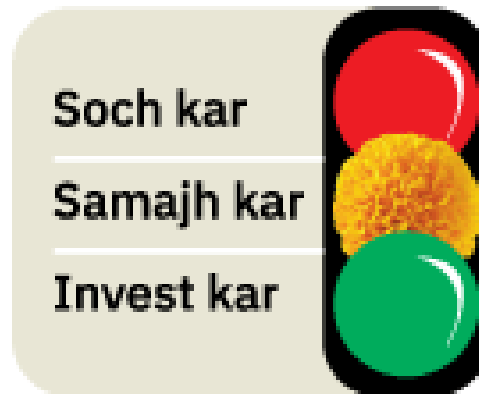


# || Samridhi ||

Level 3 of Financial Literacy Program

## Important Aspects of Active Investing



Investor Awareness Program

# Disclaimer

- This presentation is prepared to provide information related to securities market for education and awareness purposes only, to the public. The information provided is of a general nature and is not intended to be professional advice, to any user. You may seek appropriate professional advice from a qualified person to suit your individual circumstances.
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# Who should go through this module?

- Hello dosto !! We are Bhavesh & Bhawna from Bhavnagar.
- I am 35 years old. I run a departmental store. My wife is a professor, and we have twin girls.
- We both have been investing in stock market for 5-6 years based on suggestions received from broker and friends. Sometimes made money and sometimes lost money.
- We want to learn more about capital markets so we can both make our future financially secure.
- **Target: Plan for our children's higher education, marriage expense and regular income to live an enriching life.**



