



Investor World

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IEWA

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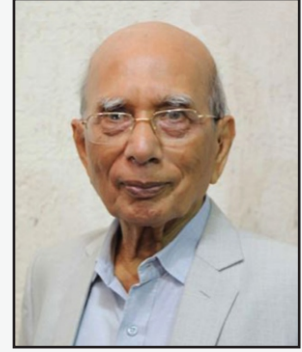
**Bulletin of
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Welfare Association**

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Mr. Bhavesh Vora
President



Shri. N. L. Bhatia
President Emeritus

Editorial - August 2020

Covid 19 has disrupted the whole world and our country India is no exception. When it all started in India in middle of March 2020 and the first lock down was announced from 24th March, no one realized the duration of Pandemic would last so long. The economy is in total disarray. Some countries like USA and Germany have generously funded direct transfers to their citizens account. Countries like India have offered free food grains to the poor, moratorium to MSME sector, extra funding to tide over the crisis. There is an apprehension that what is given is not enough to mitigate the damage that has been caused. The times are tough. Migrant workers and daily wage earners have bore the brunt. From Industry perspective the airline, tourism, restaurants, entertainment and Real Estate industry are worst hit and will take much longer than others to come back to normal.

As we publish this issue of Investor World, the spread of Covid 19 still continues. However, barring few non-essential activities, most businesses have been given permission to start. The positive signs are that India continue to hold fancy for the investors around the world as can be seen from incessant buying of quality stocks from the stock exchanges. Reliance struck deal after deal and brought in cheer to its shareholders. Mr. Mukesh Ambani has become the fourth richest person in the world because of the increasing market capitalization of Reliance Industries Limited.

There are several positive signs even in these seriously bad times. The Information Technology Sector and the Agricultural sector have more or

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INVESTOR PROTECTION THROUGH EDUCATION

Views expressed by contributors are their own and the association does not accept any responsibility.

less come out unscathed in this crisis. The Crude continues to remain passive keeping our import bill in check. Monsoon has been quite normal all across the country. China is being targeted by most countries in the world trade and is looking to shift from China or set up an alternate base and India is definitely in the race to acquire more investment. The tech giants of USA have committed billions of dollars of investment in the coming years. Times are tough but all these shows that there is a silver lining surrounding the dark clouds. The first quarter results of most companies will show a substantial hit in the top and therefore in the bottom line. Strong ones will survive and bounce back soon. Middle rung companies will find going tough but those with not much debt will come back sooner than those with heavy debts. The major cause of worry for the Indian economy is the unemployment which at its peak in April 2020 has rendered about 12 crore people without jobs. However IMF World Economic Outlook has projected a strong bounce back for India with 7.4% growth in 2022 second only to China which is expected to grow at 9.2%.

We at IEWA hope and pray that all of you are safe and taking care by wearing mask, maintaining social distancing and hygiene. That's the only way to beat this Virus till vaccine arrives. We apologies for the disruption in our magazine circulation but we are now back with renewed vigour.

- Dharmen Shah

QUARTER ENDED 30TH June 2020 Results of TOP FIVE US TECH COMPANIES & TOP INDIAN TECH COMPANY						
	Amazon	Alphabet	Apple	Face Book	Microsoft	TCS
Particulars	\$ Million	\$ Million	\$ Million	\$ Million	\$ Million	\$ Million
Gross Revenue	88,912	38,994	59,685	18,687	38,033	5,059
Costs , Exp, Dep.	82,691	26,847	46,548	12,724	24,611	3,805
Profit Before Tax	6,221	12,147	13,137	5,963	13,422	1,254
Tax	984	2,200	1,884	953	2,220	324
Net Profit After Tax	5,237	9,947	11,253	5,010	11,202	930
EPS (\$ per share)	10.30	14.21	2.58	1.80	1.46	0.25
Market Cap (In Billion \$)	1,620	1,004	1,772	722	1,519	114
Mkt Cap as on 31.07.2020						

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INVESTOR CORNER

Live Webinar organised by IEWA in association with BSE IPF

No of registrations: 1016

In its relentless effort of reaching out to the society at large, **IEWA during the pandemic times organised a live webinar on Tuesday, 2nd June 2020** and connected with several sections of society.

