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INSIDE

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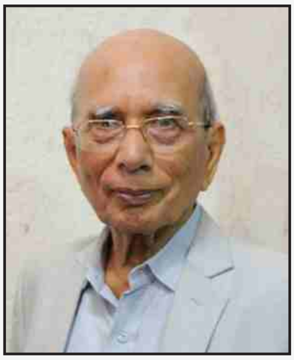


Shri. N. L. Bhatia
President Emeritus

Editorial - July 2026

The Importance of Staying Updated

Investing is not simply about putting money into stocks, mutual funds, bonds, or other financial instruments and waiting for returns. Successful investing requires awareness, discipline, continuous learning, and the ability to make informed decisions. One of the most important habits an investor can develop is staying updated with relevant financial, economic, business, and market news. In today's rapidly changing financial environment, information can have a significant impact on companies, industries, markets, and ultimately, an investor's portfolio. An investor who regularly follows reliable news sources is better positioned to understand what is happening in the market and make decisions based on facts rather than rumours, speculation, or emotions.

An investor's decision should not be based solely on past performance or market trends. Economic conditions, government policies, interest rates, corporate announcements, geopolitical developments, technological changes, and industry trends can all influence the value of an investment. For example, a change in government regulation may significantly affect an industry, while a company's quarterly results may reveal improving or deteriorating business performance. Similarly, changes in interest rates can influence borrowing costs, business profitability, and investment valuations. International events can also affect commodity prices, currencies, and overall investor sentiment. By staying informed about such developments, investors can understand why markets are moving rather than simply reacting to price movements.

Following relevant news also helps investors understand the companies in which they have invested. Earnings announcements, management changes, new products, acquisitions, debt levels, expansion plans, regulatory developments, and changes in business strategy can all have an impact on a company's future prospects. A rising or falling share price tells only part of the story. Understanding the reason behind a price movement allows an investor to consider whether the development is temporary or whether it could have a meaningful impact on the company's long-term fundamentals. This knowledge can help investors periodically review whether their original investment rationale remains valid.

INVESTOR PROTECTION THROUGH EDUCATION

Staying informed is equally important for understanding broader economic conditions. Factors such as inflation, interest rates, economic growth, employment, government spending, monetary policy, currency movements, commodity prices, and banking conditions can influence different asset classes and sectors of the market. Investors who understand these developments are better able to place individual investments within the broader economic environment. This can help them assess potential risks and opportunities and make decisions that are consistent with their investment objectives and time horizon.

News can also act as an early-warning mechanism. Developments such as regulatory investigations, corporate governance concerns, financial difficulties, fraud allegations, significant management changes, or major changes in a company's operating environment may require an investor to reassess an investment. However, staying informed does not mean immediately buying or selling whenever negative or positive news appears. Investors should investigate the information, verify its reliability, understand its significance, and consider how it affects the underlying investment. The objective is not to react to every headline but to identify information that could materially change the investment thesis.

At the same time, investors must learn to distinguish meaningful information from market noise. Financial markets generate a large amount of information every day, and not every headline deserves an investment decision. Sensational headlines, social-media posts, rumours, anonymous tips, and unverified claims can create unnecessary fear or excitement without providing reliable information. Investors should therefore consider whether the information comes from a credible source, whether it has been independently confirmed, and whether it has a material impact on the company, industry, or investment. The quality and reliability of information are often more important than the quantity of information an investor consumes.

Investors should develop the habit of obtaining information from credible sources, including company disclosures, stock-exchange announcements, regulatory filings, government publications, central-bank communications, and established financial news organizations. Comparing information across multiple reliable sources can also help investors develop a more balanced understanding of an event. Investors should be particularly cautious about making financial decisions solely on the basis of information received through social media or informal investment groups. A responsible investor should verify important information before taking action.