# Agenda

Primary Markets

Due Diligence & ASBA

Secondary Markets – Trading & settlement

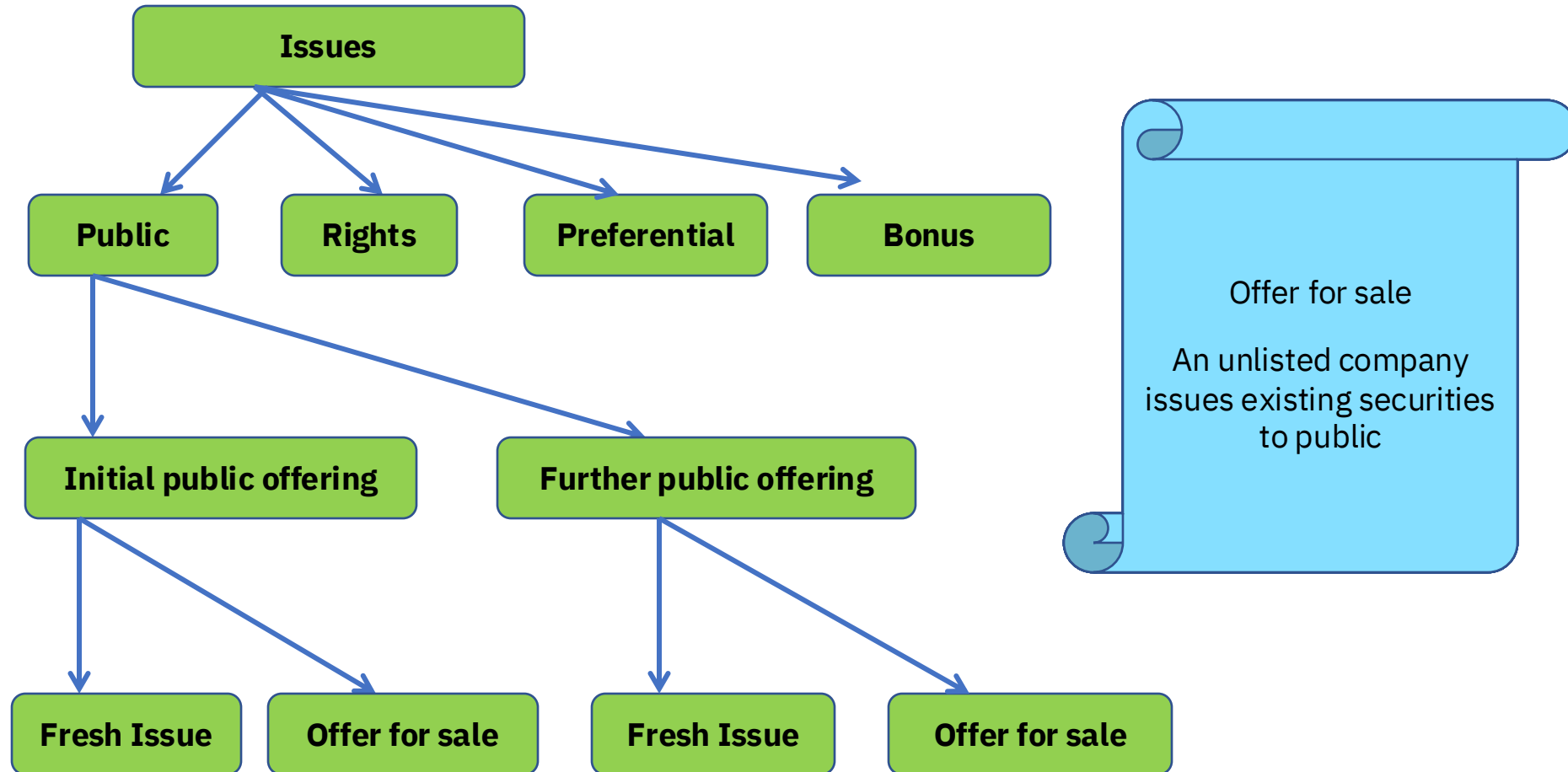
Investor Protection

Investor Grievance

CAS

Important Points to remember

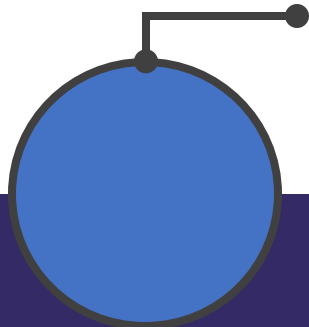
# Primary Market



# Due diligence?

## Material Fact

- Company Financial Statement
- Company competitor
- Performance of the Sector



## Due Diligence

Due diligence is the systematic process of analyzing, investigating the material and non-material facts before investing.

## Non Material Fact

- Company management
- Company Corporate Governance
- Brand value of the company
- People perception about the company
- Satisfaction level of customer of the company
- Customer retention level of the company

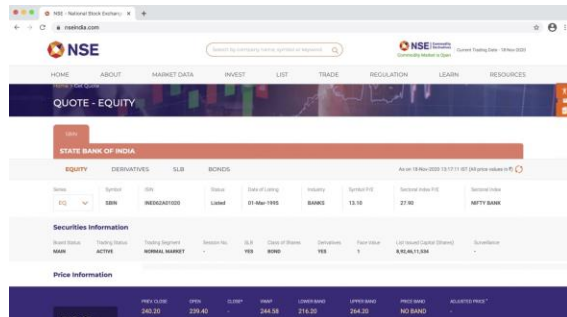
# Why diligence?

Investment without due diligence is like driving on a highway blindfolded.



- Pro-active approach enabling investors to investigate about the potential / prospective investment.
- Better understand the past performance.
- Greater possibility of future growth of the investment.

# Sources of Due Diligence



1

Stock Exchange Website



2

Company Website



RESEARCH REPORTS

3

4

Social Media





# Due Diligence - Multi-layered Analysis

It helps you decide which stocks are worth investing for the long term. It is the study of a company's long-term prospects.



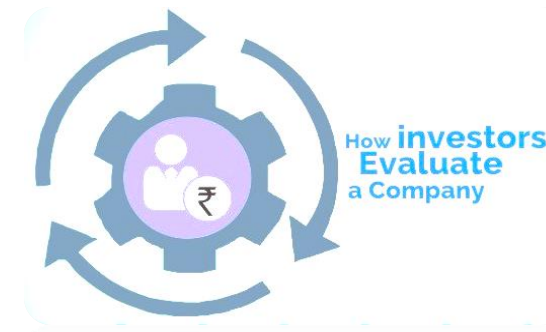
- Economy Analysis.
- Industry Analysis.
- Company Analysis.