Mr. C. Vasudevan, BSE IPF) started the session by giving the welcome address and a brief about BSE IPF which was then followed by Mr. Bhavesh Vora (President IEWA) who gave the welcome address and a brief about IEWA and about the event. He also introduced our **Esteemed Speaker Swami Gyanvatsalji who spoke about the “Impact of Covid 19 on Human Behaviour”**

He in a calm and composed manner urged the audience to maintain self-discipline and to be in complete control of oneself thereby enabling the mind and the body to fight the current pandemic.

His thoughts were very well received by the audience as the audience enthusiastically asked questions which were appropriately answered by our esteemed speaker. The Q and A session was moderated by Mr. Bhavesh Vora, President IEWA and Mr. Bharat Dave, BSE IPF.

Mr. Bharat Dave, BSE IPF introduced our **2nd Esteemed Speaker for the evening: Mr. Vikram Kotak, who spoke about “The Impact of Covid 19 on the Financial Markets.”**

Through his vast and diverse experience, Mr. Vikram Kotak, was able to analyse and present the impact of the current pandemic across several sectors and urged the investors to be cautious while investing in the stock market. He laid a lot of emphasis on analysis, interpretation and research which is very crucial to any decision making and especially when it comes to the stock market.

The audience gave an overwhelming response by asking questions which were moderated by Mr. Bhavesh Vora and Mr. Dharmen Shah, Treasurer, IEWA.

The vote of thanks was delivered by Mr. Dharmen Shah (Treasurer, IEWA)



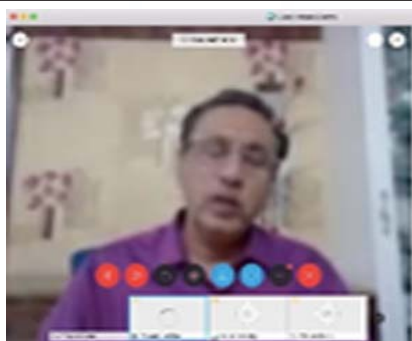
**Mr. Bharat Dave
(BSE, IPF)**



**Speaker
Shri. Swami Gyanvatsalji**



**Speaker
Mr. Vikram Kotak**



**Mr. Bhavesh Vora
(President, IEWA)**

INVESTOR EDUCATION AND WELFARE ASSOCIATION AND BOMBAY STOCK EXCHANGE INVESTOR PROTECTION FUND PRESENT

LIVE WEBINAR

IMPACT OF COVID-19 ON HUMAN BEHAVIOUR
SWAMI GYANVATSALJI
Motivational Speaker
SOCIAL REFORMER-
AKSHARDHAM BAPS

IMPACT OF COVID-19 ON THE FINANCIAL MARKET
SHRI. VIKRAM KOTAK
Managing Partner &
Co-Founder
ACE LANDSOWNE
INVESTMENT SERVICES LLP

Tuesday, 2nd June 2020
04: 15 PM to 6 PM
Click the link to join the webinar:
<https://mytrials-qj.webex.com/mytrials-qj/onstage/g,qhp?MlIDee4d5e50fd41260e2b44755a83bc79caf5>



