

## **Satyam Nahin Jeyathe.**

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The "Satyam" revealed by "Satyam" is doing its rounds throughout the country, or rather throughout the world and the common-man inside me is bewildered. It is everybody's perception that Satyam is only the tip of the iceberg and "Window dressing" is too common among all corporates. The credibility of the Certification by coveted Chartered Accountants, which was already at its ebb due to the broad disclaimers attached thereto, is further eroded.

The common man inside me attributes all this to the stock market mania. As far as I know, amounts invested in shares would earn dividends, if the company is profitable, which is the return on investment. The shares of the companies, which can offer huge dividends as a result of their profitability, would be in much demand and the price of such shares would be triggered by such demand. But, the share prices cannot be so unreal, making mockery of the rate of return on investment. But, nowadays, hardly anybody buys the shares for the dividend income, but shares are bought and sold only for speculative trading. [If the value of the shares of a company go up in the market, due to genuine reasons like better performance by a company, better future potential, etc. then the investors in such shares can really be happy about their holdings. But, when such values are more often driven not by any sound reasoning, but only by knee jerk reactions the investors can never rest in peace. With so many "bulls" and "bears" acting, the stock market is almost like a jungle, which is not at all a safe haven for him to live.](#) I really do not know, whether such speculative trading in shares, which is going on with blessings of the Government and so called control by the SEBI does any good either to the companies concerned, or to the Nation's economy or to the common man like me. I have been wondering for years, as to how certain words spoken by a Finance Minister can trigger instant reaction in the so called SENSEX! Any policy decision of the Government, having a bearing upon the corporate performance would have to percolate down and its impact on corporate performance can be gauged only after a considerable period. But, it defies comprehension by any common man like me, as to how our smart boys roaming round in the stock exchanges, those who read pages and pages of numbers in small font in elite newspapers, those who are hooked to the market thanks to the technology are capable of judging future corporate performance and the impact of each and every word spoken by Ministers on such future performance.

In the mad rush to keep one's share afloat in the market, corporates tend to do anything and everything to project an impressive image of themselves and such image was also certified by none other than top most Chartered Accountants of the Country. The gullible common man would easily believe such gimmicks and invest his hard earned money on shares and boast himself of a billionaire, without knowing that a terrorist attack in Mumbai streets would make him a pauper, even though the connection between the causalities of the attack and the value of his investment is too remote. We have fantastic analysts who will establish such connection with their acumen, on the next day in various newspapers. Often, we can find that the panic on the face of a person, who has lost his money as a result of this puzzling game would be substantially higher than the panic of a lady who lost her bread winning husband in the attack.

My efforts to understand the nuances of this puzzling game has always been a failure. I fail to comprehend the reactions of the market which vary from second to second and as to how the sneeze of the Finance Minister can cause companies to crash.

The common man in me says that the so called trading in shares with the Government blessing is not at all doing any good either for the common man or for the country's economy and heavens would not fall if all the stock markets are shut down. I may be ripped apart by the "veterans" of the field, for such a sweeping suggestion. But, for a common man, what is relevant is only logic and anything which defies logic is nothing but absurdity.