Bottom-up or Top-down approach

# Due Diligence - Company and Industry analysis

- Check data related to current macro and micro economic factors affecting company's growth and stock price.
- Understand business model of the company and its scope for future growth.
- Take into account the past track record of turnover and profitability.
- Corporate Governance Track record and reputation of Promoters and their shareholding.
- Company's financial health: examining cash flow statement, income statement, balance sheet for at least past two years., EPS, PE Ratio
- Total Debt of the Company and Net worth.
- Compare the company with the competitor
- Latest price and volume, historical data, corporate announcement, etc.

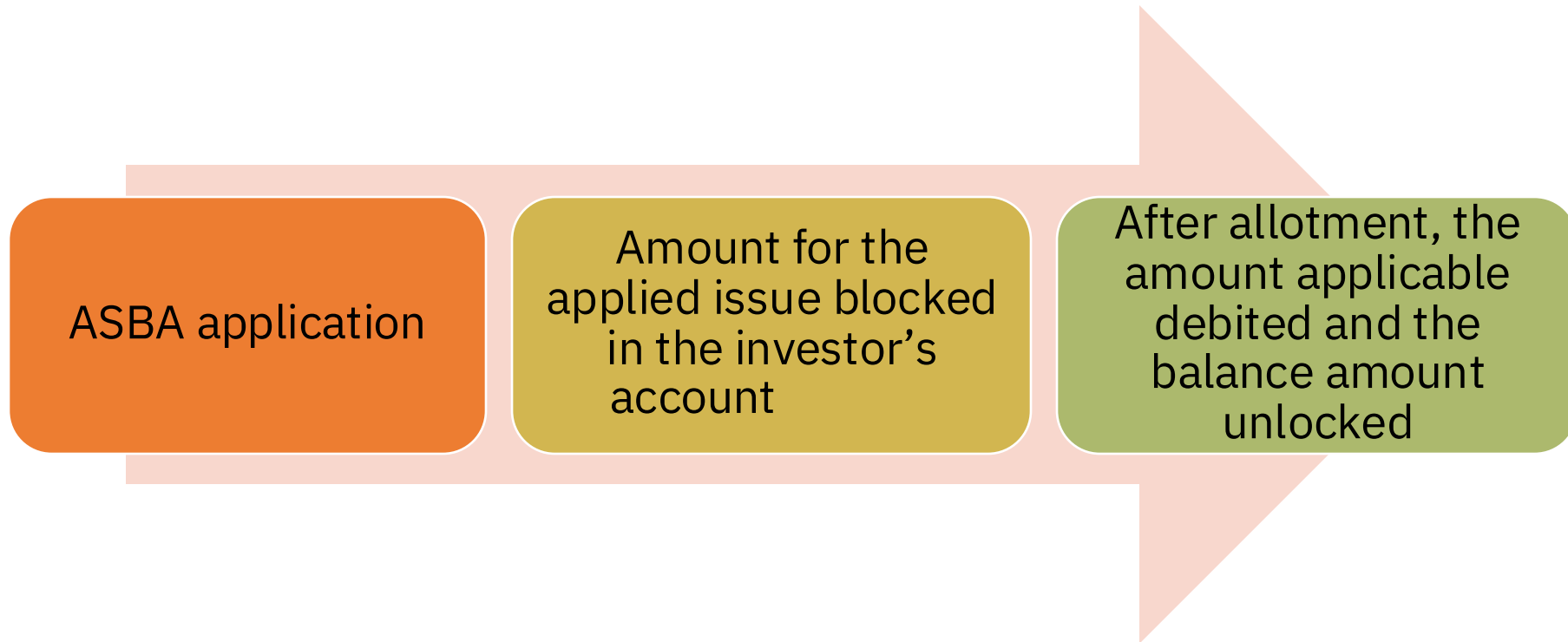


# Importance of Due Diligence in Trading



Do you know why conducting due diligence before trading is crucial? Watch this video to know more.