**Mr. Dharmen Shah
(Treasurer, IEWA)**

CAUTION AGAINST PONZI SCHEMES AND UNREGISTERED INVESTMENT ADVISERS

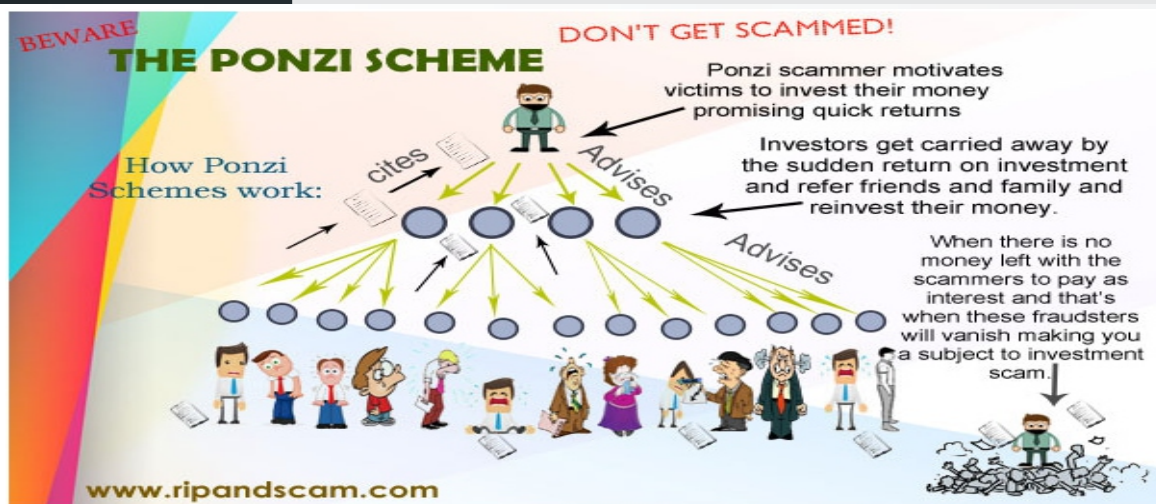
(Courtesy: Securities and Exchange Board of India)

A. PONZISCHEMES:

Ponzi Schemes are named after Charles Ponzi, who constructed one such schemes at the beginning of the 20th century. Of course the concept was well known prior to Ponzi's rise to infamy. A Ponzi scheme is a fraudulent investment scam promising high rates of returns to investors. The perpetuations of the returns that a Ponzi Schemes advertises and pays require an ever-increasing flow of money from investors to keep the scheme going. The Ponzi scheme usually entices new investors by offering returns other investments cannot guarantee in short term basis that are either abnormally high or unusually consistent. When the popularity of the schemes comes to the attention of authorities then, it has been the typical experience that promoter vanishes then, taking all the investors' money. The system is destined to collapse because of the earnings, if any, are less than the payment of investors. Sometimes, the authorities are able to clamp down on such schemes before they collapse because they act on suspicion of a scheme being a Ponzi schemes.

How to spot one?

- **High returns with little or no risk:** Every investment carries some degrees of risk. Higher the returns, higher is the risk involved. Be highly suspicious of any guaranteed high returns investment opportunity.
- **Overly Consistent returns:** Investments tends to go up and down over time. Be sceptical about an investment that regularly gives positive returns regardless of overall market conditions.
- **Unregistered Investment:** Ponzi schemes typically involve investment schemes that are not registered with the regulators or any government agency for their activity. Registration is important because it provides investors with access to information about the company's management, products, services and finances.
- **Unlicensed Sellers:** Any investment scheme requires to be registered with concerned authority and state securities laws required investment professionals and firms to be licensed or registered. Most Ponzi schemes involve unlicensed individuals or unregistered firms.
- **Non transparent Disclosure:** Avoid investments if you don't understand them or can't get complete information about them. Account statement errors may be a sign that funds are not being invested as promised.
- **Difficulty in receiving payments:** be suspicious if you don't receive a payment or have difficulty cashing out. Ponzi scheme promoters sometimes try to prevent participants from cashing out by offering even higher returns from staying put.
- **Protection from Fraud:** Recently in India, many of the investors lost money because of the operation of unregistered entities offering investment schemes. The Sharada Chit Funds Scam in West Bengal and the illegal mobilization of funds by Sahara Firms are relevant examples. One needs to caution himself or herself about the operation of fraudulent agencies luring investors by offering higher returns within short period of time. You can keep your money safe by being aware of these risks.



