-regulation, and how it can complement our other work , the potential that is offered by self-regulation, through its flexibility, to benefit consumer protection in a wide range of circumstances ,the form that our engagement with self-regulation may take, and the limits of such engagement.

**Review of the Redress and Enforcement Provisions of Consumer Protection Law - Initial Think Piece :July 2005:** In this review, it is proposed that the effectiveness of the redress and the enforcement provisions in the FTA and the CGA be measured against the desired policy outcome that consumers' reasonable expectations of transactions are being met.

The Ministry of Consumer Affairs (MCA) has commenced a review of the redress and enforcement provisions in the Fair Trading Act 1986 (FTA) and the Consumer Guarantees Act 1993 (CGA). The purpose of this review is to try and measure the effectiveness of the current redress and enforcement provisions in the legislation and then to assess whether there is a need to amend either the FTA or the CGA.

In this review, it is proposed that the effectiveness of the redress and the enforcement provisions in the FTA and the CGA be measured against the desired policy outcome that consumers' reasonable expectations of transactions are being met. An intervention logic that identifies the intermediate outcomes that would need to be achieved and the assumptions that are being made for the desired policy outcome to occur has been developed as part of this review.

## OBJECTIVES OF THE PAPER :

The main objectives of this paper are, How do you protect the interest of customers and investors who should take care of consumers rights and privileges ? In this context, what is the role of the state ? what role the state of India has played ? These are same of the questions, which this paper tries to answer and finally angles that government machinery has a key role to play in the protection of consumers.

## METHODOLOGY :

The required secondary data has been collected from the National consumer Redressed

commission, New Delhi and SEBI, Mumbai and from selected research journals and news papers. The present paper is subdivided into five sections. Section 1 gives introduction and methodology adopted in the paper. Section – II is devoted to explain the role the state has to play in consumer protection while section – III is used to analyze the progress achieved under consumer protection rights Act (COPRA) 1986. Section – IV is used to provide investor protection measures in the capital market segment. Section – V provides a summary of the findings and suggestions.

### Business Environment – How much it is important ?

The Environment in which the business transactions are entered must be highly reliable, fair and transparent. Such a transparent approach can make consumers to see all the effects of their buying or investment decisions.

There are different ways by means of which the business environment can be made more dependable and reliable. The different means include :-

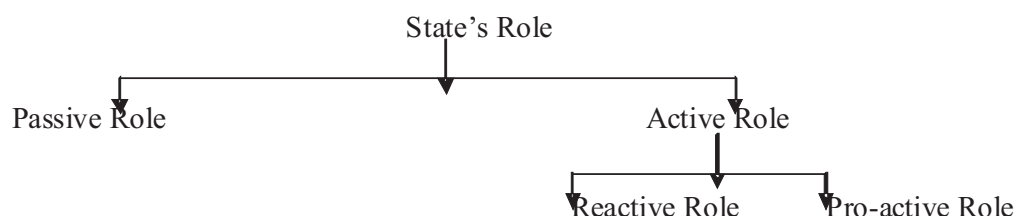
- i) Ethical conduct of the business
- ii) Improved governance standards
- iii) Consumers / investors organizations
- iv) Non – governmental agencies
- v) Government intervention.

The consumer movement in India is as old as trade and commerce itself. Even in Kautilya's Arthshastra, there are references to the concept of protection of consumers against the exploitation by trade and industry, short weight and measurement, adulteration etc. along with the punishment for these offences. The consumer movement can take different forms.

It may take the form of a set of consumer organizations. The existence of a set of consumer organizations can help customers to resort to these bodies in the event of unfair dealings. However, there are problems even with this means of protection because customers with varied nature are more difficult to a common platform and understanding.

The protection of consumers can be done by means of creation of voluntary non-governmental organizations (Ngos). These are non-profit and voluntary bodies established to take cudgels against errant sellers and companies on behalf of gullible customers. However, these bodies lack necessary financial and legal strength to pursue their objective of ridding of malice.

**Figure No. 1**  
**Provides different roles expected of the state**



### Passive Role :

In a passive role, the State is a mere on – looker to the market events. The Government does not assume any responsibility for the consumer protection. To some extent, the state has to be a passive on looker and allow the consumer to take care of him or herself. In a highly developed and egalitarian society, the state's role is expected to be minimal. The state role is to establish a network of redressed

machinery and leave it to take care of consumer protection.