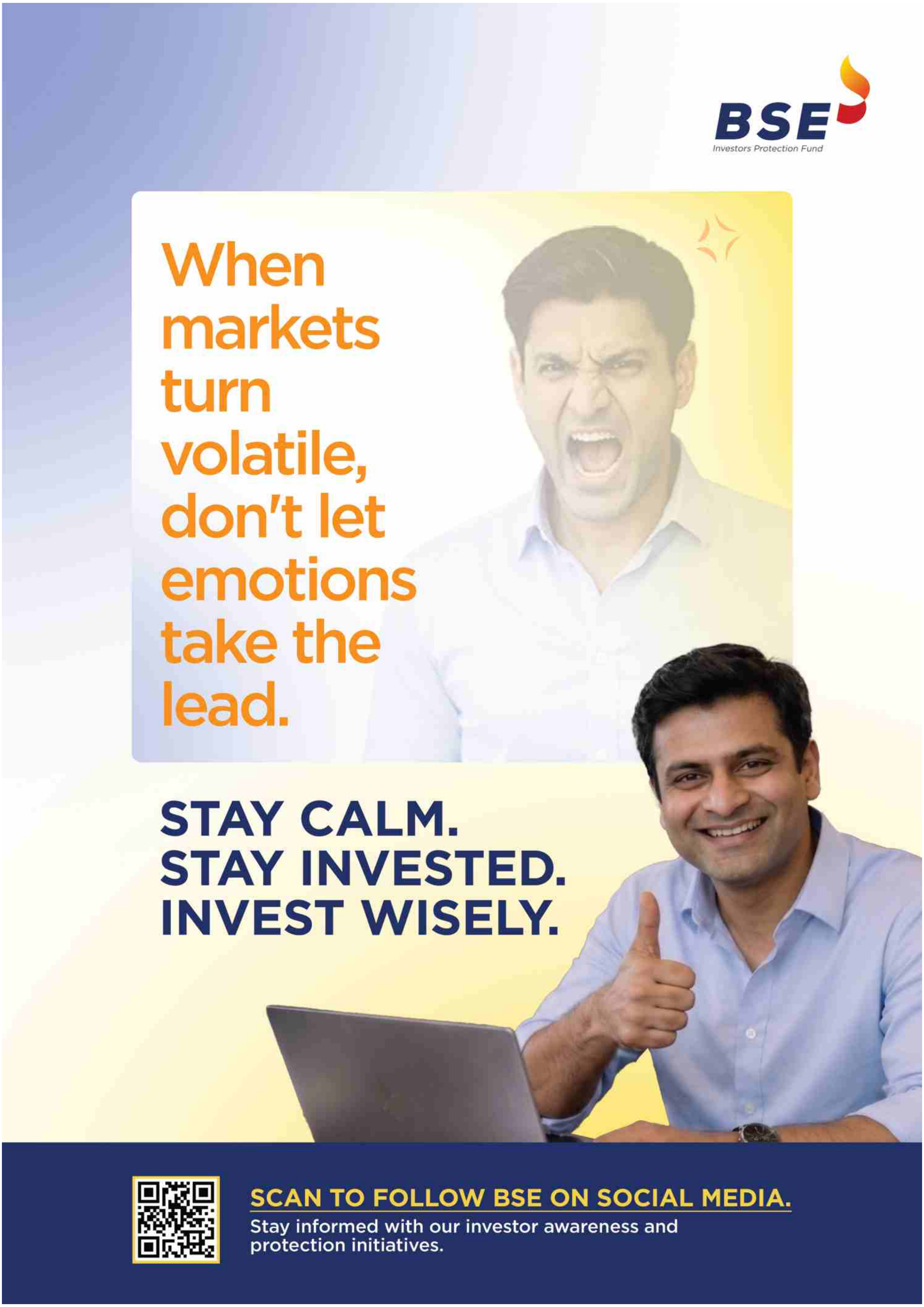
Being an informed investor does not mean constantly watching stock prices or reacting to every market movement. There is an important difference between being informed and being reactive. Long-term investors can benefit from establishing a regular routine for reviewing major economic developments, company announcements, industry developments, and relevant market news. The purpose should be to understand developments that may affect an investment's fundamentals and long-term prospects rather than becoming emotionally influenced by every short-term price movement.