B. Caution against Unregistered Investment Advisers:

SEBI registers Investment Advisers under SEBI (Investment Adviser) Regulations, 2013. "Investment Adviser" means any person, who for consideration, is engaged in the business of providing investment advice to clients or other persons or group of persons and includes any person who holds out himself as an investment adviser, by whatever name called.

The aim of the Regulation is to regulate "Investment Advice" which refers to advice related to investing in purchasing, selling, or otherwise dealing in securities or investment products, whether written, oral or through any other means of communication for the benefit of the client and shall include financial planning: Provided that investment advice given through newspaper, magazine, any electronic or broadcasting or telecommunications medium, which is widely available to the public shall not be considered as investment advice for the purpose of these regulations. Investment advisers are supposed to obtain registration from SEBI and follow the Code of Conduct.

It is illegal to act as Investment Adviser without SEBI registration. SEBI is making concerted efforts to stop such illegal activity. Some unscrupulous and ignorant entities may not get themselves registered and, or, may not follow the Code of Conduct. Investor Advisors have to limit themselves to giving advice and they do not handle cash and securities.

Some of the malpractices in connection with the activities of registered and unregistered entities acting as Investment Advisers (IA) reported to SEBI comprises the following:-

- Assured returns being offered by the investment advisers to the client.
- Charging exorbitant fees from client with a false promise of handsome returns.
- Mis-selling by IAs without adhering to the risk profile of the client to earn higher fees. On receiving complaints for refund of fees from client for loss incurred. IAs offer higher risk products to clients with a promise that they will recover their losses.
- Trading on behalf of the clients.
- Automatically upgrading or changing the service to higher risk products, not matching with the client profile and without the consent of the client.
- Poor service by the IAs causing loss of money to the clients.
- Refund related issues.

Investors therefore need to be aware and guard themselves against above mentioned practices present in the market and deal with caution with entities claiming expertise in capital markets. Investors are advised to take advice for investment only from entities registered under SEBI (Investment Advisor) Regulation, 2013. The list of such entities is available at the following website: <http://www.sebi.gov.in>

વસિયતનામું બનાવી લેવું શા માટે જરૂરી હોય છે ?

કોઈ પણ મોટા કાર્યની શરૂઆત એક પગલાથી થાય છે. ઉંચે ચડવા માટે પણ દરેક પગથિયું ચડીને જવું પડે છે. આ બન્ને બાબતો આપણા નાણાકીય પિરામિડને લાગુ પડે છે. આપણે પિરામિડના દરેક થરનો અભ્યાસ કરતાં કરતાં હવે છેલ્લા એટલે કે ટોચના થર પર આવી ગયા છીએ.

સૌથી પહેલાં આપણે સ્વજનોની આરોગ્યની જવાબદારીઓ નિભાવવા માટે મેડિકલ અને જીવનની અનિશ્ચિતતાની સ્થિતિ માટે જીવન વીમો લેવાની વાત કરી. તેની સાથે સાથે કરજમુક્ત થઈને નિવૃત્તિકાળ માટે બચત કરવાની વાત કરી. ત્યાર બાદ જીવનનાં વિવિધ લક્ષ્યોની પૂર્તિ માટે નાણાકીય જોગવાઈ કરવાની વાત કરી. એ બધું થયા બાદ સદા માટે કોઈ ગુંજાઈશ હોય તો તેનો ઉપયોગ કરવાની વાત કરી. છેલ્લે આવે છે સંપત્તિની વહેંચણીનો વિચાર.

નાણાકીય પિરામિડના બધા થરનું ધ્યાન રાખ્યા બાદ ટોચે પહોંચીને આરામ કરવાની સ્થિતિ આવી જાય છે. પોતે જમા કરેલી બચત અને તેમાંથી કરેલા રોકાણની મદદથી નિવૃત્તિજીવન શાંતિપૂર્વક વિતાવી શકાય એવી આ સ્થિતિ હોય છે. એ સમય મનગમતો પ્રવાસ કરવાનો, પૌત્ર - પૌત્રીઓ સાથે રહેવાનો અને જીવનની અધૂરી આશાઓ-આકાંક્ષાઓ પૂરી કરવાનો હોય છે. આ સમય સંપત્તિની વહેંચણીનો પણ હોય છે.