The state cannot be expected to share the responsibility when consumers are negligent and are ..... of bounds of common sense. For example, one section scores of financing companies, popularly called as blade companies deceiving depositors. The common sense says 'experience should be the teacher'. One has to learn from one's own experience or from others experiences on the contrary, it greed overrides common sense, the individual has to suffer the consequences. The state cannot be held responsible as being negligent towards protecting consumers interests.

### Active role :

In an active role, the state assumes a total responsibility for protecting the rights of consumers. The state enacts proper laws, sets up monitoring agencies and defines do's and don'ts of each transaction. The erring individual is tried under the law and suffer is compensated for the losses. Such a role is highly desirable and is expected in an undeveloped economy.

### Reactive Role :

A reactive role is an ex-post approach, i.e. after the occurrence of the event. The government steps into the picture when the actual damage has been done. Such a role becomes necessary to heal the wounds and set the matters right. The merger of Global Trust Bank (GTB) with one of the public sector banks is basically a reactive approach. The state acted like this to reduce the damage caused by the collapse of one of the private sector banks and restore the confidence of the world community in Indian Banking sector.

You cannot expect the government to bear the loss of human life when common sense says that the consumption of illicit brew is dangerous to life. Similarly, for the failure of every private or co-operative bank, you cannot make a public sector bank to acquire. Taken to the extreme, the public sector banks, too in the end could become sick bank over a period of time.

### Pro-active role:

Prevention is better than the cure is an old adage. The preventive role is the pro-active role. The modern marketing is ruled by both interior and ulterior motives. The greed or just for money cannot be ruled in today's business world. The collapse of Enron, The world com, etc. can be attributed to this only. Unless people high ethics run businesses and high governance standards are employed in running business the desire for overnight riches cannot be ruled out in such cases, the government has an ethical, moral and constitutional responsibility of ensuring the existence of adequate machinery to prevent and punish the perpetrators of consumer exploitation. The government has to be highly creative in identifying the ways in which business could employ unethical means to deceive the gullible consumers. The pro-active role calls for dynamic approach on the part of the state and existence of adequate infrastructure to deal with cases of consumer exploitation. The creation of adequate machinery acts as a deterrent to the people and makes them to think twice before indulging in unethical practices.

### Role Expected In A Developing Country Like India :

India is being viewed as huge market by myriad number of Indian and multi-national companies. The large number of middle class people with great penchant for modern goods is another feature of Indian economy. The lower stratum too is caught in the web of grabbing. Realizing the greater role in free economy for governments. The Indian Union Government enacted a separate legislation for



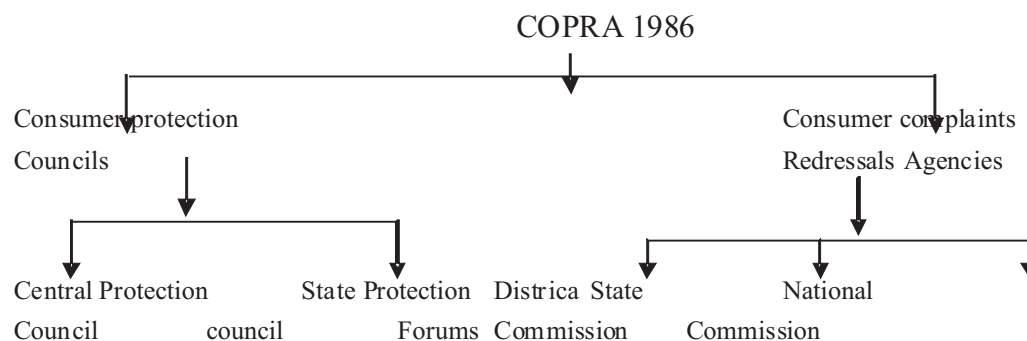
consumer protection, known in brief as COPRA, 1986. This has revolutionized consumer rights. It is one of the most progressive and comprehensive pieces of social legislation converging all goods and services. The government has formulated comprehensive proposals for amending the consumer protection Act mainly based on the recommendations of the working Group and expert group set up for the purpose. And the wide ranging consultations it had with the representatives of consumer interests, presidents of the national and state commissions and central Government ministries and Departments.

The consumer protection (Amendment) Bill, 2001 introduced in 2001 addresses the issues of quicker disposal of complaints, widening the scope of the Act, strengthening of consumer and a proposal to strengthen the consumer movement. Besides this there are other laws, which aim at providing protection to consumers. These acts are:

- 1) Essential commodities Act
- 2) Competition Law
- 3) Investor protection and Education fund
- 4) SEBI Act
- 5) Other economic legislations

The consumer protection Rights Act (COPRA) 1986 is the basic law relating to consumer protection in India. Under the law, the central Government has set up the following machineries to deal with cases of consumer grievances.