News should support investment analysis, but it should not replace it. A responsible investment decision should consider several factors, including financial statements, company fundamentals, valuation, business prospects, industry conditions, management quality, risk, investment objectives, time horizon, and portfolio diversification. A positive news report does not automatically mean that an investment is attractive, particularly if its valuation is excessive. Similarly, negative short-term news does not necessarily mean that a fundamentally strong business has become a poor long-term investment. Investors must understand the difference between the news itself and its actual financial significance.

One of the greatest benefits of staying informed is that it can help investors make decisions with greater confidence and discipline. Financial markets can experience sharp movements, and fear may encourage investors to sell during a temporary decline while excessive optimism may encourage investors to buy after a strong rally. Understanding the underlying factors behind market movements can help investors avoid decisions based purely on fear, greed, or speculation. An informed investor is more likely to pause, ask questions, examine the facts, and consider the potential long-term consequences before taking action.

Every investor has a responsibility to understand the investments they own. Investment decisions should not be based solely on recommendations from friends, influencers, television commentators, social-media groups, or unsolicited tips. Investors should conduct their own research and understand both the potential returns and the risks associated with an investment. Following reliable news is therefore not merely a convenience; it is an important part of developing the knowledge and awareness required to become a responsible market participant.

In conclusion, financial markets are constantly changing, and investors cannot make informed decisions without understanding the environment in which their investments operate. Staying updated with reliable and relevant news helps investors identify opportunities, understand risks, evaluate changes affecting their investments, and make decisions based on information rather than emotion. However, being informed does not mean reacting to every headline. The real objective is to understand what has changed, determine whether it matters, and assess what it means for the investment strategy.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Stay informed with our investor awareness and protection initiatives.

HOW TO READ A COMPANY'S ANNUAL REPORT

An annual report is an important document for shareholders and other people interested in a listed company. It explains the company's business, financial results, risks, management, and other key information. News, share prices, and market opinions can give quick updates, but an annual report gives much more detail from the company itself. The main purpose of reading it is to understand the company better-what it does, how it is performing, what risks it faces, and what needs closer attention.

The Chairman's or Managing Director's letter is usually one of the first sections in the report. It gives management's view of the company's performance during the year. It may talk about achievements, challenges, plans, and expectations. This section is useful, but it should not be read alone. Compare it with the financial statements and other parts of the report. Check whether management talks about both good and bad points, whether problems are clearly explained, and whether past promises have been followed up.

The Business Overview and Management Discussion and Analysis, often called MD&A, explains how the company works and what affected its performance. It may describe business segments, sources of revenue, capacity use, order books, industry conditions, and risks. It is helpful to compare this section with older annual reports. If the same risks are mentioned again and again, check what the company is doing about them and whether the situation has improved.

The financial statements are one of the most important parts of the annual report. The Profit and Loss Statement shows revenue, expenses, and profit. The Balance Sheet shows the company's assets, liabilities, and shareholders' funds at a point in time. The Cash Flow Statement shows how money came in and went out during the year. These statements should be read together. For example, profit growth looks stronger when it is also supported by good cash flow.

The Profit and Loss Statement helps readers see trends in sales, expenses, profit margins, net profit, other income, and earnings per share. Ask simple questions: Is revenue growing steadily? Are profit margins stable? Is profit coming mainly from the company's normal business? Is other income too large? Earnings per share should also be checked along with changes in the number of shares. The goal is to understand what changed and why.

The Balance Sheet helps readers understand the company's financial strength. Look at debt, cash, shareholders' funds, goodwill, and other intangible assets. Also read the notes for contingent liabilities, such as tax disputes, legal cases, guarantees, or possible future payments. Debt levels should be judged based on the company's industry and business model, because what is normal for one industry may be risky for another.

