

# HOW TO READ AN ANNUAL REPORT

A SHORT COURSE FOR  
LONG TERM INVESTORS



*When asked how he became  
so successful in investing,  
Buffett answered:  
"We read hundreds and  
hundreds of annual reports  
every year..."*

**~Warren Buffett**



# What is an Annual Report?

A company's yearly report to **shareholders**, documenting its activities and finances in the previous financial year.

👉 Mandatory for All public Companies to Submit Annual Report

👉 Information is Audited- However like human beings all companies are not honest

# Why So Much Fuss about it ?



# Why So Much Fuss about it ?

👉 Every **News Channel** -Derives Info from Annual Report, **Money Control** Derives info from Annual Report , **Brokers/ Analysts/ Big Investors/MFs/FIIs** Derive info from Annual Report

👉 It's the ultimate insight into **company**, its **management** and future **Business** prospects

It's your Stocks Bible ....

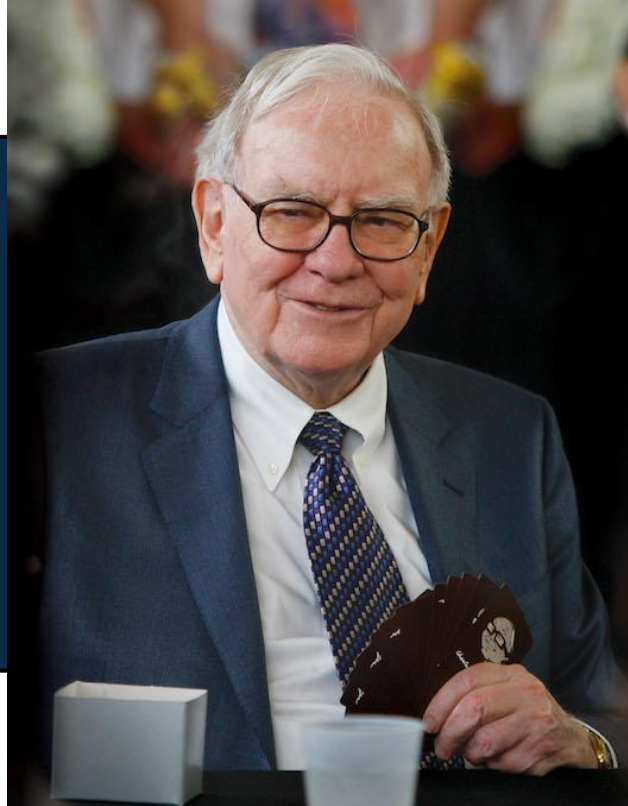
# What **SHOULD** we read as retail investors?

Big myth: You have to go through every page

1. Business Profile **20%**
2. Management's Analysis **80%**
3. Rest all is on Internet!
4. It's good if you read but not mandatory

When I take a look at  
a company's annual  
report, if I don't  
understand it, they  
don't want me to  
understand it.