**Figure- 2**  
**Shows the infrastructure created under the law for consumer protection**



### Analysis of Data :

In this part of the paper the working of agencies set up under the COPRA is analyzed. This has been by the use of secondary data collected from the unable address of national commission.

### Consumer's complaints Redresses Agencies :

Under the COPRA, the central government has constituted a national level commission situated at New Delhi. The National Level commission is followed by state level commissions. There are at present 34. State level commissions established in the country. The district forums are established at the district head quarters for the safety and protection of consumers.

**Table No. 1**  
**Gives information relating to the number of functional and non functional district forums in the country**

Sr. No.	States	No. of Districts	Functional	Non Functional	As on
1.	Andhra Pradesh	29	29	0	30.9.2009
2.	AN	02	02	0	30.6.2008
3.	Arunachal	15	15	0	30.8.2009
4.	Assam	23	23	0	30.9.2008
5.	Bihar	37	37	0	31.10.2009
6.	Chandigarh	02	02	0	30.3.2009
7.	Chhattisgarh	16	12	4	30.6.2009
8.	D & N	02	02	0	31.12.2008
9.	Delhi	10	10	10	30.6.2009
10.	Goa	02	02		31.6.2009
11.	Gujarat	26	17	9	30.9.2009
12.	Haryana	19	18	0	30.9.2009
13.	Himachal	12	12	0	30.6.2009
14.	J & K	02	02	0	31.12.2007
15.	Jharkhand	22	22	0	30.6.2009
16.	Karnataka	30	30	0	30.3.2009
17.	Kerala	14	13	01	30.6.2009
18.	Lakshawadeep	01	01	0	30.6.2009
19.	Madhya Pradesh	45	36	9	30.6.2009
20.	Maharashtra	34	34	0	30.6.2009
21.	Manipur	08	08	0	30.6.2009
22.	Meghalaya	07	07	0	30.6.2009
23.	Mizoram	08	08	0	30.6.2009
24.	Nagaland	11	08	3	30.6.2009
25.	Orissa	31	31	0	30.6.2009
26.	Pondicherry	01	01	0	30.6.2009
27.	Punjab	17	17	0	30.9.2009
28.	Rajasthan	33	33	0	31.10.2009
29.	Sikkim	04	04	0	30.6.2009
30.	Tamilnadu	30	30	0	31.10.2009
31.	Tripura	03	03	0	30.6.2009
32.	Uttar Pradesh	70	68	2	31.10.2009
33.	Uttaranchal	13	11	2	30.6.2009
34.	West Bengal	21	21	0	30.6.2009
	Total	600	570	30	

A perusal of Table –1 Shows that out of 600 district forums established under the COPRa, 570 forums are functional and only 30 are non- function. The states of Gujarat and Madhya Pradesh have 9



non-functional forums each followed by chattisgarh State. The Karnataka State have no non-functional district forums.

**Table No. 2**  
**Information regarding vacancy position in the state commissions**  
**and district forums.**

Sr. No.	States	No. of Districts	Functional	Non Functional	As on
1.	Andhra Pradesh	No Vacancy	02	0	30.9.2009
2.	AN	No Vacancy	0	0	30.6.2008
3.	Arunachal	No Vacancy	0	6	30.8.2009
4.	Assam	No Vacancy	0	14	30.9.2008
5.	Bihar	No Vacancy	0	12	31.10.2009
6.	Chandigarh	No Vacancy	0	0	30.6.2009
7.	Chhattisgarh	No Vacancy	0	9	30.6.2009
8.	D & N	No. Vacancy	0	0	31.12.2008
9.	Delhi	No. Vacancy	0	2	30.6.2009
10.	Goa	No. Vacancy	0	1	30.6.2009
11.	Gujarat	No Vacancy	9	8	30.9.2009
12.	Haryana	No Vacancy	4	28	30.9.2009
13.	Himachal	No Vacancy	0	0	30.6.2009
14.	J & K	No Vacancy	0	0	31.12.2007
15.	Jharkhand	No Vacancy	0	1	30.6.2009
16.	Karnataka	No Vacancy	2	3	30.3.2009
17.	Kerala	01 Member	4	5	30.6.2009
18.	Lakshadweep	No Vacancy	0	2	30.6.2009
19.	Madhya Pradesh	No Vacancy	1	35	30.6.2009
20.	Maharashtra	1 Member	3	8	30.6.2009
21.	Manipur	All Vacant	-	-	30.6.2009
22.	Meghalaya	President	0	0	30.6.2009
23.	Mizoram	President	0	2	30.6.2009
24.	Nagaland	No Vacancy	3	6	30.6.2009
25.	Orissa	No Vacancy	5	5	30.6.2009
26.	Pondicherry	1 member	0	1	30.6.2009
27.	Punjab	No Vacancy	1	1	30.9.2009
28.	Rajasthan	No Vacancy	0	0	31.10.2009
29.	Sikkim	No Vacancy	0	0	30.6.2009
30.	Tamilnada	No Vacancy	9	14	31.10.2009
31.	Tripura	No Vacancy	0	0	30.6.2009
32.	Uttar Pradesh	No Vacancy	19	21	31.10.2009
33.	Uttaranchal	Prwident	0	3	30.6.2009
34.	West Bengal	1 member	0	7	30.6.2009
	Total	-	62	194	