The Cash Flow Statement is important because it shows actual movement of money. Cash from operations can be compared with reported profit. If a company reports profit but does not generate much cash, readers should look more closely at receivables, inventory, and working capital. Investing cash flows show spending on assets or investments. Financing cash flows show borrowing, loan repayments, issuing shares, or paying money back to shareholders.

Financial ratios make it easier to understand the numbers in the annual report. Ratios such as Return on Equity, Return on Capital Employed, Debt-to-Equity, Current Ratio, Inventory Days, and Receivables Days can show profitability, debt levels, liquidity, and working-capital management. Ratios are most useful when compared over several years and with similar companies. One ratio alone should not be used to decide whether a company is good or bad.

The Notes to the Financial Statements give extra details behind the main numbers. They explain accounting policies, related-party transactions, contingent liabilities, auditor comments, and loans or advances to subsidiaries. These notes are important because they may reveal things that are not clear from the main financial statements. For example, a large related-party transaction or a major contingent liability may need closer review.

The Auditor's Report gives an independent view of the financial statements. Check whether the auditor has given a clean opinion or has raised concerns. If the opinion is qualified or modified, read the reason carefully. An Emphasis of Matter paragraph points to an important issue. Key Audit Matters show areas that needed special attention from the auditor. If the company changed its auditor, that should also be reviewed.

Corporate governance disclosures explain how the company is managed and supervised. Look at the Board's composition, independent directors, promoter shareholding, pledged shares, related-party transactions, insider-trading disclosures, director pay, and attendance at Board and committee meetings. Good financial performance is important, but governance also matters because it shows how well the company protects the interests of shareholders and other stakeholders.

A five-year or longer financial summary helps readers see the company's past performance. Look at revenue, profit, cash flow, debt, returns, dividends, and book value over many years. One year may be affected by special events, but a longer period gives a better picture. The aim is not to predict the future with certainty, but to understand how the company has changed over time.

Some points in an annual report may need extra attention. These include profit rising without strong cash flow, frequent auditor changes, large related-party transactions, heavy promoter share pledging, receivables growing faster than sales, repeated share issues, major accounting policy changes, qualified audit opinions, high other income, or a big rise in management pay. These points do not always mean something is wrong, but they should be checked carefully.

The best way to read an annual report is to review it carefully and thoughtfully. Try to understand what the company does, how its performance has changed, how much cash it generates, how much debt it has, what risks it faces, what the auditor says, and what the notes and governance sections reveal. Comparing different sections can help you notice warning signs, such as strong positive statements from management but weak cash flow.

In short, an annual report includes financial statements, notes, audit information, and governance details. A general investor should read it carefully, compare information across sections and across years, understand the limits of each number, and avoid making decisions based on only one figure or statement.

જીવન અને શૅરબજાર વચ્ચે સામ્ય !

જયેશ ચિતલિયા
પત્રકાર

જીવનની જેમ ઉતાર-ચઢાવ, આશા-નિરાશા, રહસ્ય બધું જ શૅરબજારમાં પણ

શેરબજાર પાસેથી આપણને આધ્યાત્મિક જ્ઞાન મળે છે, એવું જો અમે તમને કહીએ તો તમે અમને પાગલમાં ખપાવી દો એમ બને, પરંતુ તમારી દ્રષ્ટિએ પાગલ ગણાવાની તૈયારી સાથે અમે એ કહીએ છીએ કે શેરબજાર પાસેથી આધ્યાત્મના પાઠ શીખવા મળે છે. શેરબજાર આપણા સૌના જીવન સમાન જ છે. અહીં જીવન અને શેરબજારની સરખામણી કરી જોઈએ.

શેરબજાર ચંચળ છે, તો આપણે પોતે કે આપણું જીવન કયાં ચંચળ નથી ?