**~Warren Buffett**



# What information is contained in it ?

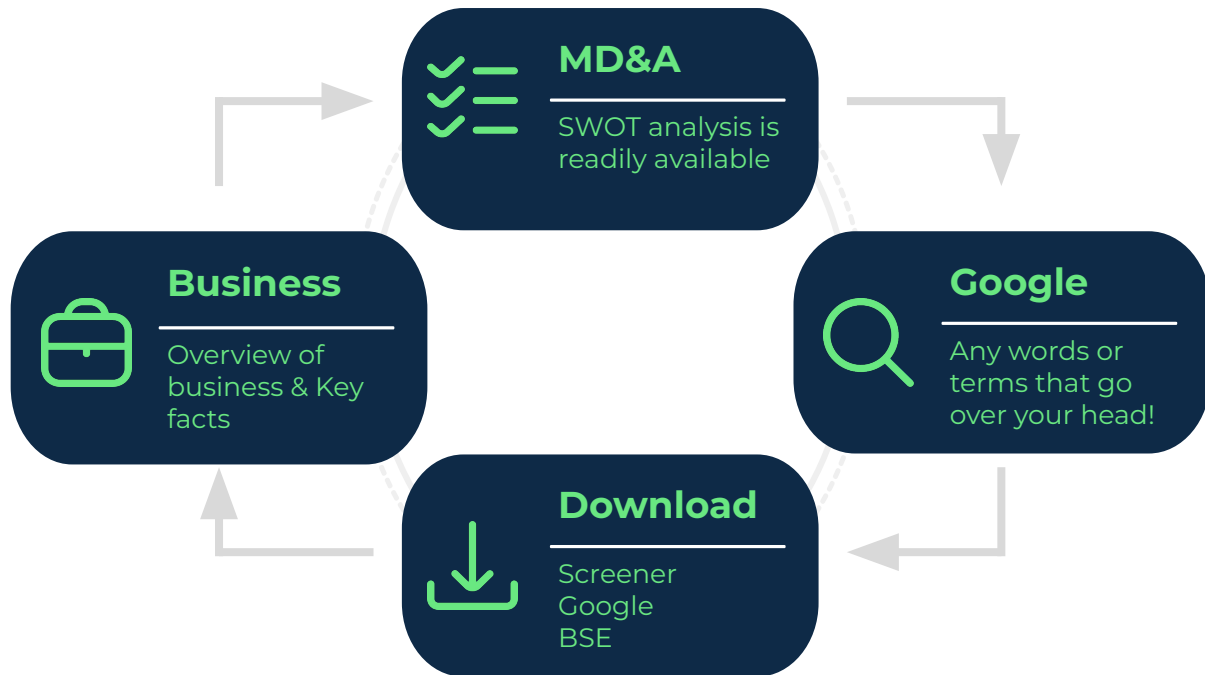
**Example :**

[Vedant Fashions Limited](#)



# Where can i get Annual Reports

1. Screener.in (right after 5 point analysis)
2. Google it!
3. BSE/NSE Website
4. Order it via courier



# Power of Google & Vocabulary



“If it isn’t on Google, it doesn’t exist.”

— Jimmy Wales



“Your success in Investing is directly proportional to the number of corporate jargons you understand

— Yatin Ranade

# Forward Looking Statements

1. Take everything with a pinch of salt
2. Most companies are honest, Some are mix bags & Some are crooks
3. Read 100 reports before getting carried away - Daily habit
4. Financials & Ratios will also help you look at companies objectively

# Key Info to Look For...

- Economy
- Sector
- Government initiatives
- Business Model
- Future Plans
- Revenue Mix
- Market Share
- Opportunities
- Key Risks
- Subsidiaries
- Hidden assets

# INVESTORS TRAINING

## INVESTORS TRAINING Course Download Sheet

### DAY 1:

#### Economy & Government Impact

- Economy & Stocks
- GDP
- Economic Cycle
- Government & Stocks

#### Download Link:

[https://drive.google.com/file/d/1xppM68SI\\_2dTs4b-DCZCPU2Hb6Yse0cuc/view?usp=sharing](https://drive.google.com/file/d/1xppM68SI_2dTs4b-DCZCPU2Hb6Yse0cuc/view?usp=sharing)

### DAY 2:

#### Sector Analysis

- What are Sector?
- Sector Opportunities
- Common Characteristics
- How to learn all about a sectors

#### Download Link:

[https://drive.google.com/file/d/1crKp6qWz0d0VBB\\_rEz0Wd8Z0Usnw7eHUo/view?usp=sharing](https://drive.google.com/file/d/1crKp6qWz0d0VBB_rEz0Wd8Z0Usnw7eHUo/view?usp=sharing)

### DAY 3:

#### Company Analysis

- How to find winners
- Qualitative Analysis
- Competitive Advantage
- Signs of a Multibagger

#### Download Link:

[https://drive.google.com/file/d/1iv0qsJIP\\_FEt7mzf2GqmcBqDDZfTloGo/view?usp=sharing](https://drive.google.com/file/d/1iv0qsJIP_FEt7mzf2GqmcBqDDZfTloGo/view?usp=sharing)

### DAY 4:

#### Ratio Analysis

- Quantitative Analysis
- Financial Ratios & Interpretation
- Valuation Ratios for Targets

#### Download Link:

[https://drive.google.com/file/d/19F2UrXKkLvgJME\\_RSoVCwg5CGzno0EDzE/view?usp=sharing](https://drive.google.com/file/d/19F2UrXKkLvgJME_RSoVCwg5CGzno0EDzE/view?usp=sharing)

- Self Paced Lifetime access
- Downloadable for Lifetime access
- What to look for in Multibagger stocks
- Free 1 hour personal zoom session