It can be observed from Table – 2 that out of 34 state – Level commissions, only 4 do not have the presidents and there are 6 vacant members post. However, the position at the forum- level is comparatively not encouraging. There are 62 vacant president position and 194 member positions. On the whole, It can be said that the position in India is comparatively satisfactory.

**Table No. 3**

**Consolidated statement showing total filing/ disposal / Pendency in National Commission, State Commission & District Forums.**

Sr. No.	Name of the Unit	Cases filed since inception	Cases dispose of since in caption	Cases pending in caption	% of Total
1.	National	39816	31923	7893	80.18
2.	State	341499	234016	107483	68.53
3.	District	2038414	1817550	220664	89.17
4.	Total	2419729	2083689	336040	86.11

Table – 3 indicates that the rate of disposal is highest at the district level followed by the National commission. As many as 89 percent cases are disposed of at the forum level while it is only 69 percent at the state commissions level. The rate of disposal was 80 percent at the National commission level.

#### **State Wise Cases filed, disposed and pending at the national and state commission :**

Table No. 4 Provides Statewide data relating to number of cases, disposed and pending both at the national and state commission.

**Table No. 4**

**Statement of Cases Filed / Disposed / Pending in the National and State Commissions**

Sr. No.	States	Cases filed since inception	Cases Disposed of Since inception	Cases Pending	% of Disposal	As on
	NATIONAL	40,110	32,336	7874	80.37	31.10.2009
1.	Andhra Pradesh	17,264	14,905	2,359	86.34	30.9.2009
2.	A.p.	57	55	2	96.49	30.6.2008
3.	A & N	33	22	2	66.67	30.8.2009
4.	Arunachal	1,864	990	856	53.63	30.9.2008
5.	Bihar	10,688	6,700	3,988	62.69	31.10.2009
6.	Chandigarh	5090	4998	92	98.19	30.6.2009
7.	D & N	2447	2041	506	80.13	30.6.2009
8.	Delhi	11	11	0	100.00	31.12.2009
9.	Goa	23860	20282	3578	85.00	30.6.2009
10.	Gujrat	1661	14907	164	90.13	30.6.2009
11.	Haryana	21821	18266	3555	83.71	30.9.2009
12.	Himachal Prad.	27514	15725	11789	57.15	30.9.2009

13.	Chhattisgarh	4426	3769	658	85.13	30.6.2009
14.	J & K	4512	3981	531	88.23	31.12.2007
15.	Jharkhand	2067	1752	315	84.76	30.6.2009
16.	Karnataka	17251	15426	1825	89.42	30.6.2009
17.	Kerala	19606	15575	4032	74.43	30.6.2009
18.	Lakshadweep	12	11	1	91.67	30.6.2009
19.	Madhya Pradesh	2028	18077	2203	89.14	30.6.2009
20.	Maharashtra	31378	17876	13502	56.97	30.6.2009
21.	Manipur	47	20	27	42.55	30.6.2009
22.	Meghalaya	135	125	20	86.21	30.6.2009
23.	Mizoram	92	50	42	54.35	30.6.2009
24.	Nagaland	71	59	12	83.10	30.6.2009
25.	Orissa	14030	7304	6726	52.39	30.6.2009
26.	Pondicherry	109	80	29	73.39	30.6.2009
27.	Punjab	15759	11341	4416	71.97	30.6.2009
28.	Rajasthan	31371	21030	10341	37.4	31.10.2009
29.	Sikkim	27	26	1	96.30	30.6.2009
30.	Tamilnadu	12976	10037	29393	77.35	31.10.2009
31.	Tripura	866	2097	367	85.11	30.6.2009
32.	Uttar Pradesh	43670	12433	31237	2847	31.10.2009
33.	Uttaranchal	2464	2097	367	85.11	30.6.2009
34.	West Bengal	9126	7897	1229	86.53	30.6.2009
	Total	382464	267464	115323	69.87	-