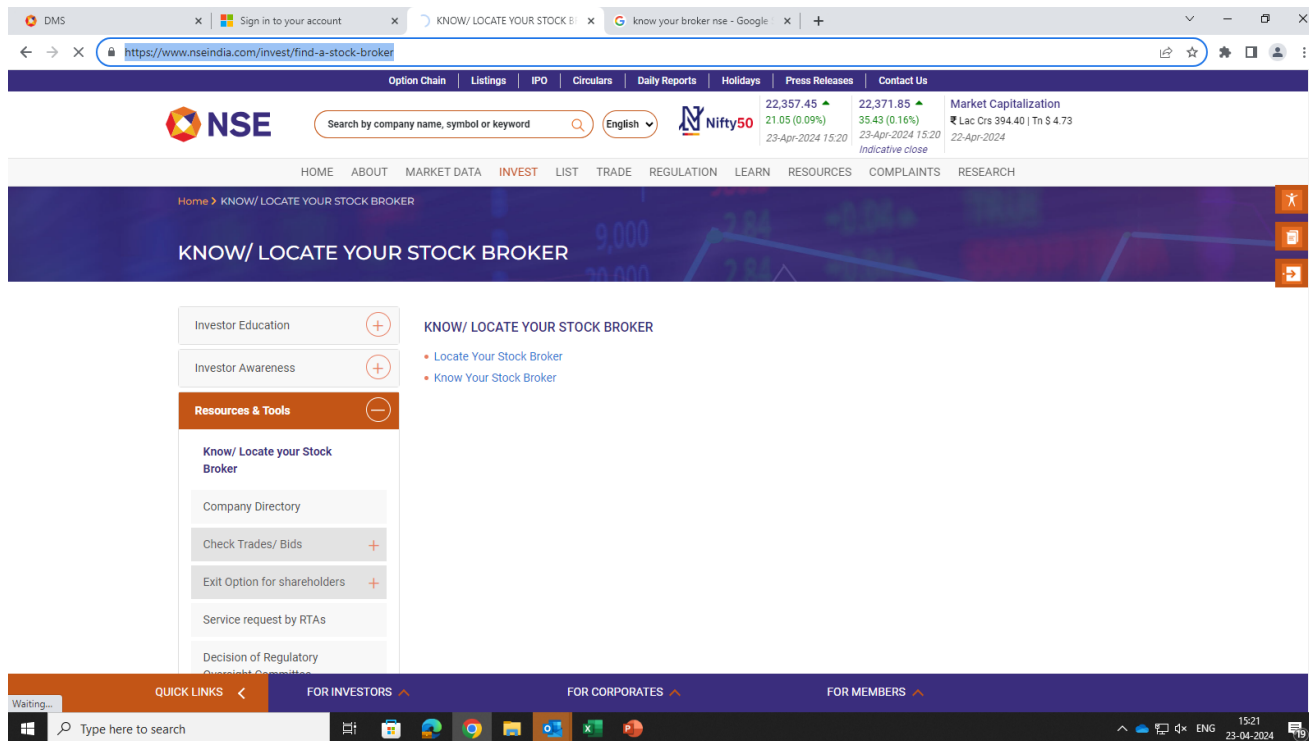
# ASBA – Application supported by blocked amount



# KNOW your BROKER- NSE WEBSITE

1. Path of the report on NSE Website:

<https://www.nseindia.com/invest/find-a-stock-broker>



Details available in the report :

- a. Registered Office
- b. SEBI Registration no.
- c. List of AP Registered with Member
- d. Investor Grievance Email ID
- e. Compliance officer details
- f. Disciplinary action taken by Exchange
- g. Details of Complaints/Arbitration matters for the past 3 years
- h. Number of branches/employees/AP
- i. Name of associates of Member
- j. Details of client bank accounts (*may be used by clients before making payments*)

# Post Trade Payin & Payout of Funds & Securities

## PAY-IN OF FUNDS

### Cash segment

- Upfront Margin, Balance before T+1

## PAY OUT OF SECURITIES:

- Shares should be received in Beneficiary Account of investor within 24 hours of receiving the payout (T+1).