મિસ. જ્યોતિ મશરૂ
વેલ્થ મેનેજમેન્ટ

સંપત્તિની વહેંચણી (એસ્ટેટ પ્લાનિંગ- ઉત્તરાધિકારીનો વિચાર):

પોતાની સંપત્તિને વારસદારોમાં કેવી રીતે વહેંચી દેવી તેનો વિચાર કરી રાખ્યો હોય તો પછીથી વારસદારોમાં ઝઘડા થવાની શક્યતા ઓછી થઈ જાય છે. મોટાભાગના લોકો માનતા હોય છે કે નોમિનેશન કરાવી દીધું હોય અને સંપત્તિની માલિકીમાં જોઈન્ટ નામ રાખેલાં હોય એ પૂરતું છે. હકીકતમાં એવું નથી હોતું. નોમિનેશન અને જોઈન્ટ નામ સામાન્ય રીતે બિનઅસરકારક અને કાનૂની વિભવાદને જન્મ આપે એવી બાબતો છે. નોમિનેશન કરાવી લેવાથી સંપત્તિ નોમિનીને મળે એવું કાનૂની રીતે શક્ય નથી. વારસાને લગતા કાયદા નોમિનેશન અને જોઈન્ટ નામને સ્વીકારતા નથી. આવી સ્થિતિમાં વારસાખત એટલે કે વસિયતનામું એટલે કે વિલ બનેલું હોવું જરૂરી છે. ઘણા કિસ્સાઓમાં એવું જોવા મળ્યું છે કે માણસના જે કાનૂની વારસદારો હોય તેના સિવાયની વ્યક્તિઓનાં નામ નોમિનેશનમાં અને જોઈન્ટ માલિકીમાં હોય છે. આથી કાનૂની રીતે સ્વીકાર્ય એવું વસિયતનામું બનાવી લેવું જોઈએ.

સંપત્તિનો ઉપયોગ પરિવારજનો માટે સારી રીતે થઈ શકે એ માટેનો એક માર્ગ ફેમિલી ટ્રસ્ટનો છે. ટ્રસ્ટની રચનાનો ઉદ્દેશ સ્પષ્ટ હોય તો પછીનું કામકાજ સરળતાથી થઈ શકે છે.

સંપત્તિની વહેંચણીનો પ્લાન તૈયાર હોય તો અમુક મુશ્કેલીઓથી બચી શકાય છે અને અમુક ઉદ્દેશ્યો સિદ્ધ થઈ શકે છે:

- ૧) પરિવારની અંદર કે પરિવારની બહારની વ્યક્તિ જોડેના ઝઘડા ટાળી શકાય છે.
- ૨) સંપત્તિનો બગાડ થતો અટકે છે.
- ૩) સંપત્તિ પરના અધિકારને લગતા કાનૂની વિભવાદને ટાળી શકાય છે.
- ૪) પરિવારના મોભીએ સંપત્તિની વહેંચણી માટે જે વિચાર કરી રાખ્યો હોય તેનાથી વિપરીત પરિસ્થિતિ સર્જવાનું જોખમ હોય છે. આથી તેનો પ્લાન તૈયાર હોય તો એ જોખમથી બચી શકાય છે.
- ૫) પરિવારના વડા પર નિર્ભર વ્યક્તિઓનાં હિતોનું રક્ષણ કરી શકાય છે તથા સગીર વયના પરિવારજનો અને અપંગ પરિવારજનોનાં હિતોનું રક્ષણ કરી શકાય છે.
- ૬) વારસાને લગતા ટેક્સનું પ્લાનિંગ કરી શકાય છે.
- ૭) સખાવત કરવાનું નક્કી કરેલું હોય તો તેનો અમલ શક્ય બને છે.