શેરબજારમાં સતત ચઢ-ઊતર ચાલતી રહે છે, જિંદગીમાં પણ ચઢ-ઊતર થતી રહેતી હોય છે, પેલું યાદ છે ને, કભી ખુશી, કભી ગમ. પથ્થરની લકીર સમાન પુરાવો જોઈએ તો, જેમ જિંદગીમાં આગળ જતાં શું થશે તે કોઈ કહી શકતું નથી, કોઈ તેની આગાહી કરી શકતું નથી તેમ શેરબજારમાં ભવિષ્યમાં શું થશે ? કયારે થશે ? કેવું થશે ? એ કોઈ જ કહી શકતું નથી. હા, ધારણા કે અનુમાન બાંધી શકાય છે, પરંતુ પાકી ખાતરી કોઈ ન આપી શકે. જીવન જેમ અનિશ્ચિતતાથી ભરેલું હોય છે તેમ શેરબજાર કાયમ અનિશ્ચિતતા ધરાવતું હોય છે, ઈન શૉર્ટ, જીવનની જેમ શેરબજાર પણ રહસ્યમય જ કહેવાય.

જિંદગીમાં પછડાટ આવે છે, તો કયારેક વળી જિંદગી એકદમ ઊંચે પણ લઈ જાય છે, તેમ શેરબજાર પણ કયારેક માણસને ફેંકી દે એવા આંચકા આપી દે છે. અલબત્ત, સ્ટૉક માર્કેટ માણસને તારી પણ દે અને ડુબાડી દે એમ પણ બને. જીવનને સમજતાં રહેવું પડે તેમ શેરબજારને પણ સમજતાં રહેવું જરૂરી બને છે.

જીવનની જેમ શેરબજારમાં આશા, નિરાશા, હતાશા, ઉત્સાહ, ઉત્તેજના વગેરે રહ્યા કરે છે. બીજા શબ્દોમાં કહીએ તો, શેરબજારનું વક્ત ફિલ્મના ટાઈટલ સોંગ જેવું છે, વક્ત કે દિન ઔર રાત, વક્ત કે દિન ઔર રાત, વક્ત કે કલ ઔર આજ, વક્ત કા હર શય (માનવી) ગુલામ, વક્ત કા હર શય પ રાજ, શેરબજારનો વકત ઉર્ફે સમય કે મિજાજ બદલાઈ જાય તો શું ને શું થઈ જાય ! અલબત્ત, પોઝિટિવ અને નેગેટિવ બંને થઈ શકે.

જીવનની જેમ શેરબજારમાં પણ આપણને ચોક્કસ મોહ અને માયા હોય છે, લાગણીઓ હોય છે, પણ યાદ રહે, અતિલાગણી કે મોહ જેમ જીવનમાં સારાં નહીં, તેમ શેરબજારમાં પણ યોગ્ય ન ગણાય. જીવનની જેમ શેરબજારમાં ચડતી-પડતીનું ચક્ર ચાલતું રહે છે. જીવનમાં જેમ કયારેય, મને બધી જ ખબર પડે છે, મને બધું જ જ્ઞાન છે કે હું ધારું એમ

જ થાય એવો અહંકાર ન કરાય તેમ શેરબજારમાં પણ ભલભલાના પોતાને બધી જ ખબર કે જ્ઞાન હોવાના દાવા કડડભૂસ થઈ જતાં વાર લાગતી નથી.

જિંદગીમાં જેમ વધુપડતા છકી જઈએ અથવા ફુલાઈ જઈએ ત્યારે બોધપાઠ રૂપે કોઈ એવો ઝટકો લાગે છે, જે બધું રોકી દે છે કે સ્તબ્ધ કરી દે છે તેમ શેરના તોફાન સામે સર્કિટ ફિલ્ટર કે સર્કિટ બ્રેકર અથવા સસ્પેન્શન જેવા અંકુશો આવી પડે છે અને ક્યારેક તો વળી આખું બજાર જ વધુપડતું છકી જાય કે અતિરેક કરી નાખે તો ગ્લોબલ સ્તરેથી મોટા આંચકા કે આઘાત પણ સહન કરવાના આવે છે. જિંદગીની જેમ શેરબજારમાં પણ ભૂકંપ કે વાવાઝોડાં આવતાં રહે છે અને તારાજી થતી રહે છે, ટૂંકમાં મોસમ અહીં પણ બદલાતી રહે છે. એક સરખા દિવસો કોઈના કયારેય જતા નથી ભાઈ.