## PAY-IN OF SECURITIES

- Investor is advised to confirm the availability of shares prior to executing sale of shares.
- Transfer maximum by T day to Stockbroker
- In case DDPI / POA has not been given, ensure transfer of shares by giving DIS Slip

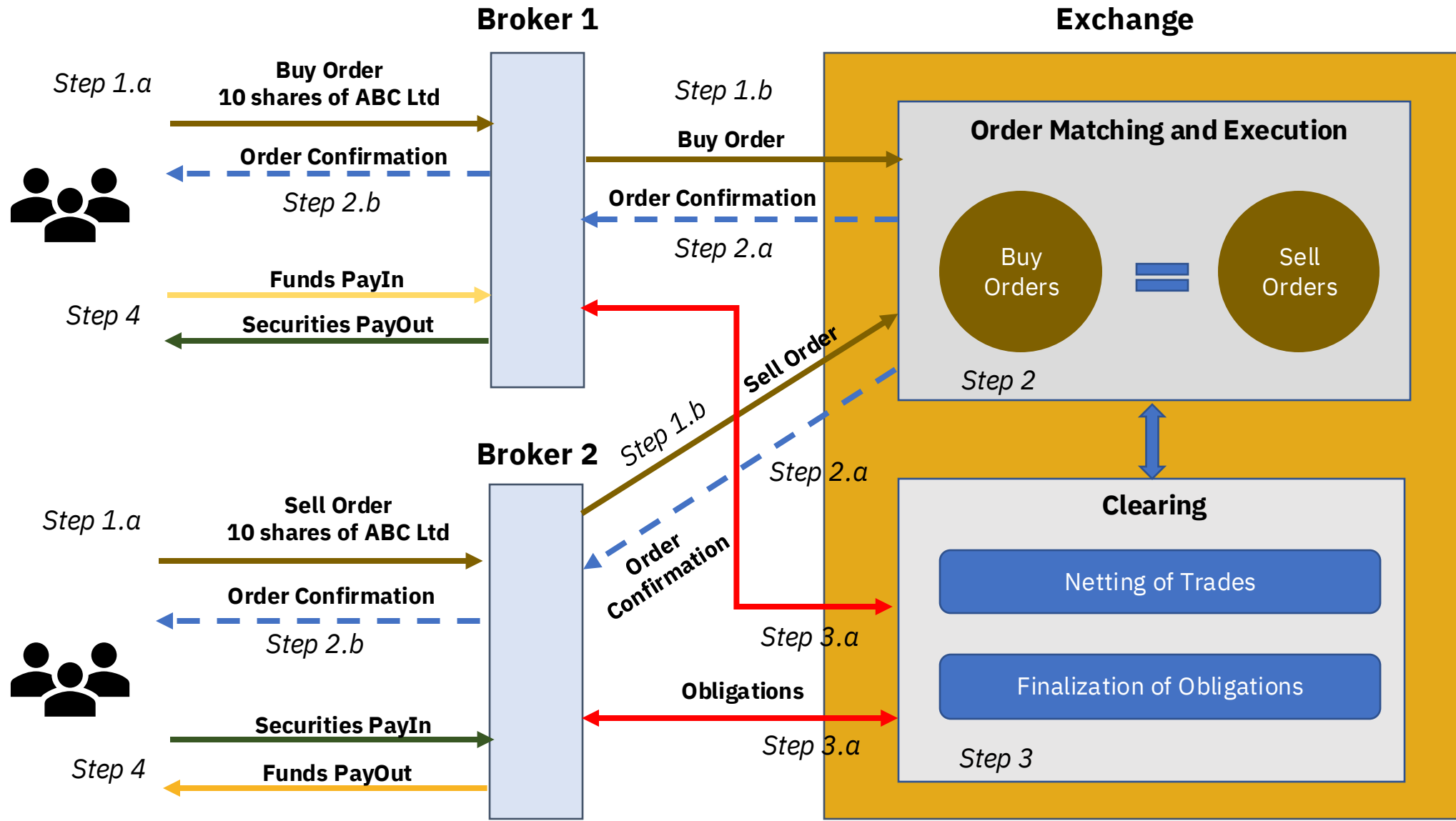
## PAY-OUT OF FUNDS

- **Cash Segment** – 24 hours from Payout (T+1)

Buy  
Trade

Sell  
Trade

# Trading and Settlement Mechanism



# Test Your Understanding

Q. Which of the following is not advisable while investing in securities market?

A. Always Dealing in Cash

B. Consult with a SEBI registered Investment Advisor

C. Keep record of all documents signed

D. Regular check running account

Q. What is the minimum guarantee / fixed return that is promised in securities market

A. Only your invested capital is protected and not returns.

B. The minimum guarantee / return has to be agreed between you and the Broker before trading

C. Average return of 12% to 18% is guaranteed

D. Returns are subject to market risks and there is no guarantee / fixed return in securities market.



# Case Study

Message received through Whatsapp / Telegram / SMS / calls.