A perusal of Table No. 4 shows that total number of 382464 cases have been filed both at the National and State commissions since their inception. As many as 70 percent cases have been disposed of till to date. Though the State of Uttar Pradesh has the largest number of cases filed in the country, the rate of disposal was the lowest at only 29.47 per-cent. The State of Karnataka has the highest rate of disposal of cases among the southern States of India. However, no State has achieved 100 per-cent disposal rate except the Daman and Diu, a central Territory.

#### State wise case filed, disposed and pending at the District Forums:

Table- 5, gives State wise information relating to number of cases filed, indisposed and pending at district forum:

**Table No. 5**  
**Statement of Cases Filed / Disposed of / Pending in District Forma.**

Sr. No.	States	Cases filed since inception	Cases Disposed of Since inception	Cases Pending	% of Disposal	As on
1.	Andhra Pradesh	152886	146030	6856	95.52	30.9.2009
2.	A & N	311	294	17	94.53	30.6.2008
3.	Arunachal	261	223	38	85.44	30.6.2009
4.	Assam	10004	9096	9.8	90.92	31.12.2008
5.	Bihar	58962	46528	12434	78.91	30.6.2009
6.	Chandigarh	23600	22894	706	97.01	30.10.2009
7.	Chhattisgarh	20881	18581	2300	88.99	30.6.2009
8.	D & N	70	54	16	77.14	31.12.2008
9.	Delhi	148386	138276	10112	93.19	30.6.2009
10.	Goa	5020	4033	967	80.34	31.10.2009
11.	Gujarat	97046	79471	17575	81.89	30.6.2009
12.	Haryana	140172	120824	19348	86.20	30.9.2009
13.	Himachal Prad.	41104	38432	2672	93.50	30.9.2009
14.	J & K	10436	4247	2189	79.02	31.3.2003
15.	Jharkhand	23144	20440	2704	88.32	30.6.2009
16.	Karnataka	86209	82774	3435	96.02	31.8.2009
17.	Kerala	142620	135705	6915	95.25	31.8.2009
18.	Lakshawadeep	51	45	6	88.24	31.8.2009
19.	Madhya pradesh	92,132	86641	5491	94.04	30.6.2009
20.	Maharashtra	161279	141872	19407	87.47	30.6.2009
21.	Manipur	916	881	35	96.18	30.6.2009
22.	Meghalaya	359	339	29	94.43	30.6.2009
23.	Mizoram	1863	1623	240	87.12	30.6.2009
24.	Nagaland	246	205	41	83.33	30.6.2009
25.	Orissa	61182	57334	3848	93.71	30.9.2009
26.	Pondicherry	331	266	65	80.36	31.10.2009
27.	Punjab	90156	83616	6540	92.75	30.9.2009
28.	Rajasthan	187990	177328	10662	94.33	30.9.2009
29.	Sikkim	175	169	6	96.57	30.6.2009
30.	Tamilnadu	76196	68726	74070	90.20	30.6.2009
31.	Tripura	1529	1367	175	89.40	30.6.2009
32.	Uttar Pradesh	325754	255227	70527	78.35	30.6.2009
33.	Uttaranchal	26029	23255	2814	89.21	30.6.2009
34.	West Bengal	55482	54282	3200	94.23	30.9.2009
	Total	2042824	1823078	419759	89.24	-

Table 5 clearly reveals the till to date total of 2042824 cases have been filed at various district forums in the country; out of which 18,23,078 cases have been disposed. The average rate of disposal was nearly 90 per cent. The State of Uttar Pradesh continues to maintain its lead even in respect of cases filed at the district forums. As many as 3,25,754 cases have been filed in the State. The rate of

disposal was only 78 per cent. Among the southern States of India, the Andhra Pradesh has the highest number of cases filed followed by Kerala, Karnataka and Tamilnadu.

A comparative Study of table 4 and 5 indicates that the number of cases filed at the State and National commissions level is less than the cases filed at the district forum level. Further, the rate of disposal was high at the district forum level than at the State and national commission level. The low rate of cases at the State and National level indicates that cases are cleared satisfactorily at the district level.