જીવનમાં જેમ પરિવાર હોય છે તેમ શેરબજારમાં શેરોનો પોર્ટફોલિયો હોય છે, જેમાં સમાયેલા શેરો એક પરિવારના ભાગ સમાન હોય છે. કોઈ મિત્ર કે સગાં સંબંધી જેવા પણ હોય છે. સમય સાથે તેમાં પણ પરિવર્તન થતાં રહે છે. કોઈનો પણ મોહ રાખી શકાય નહીં, દીકરી કેટલી પણ વહાલી હોય એક દિવસ તેને લગ્ન કરાવી વળાવવી જ પડે. દીકરો કેટલો પણ ડાહ્યો હોય, સમય જતાં તે બદલાઈ નહીં જાય તેની કોઈ ખાતરી આપી શકે નહીં.

જીવનની જેમ શેરબજારમાં પણ ધીરજ જોઈએ. સમતોલપણું જોઈએ. મહેનત, અભ્યાસ પણ જરૂરી છે. આધળૂકિયાં ન કરાય, લાલચ મોંઘી પડે, કોઈની પણ છેતરામણી વાતોમાં આવી જઈએ તો ખતા ખાવાનો વારો પણ આવે. જીવનમાં જેમ સારા ગુણો, સારો સંગાથ તેમ જ સાચો માર્ગ મળવો જરૂરી હોય છે તેમ શૅરબજાર પણ સારી કંપનીઓ, તેની ગુણવત્તા અને કામગીરી સારી હોવી આવશ્યક છે. જીવનમાં કે શેરબજારમાં સફળ થવા માટે ખરા-ખોટાની ઓળખ કે સમજ જરૂરી છે. જીવનને સમય આપવો પડે તે રીતે શેરબજારને પણ સમય આપવો પડે, શેરબજારમાં પોતાની રાહ બનાવવી પડે, ટોળામાં ભળી જવામાં ગેરમાર્ગે દોરાઈ શકાય. જીવનમાં પ્રલોભન, ભય, લાગણી, ઉત્તેજના, નિરાશા, હતાશા, ઉત્સાહનું હોવું સહજ છે તેમ શેરબજારમાં પણ આ બધું હોવાનું જ છે. તેને દર વખતે સમજવાનું કઠિન બની શકે, ક્યારેક તેની ગતિવિધિ રહસ્ય જેવી લાગે. ઈન શૉર્ટ, શેરબજારમાંથી જીવનનાં અને જીવનમાંથી શેરબજારના પાઠ સતત શીખી શકાય છે. સાચું કહેજો, શેરબજાર પણ જીવન જેવું રહસ્યમય અને આધ્યાત્મિક ખરું કે નહીં ?

RIGHTS AND OBLIGATIONS OF INVESTORS

(Annexure-2 by SEBI)

(**Courtesy-** Security and Exchange Board of India)

Rights of Investors

- Get Unique Client Code (UCC) allotted from broker.
- Get a copy of KYC and other documents executed from intermediary.
- Get trades executed in only your UCC.
- Place order on meeting the norms agreed to with the Member.
- Get best price.
- Get the contract note for trades executed.
- Ask the details of charges levied.
- Receive funds and securities on time.
- Receive statement of accounts from trading member.
- Ask for settlement of accounts.
- Get statements as per agreed schedule.

Obligations of Investors

- Execute Know Your Client (KYC) documents and provide supporting documents.
- Understand the voluntary conditions being agreed with the trading member.
- Understand the rights given to the Trading Members.
- Read Risk Disclosure Document.
- Understand the product and operational framework and deadlines. Pay margins in time.
- Pay funds and securities for settlement in time.
- Verify details of trades, Verify bank account and DP account for funds and securities movement.
- Review contract notes and statement of account.