- Invest Min 1 lac and get
- GUARANTEED 8 – 10 % MONTHLY RETURNS
- No need to know the dynamics of trade !!
- No need trade, We shall take care of that !!
- The more you invest the more you get !!!

What do you do

**GUARANTEED RETURNS !! A Myth or Reality??**

**ONE CAN TRADE BASED ON TIPS!! A Myth or Reality??**



# Beware while dealing in Unsolicited Stock Tips



Beware while dealing in  
**unsolicited stock  
market tips**

through YouTube, WhatsApp, Telegram, SMS,  
Calls, Social Media, etc.



# Test Your Understanding

Q. On what basis do you make your investment decisions

- Trusted Advisors advice
- Hot Investment Tips
- Favorite investment program on TV
- Neighbors & friends say
- Your own research
- Returns assured by the brokers
- Others who may have profited from their investment decisions

## Source of due Diligence

Stock  
Exchange  
Website

Company  
Website

Industry  
Research

Newspapers  
Magazines

# Trading in unregulated products & platforms

Unregulated platform offering Algo, Automated Trading, Binary options on currencies etc

Strategies claiming huge returns and assigned ratings

Reference about past performance and expected returns out of Algo trading

Investors will not be covered for grievance redressal for trading in unregulated products and platforms

# Investor Grievance Redressal - NSE

Have a Dispute?

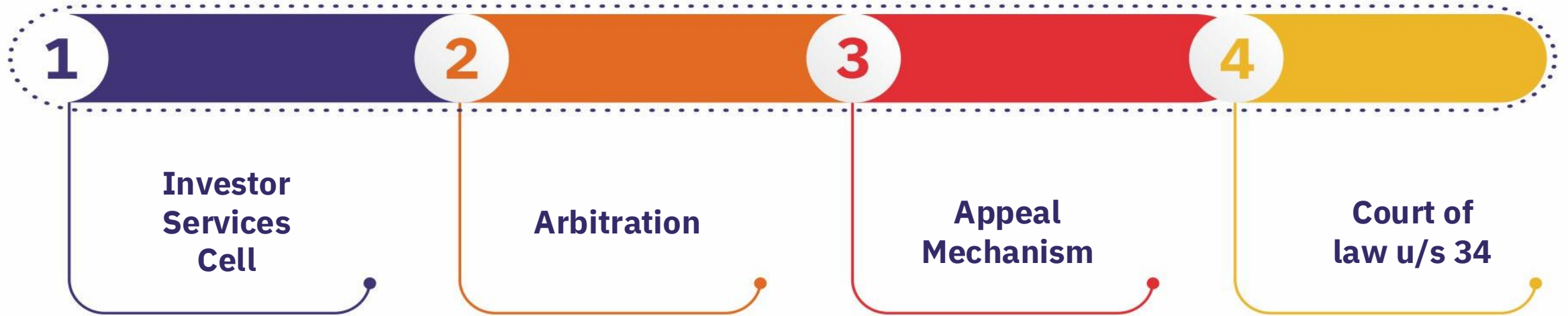
Immediately seek clarification from your Stockbroker

Not satisfied, Complain in writing to Stockbroker

Retain copies of communication.

Complaint not addressed, file complaint

# Investor Grievance Redressal - NSE



## Complaints can be filed by Investor via -

- Online portal of the Exchange: [www.nseindia.com](http://www.nseindia.com)
- SCORES portal of SEBI
- Email
- Physical letter at any Investor Service Centre of the Stock Exchange/ Depository
- Complaint can be filed by investor at the nearest Investor Service Centre (ISC)

# How to file a Complaint on Scores



# Client consolidated statement for all its investments

- Consolidated view of his/her financial assets Provides insight into his/her portfolio across various asset classes

- CAS includes investments in equity shares, preference shares, mutual funds units, sovereign gold bonds, corporate bonds, debentures, securitized instruments, money market instruments and government securities held in demat.