Capital Market and Investor protection :

The term consumer is very broad which includes investors in shares, debentures, Government securities etc. Now a day, the capital market has seen more number of fraudulent practices. The list of such cases includes vanishing companies, insider trading, price rigging, sudden fall in market prices, demat scam etc. Besides these broad capital market related cases several company related cases can also be seen, which includes –

- 1.Non – receipt of share certificates
- 2.Delay in transfer and transmission of shares
- 3.Non- receipt of rights offer.
- 4.Non – receipt of dividend cheques or warrants.
- 5.Non- refund of excess monies paid on allotment etc.

Table 6 gives details relating to number of grievances received and disposed of by SEBI since its establishment.

**Table No. 6**

Year During the Year	Grievances Received		Grievances Redressed		Cumulative Redressed Rate (%)
	Cumulative	During the year	Cumulative	During the year	
1995-96	18,794	18794	4061	4061	21.6
1996-97	110317	129111	22946	27007	20.9
1997-98	584662	713773	339517	366524	51.4
1998-99	516080	1429853	351842	718366	58.4
1999-2000	376478	1606331	315652	1034018	64.4
2000-2001	217394	1823725	431865	1465803	80.4
2001-2002	511507	2335232	676555	2142438	91.7
2002-2003	49132	2434364	127227	2269665	93.2
2003-2004	98605	2532969	146553	2416218	95.4
2004-2005	96913	2629882	85503	2501801	95.1
2005-2006	81600	2711482	70328	2572129	94.9
2006-2007	37434	2748916	38972	2611101	95.0
2007-2008	36744	2785660	21531	2632632	94.5
2008-2009	54435	2840095	53361	2685993	94.6

A perusal of Table 6 shows that the number of grievances, after showing an increasing trend, is decreasing since 2003-2004. The overall rate of grievances redressed is also showing a similar trend. The SEBI has redressed 2685993 cases since its inception. The rate of disposal of cases has been however around 95 percent since 2004. The lower rate of grievances registered with the SEBI in recent

years speak of the reforms undertaken by it in recent years.

The Government of India has taken several measures to protect the investors, especially small investors. The Government establishment of SEBI is one such measure. The SEBI, entrusted with the responsibility of market regulation has taken several positive measures like –

1. Passing of IPEF Act.
2. Dematerialization
3. Demutualization's of stock exchange
4. Rolling settlement
5. Ban of badla system
6. Screen based trading
7. Shifting from outcry system of quote method
8. Compulsory book- building
9. Restriction on preferential allotment
10. SEBI's takeover code.
11. Compulsory market making in OTCEI.
12. Regulation of activities of brokers sub brokers merchant bankers, lead managers, under writers etc.

### SUMMARY OF FINDINGS AND SUGGESTIONS:

The powerful business lobby many a times, in collusion corrupt officials manages to escape the provisions of COPRA, 1986 leaving the gullible consumers in the lurch. The same holds good even for capital market. Despite adequate, the market is Act to sec the entry of small investors in large number.

Adequate implementation measures are required on the part of the governments. The law itself does not protect the consumers. The consumer protection comes from the use of the law. The machinery involved in using the law, the procedure of using the law and the process of implementation of the law decide the success of the consumer protection. In India, by and large, the existence of COPRA, 1986 and its beneficial effects are known only to few segments of the population, that too, only to the elite sections of the society. The following measures can be suggested to make government role more interactive and useful in the process of consumer movement.

1. The process of filling complaints should be simplified and cost of using the services of consumer courts should be mime economical.
2. The consumer courts needs to be adequately staffed. The lack of trained manpower in the courts is stumbling block so far in the process of implementation of the law.
3. The speed of disposal of the cases should be increased at all levels. The quick disposal of the cases increases the consumers. Confidence in the machinery under the law and more cases are brought to courts.
4. A wide publicity of the cases heard and judgments delivered should be made among consumers.
5. A critical review of the working of consumers bodies created under the law is very much required to take measures for improving their functioning such a review may be done quarterly or half yearly or on yearly basis.
6. Providing more powers to SEBI, TRDA and other market regulations.
7. Establishment of Ombudsman role in major industries on the lines of banking and insurance.

Mere government involvement does not ensure consumers protection. Consumer protection requires the support of every body including the consumer. The government can only be playing the role of facilitator or catalyst. The growth of consumer movement is a voluntary effort involving the



participation of one and all. Only consumers can protect themselves and the society.

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