અનુગામીની પસંદગી

પરિવારની સંપત્તિ ઉપરાંત બિઝનેસમાં પણ અનુગામીની વરણી કરવી જરૂરી હોય છે. એ પસંદગી પણ ઘણી કાળજીપૂર્વક કરવી પડે છે, કારણ કે અપાત્ર વ્યક્તિની નિમણૂક થઈ જાય તો બિઝનેસને પારાવા નુકસાન થઈ શકે છે. તેનું કારણ એ છે કે બિઝનેસ ચલાવવા માટે તેની જરૂરિયાતો અને આકાંક્ષાઓ વચ્ચે સંતુલન જાળવવું પડે છે. એ સંતુલન જાળવીને જ બિઝનેસનો વિકાસ પણ કરી શકાય છે.

નાણાકીય પિરામિડની આપણી ચર્ચાનો મુખ્ય ઉદ્દેશ્ય નાણાકીય બાબતોની ઝીણી-ઝીણી વિગતોની જાણકારી આપવાનો હતો. ઘણી વાર આપણાં જીવનનાં લક્ષ્યોનું આયોજન કરતી વખતે આપણે આ બાબતો તરફ દુર્લક્ષ કરી દેતા હોઈએ છીએ.

તમારા નાણાકીય પિરામિડનો મજબૂત પાયો રચાય અને તેના પર તમારી ઇચ્છાઓ-આકાંક્ષાઓને સંતોષનારી મજબૂત ઇમારત ઉભી થાય એવી શુભેચ્છા.

	<p>સંપત્તિની વહેંચણી (એસ્ટેટ પ્લાનિંગ/ઉત્તરાધિકારી વિશેનો વિચાર)</p> <p>સટ્ટો (ફ્યુચર્સ / કોમોડિટીઝ / રિયલ એસ્ટેટ / વિદેશી હૂડિયામણ)</p> <p>વૃદ્ધિ અને વૈવિધ્યકરણ (બોન્ડ / સ્ટૉક્સ / મ્યુચ્યુઅલ ફન્ડ્સ / ઇટીએફ)</p> <p>નિયમિત બચત (સંતાનોના શિક્ષણ માટેની જોગવાઈ / નિવૃત્તિકાળ માટેની જોગવાઈ / ઘરની ખરીદી માટેની જોગવાઈ)</p> <p>રક્ષણ (ટર્મ ઇન્સ્યૂરન્સ / આરોગ્ય વીમો / ગંભીર માંદગી માટેનો વીમો / વસિયતનામું / પંગુતા વીમો / તાકીદની પરિસ્થિતિ માટેનું ભંડોળ / કરજની ચૂકવણી)</p>
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12 RULES TO INVEST WISELY

(AND REAP BENEFITS IN ANY MARKET CONDITION)

- Rule 1: Invest regularly
- Rule 2: Start investing early in life (and get the power of compounding to work for your investment)
- Rule 3: Never try and time your investments basis tips, market trends or economic outlook
- Rule 4: Inflation and Taxes will eat into your returns. Therefore know your actual returns in hand
- Rule 5: Diversify your investments across asset classes, to spread your risk
- Rule 6: Balance and re-balance your investments as you age
- Rule 7: Expect reasonable returns from your investments and sell, once you have got the returns you seek
- Rule 8: Get over your mistakes and losses. Learn from them
- Rule 9: Never invest or sell in haste (and regret later)
- Rule 10: Avoid investing in complicated products you don't fully understand or products that offer unrealistic returns
- Rule 11: Spend time on your investments (it's your hard earned money) or get a good financial advisor to do it for you
- Rule 12: Keep it simple, invest in Mutual Funds

Disclaimer : - The illustration are merely indicative in nature which should not be construed as investment advice and neither ensure you profits nor protect you from making a loss in declining market.

INVESTOR PROTECTION THROUGH EDUCATION

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