- It also includes details of your investment in mutual fund units which are kept in statement or folio form with different mutual fund companies



# Validating Rumours & Media Influence



Making informed investment decisions is vital. Validate rumours and media articles as they greatly impact investor sentiment. Always prioritize thorough verification to ensure you make informed decisions!

# Be Alert Investor!



**No cash dealings/  
No assured returns**



**Do not sign blank KYC  
Read thoroughly before  
signing**



**Do not deal with  
Unregistered  
Intermediaries**



**Do not share  
password**



**Do not keep your funds  
idle with stock broker**



**Avoid herd  
mentality**



**Invest in businesses  
that you understand**



**Do not try to time  
the markets**



**Do not trade based on  
stock tips from  
unauthenticated sources**



**Do not fall prey to  
fraudster sending  
emails and SMS promising  
huge profits**

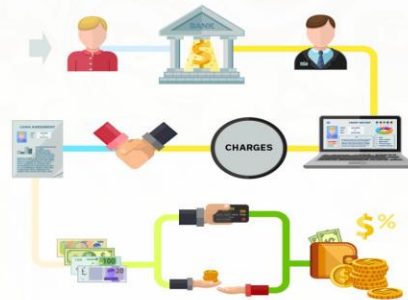
# Points to remember while investing



Always update your  
Mobile No. and  
email Id with TM



Regularly login into  
your account to  
verify balances



Be informed about  
all brokerage, commissions,  
fees, other charges levied  
by broker



Make payments only  
through banking  
channels



Opt for ECN only  
if you are  
Computer Literate and  
have your email Id

## Savdhani Bartein !!!! Satark Rahein

## INVESTOR AWARENESS PLEDGE

*I, [Your Name], hereby pledge that as an investor, am recognizing that taking informed decisions is key to achieving my financial goals and managing potential risks.*

*I am prioritizing the safety of my investments by conducting research before investing.*

*I am refraining from investing based on any unsolicited stock tips from any mode of communication.*

*I am never sharing my passwords and confidential information with anyone.*

*I am maintaining a long-term perspective when investing and avoiding speculation.*

*I am not getting influenced by market ups and downs, and I am maintaining my investments aligned to the financial goals.*

*By taking this Investor Awareness Pledge, I am affirming my commitment to being an informed and responsible investor.*

\_\_\_\_\_

\_\_\_\_\_

# SAAṚTHI APP



UNLOCK THE **WEALTH** OF **KNOWLEDGE** WITH **SaaṚthi App**

- User-friendly interface with comprehensive tools aimed at simplifying complex financial concepts.
- Resources and Educational Videos designed to increase investor awareness.
- Unbiased, Objective and Trusted Source of Investment Awareness
- Reliable and essential insights into the securities market.
- Vital for young investors, who are at the beginning of their financial journey
- Access a range of Financial Tools and Calculators,
- Do your Financial Health Check-up,

*Empower yourself in the world of investing*



# SEBI INVESTOR SURVEY



<https://investor.sebi.gov.in>



Dive into Money Matters to grasp Personal Finance concepts.



Educational Resources, related to investments, including securities market



Access a range of Financial Tools and Calculators.



Evaluate your Financial Health with the easy check.

Join on a journey of informed decision-making and confident participation in the securities market.

UNLOCK THE **WEALTH OF KNOWLEDGE**  
AT THE SEBI INVESTOR WEBSITE

*Empower yourself in the world of investing*

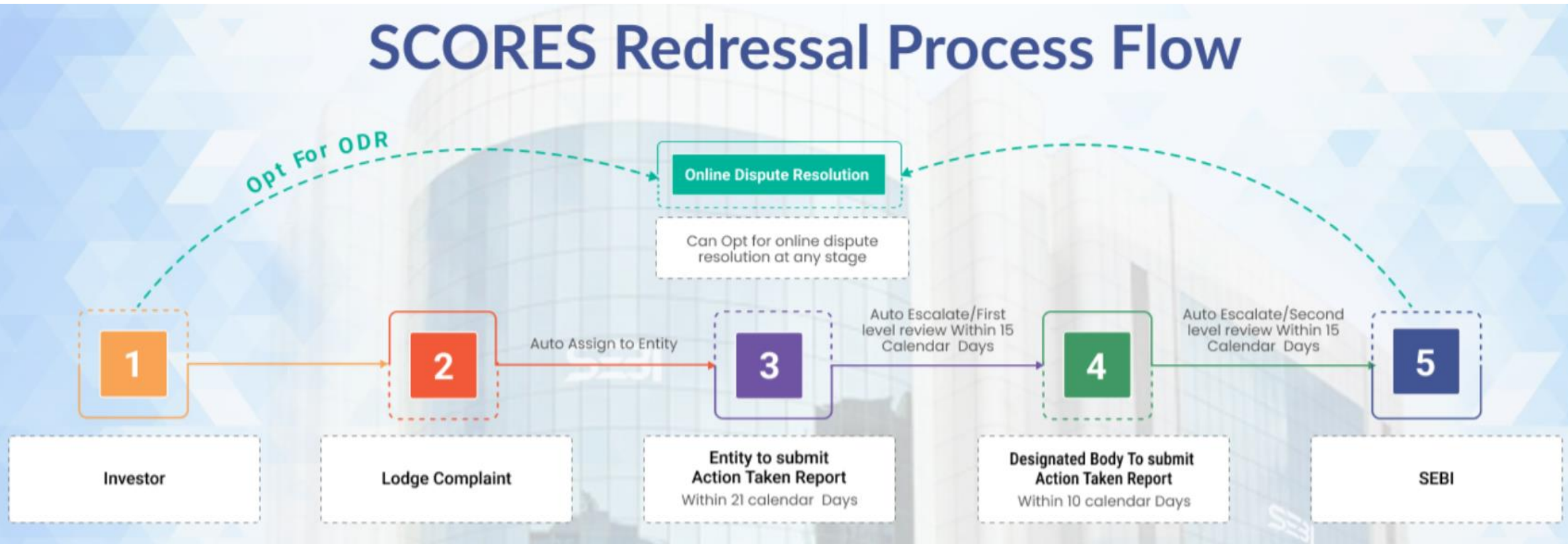


TO VISIT THE SEBI  
INVESTOR WEBSITE,  
SCAN THE QR CODE



# SCORES 2.0 - Online Grievance Redressal Facilitation Platform

## SCORES Redressal Process Flow



# ODR – ONLINE DISPUTE RESOLUTION

The SMART ODR Portal - Securities Market Approach for Resolution Through ODR Portal, has been established by the 7 Market Infrastructure Institutions together with ODR Institutions to help investors access efficient dispute resolution fully online.

Follow the steps below to resolve a dispute.

- 1 Register on SMART ODR Portal**  
Click on Create Account to register on the platform.
- 2 File a New Dispute**  
Click on File a New Dispute to begin.
- 3 Select Intermediary**  
Select the Intermediary against whom you wish to file a dispute.
- 4 Select Category**  
Select the relevant Categories for your dispute.
- 5 Enter Dispute Details**  
Fill details of the dispute and attach relevant files or documents.
- 6 Track Resolution Progress**  
Once your dispute is filed, track progress easily under the Dispute Timeline.



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# FEEDBACK

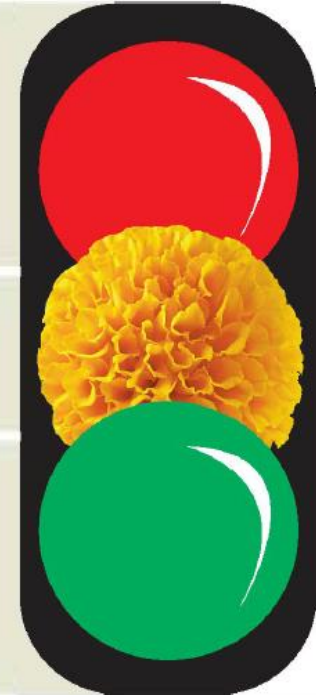
NSE Investor Awareness Program



Soch kar

Samajh kar

Invest kar



## Thank You !