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**A STUDY ON THE PERFORMANCE OF NIFTY50 MIDCAP STOCKS FOR  
UNICON SECURITIES PRIVATE LTD, CHENNAI**

**A PROJECT REPORT**

Submitted by

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**Reg. No. 0820400028**

In partial fulfillment of the requirements  
for the award of the degree

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**Coimbatore - 641 006**



DEPARTMENT OF MANAGEMENT STUDIES  
KUMARAGURU COLLEGE OF TECHNOLOGY (AUTONOMOUS)

COIMBATORE, 641 006

**BONAFIDE CERTIFICATE**

Certified that this project titled “A STUDY ON THE PERFORMANCE OF NIFTY50 MIDCAP STOCKS FOR UNICON SECURITIES PRIVATE LTD, CHENNAI” is the bonafide work of Ms. K.NALINI (Reg. No. – 0820400028), who carried out this project under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

Ms. S. Sangeetha, Senior Lecturer

Faculty Guide

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Director

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Evaluated and viva-voce conducted on ..... 14-06-2010 .....



## PROJECT COMPLETION CERTIFICATE

This is to certify that **K.NALINI**, Roll No: **0820400028**, a student of KCT Business School, Kumaraguru College of Technology, Coimbatore had undergone a project entitled "A STUDY ON THE PERFORMANCE OF NIFTY50 MIDCAP STOCKS FOR UNICON SECURITIES PVT LTD, CHENNAI" between **09-03-2010** and **08-06-2010**.

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Signature of the Organisational guide



## DECLARATION

I, hereby declare that this project report entitled "A STUDY ON THE PERFORMANCE OF NIFTY50 MIDCAP STOCKS FOR UNICON SECURITIES PRIVATE LTD, CHENNAI" done in Unicon Securities Private Limited, Chennai has been undertaken for academic purpose submitted for the Master of Business Administration degree is my original work and the project report has not formed the basis for the reward of any Degree, Associate ship, Fellowship or any other similar titles.

I, also declare hereby, that the information given in the report is correct to best of my knowledge and belief.

Place: COIMBATORE

Date: 14-06-2010



Signature of the candidate

(K. NALINI)

# *EXECUTIVE SUMMARY*

## EXECUTIVE SUMMARY

Indian stock market has been attracting the attention of policy makers in several dimensions. The market capitalization in the stock market is 95 percent as of March 2007, which shows a very positive attitude among the investors and a thriving business environment. The risk or volatility in the stock market has shown a considerable fall in the trend. The indicators in the stock market show that there exist overall favourable developments in this performance. In a nut shell the rise in stock prices in India is not undergoing a weak form of market efficiency but possibly a semi-strong form of market efficiency.

Indian stock market captures the behaviour of the overall equity market. The movements of the index represent the returns obtained by typical portfolios in the country. Stock market indices reflect the changing expectations of the stock market about future dividends of India's corporate sector. When the index goes up, it is because the stock market thinks that the prospective dividends in the future will be better than previously thought. When prospects of dividends in the future become pessimistic, the index drops. Every stock price moves for two possible reasons: news about the company (e.g. a product launch, or the closure of a factory, etc.) or news about the country (e.g. nuclear bombs, or a budget announcement, etc.).

The mid-cap (medium/middle capitalized) segment of the stock market is perceived as an attractive investment segment with high growth potential. Nifty Mid-cap 50 is computed using free float market capitalization weighted method, wherein the level of the index reflects the total market value of all the stocks in the index relative to a particular

This present study examines the risk and return analysis of the stocks listed in the Nifty Midcap 50. The study covers three years ranging from April 2007 to March 2010 and is restricted to the daily closing price of the scrips of the 50 Midcap companies with the objective to identify which scrip has consistently provided returns and which is more volatile, which sector and scrip is more sensitive towards the market returns, and to identify the choice of scrip to the segment of investors.

It is found that Gas Sector is the best performing sector with the scrip RNRL providing 0.26% returns, followed by the sector Steel and Steel products with the scrip WELGUJ providing 0.23% returns and is again followed by the sector Steel and Steel products with the scrip JSWSTEEL providing 0.22% returns to the investors.

For the Risk Takers segment, scrips such as RNRL, WELGUJ, JSWSTEEL, EDUCOMP, LITL, for Moderate risk takers scrips such as VOLTAS, INDIANB, MPHASIS, TITAN, LUPIN and for Risk averters scrips such as PETRONET, ASHOKLEY, ALBK, PIRHEALTH and CUMMINSIND were suggested so that the investors can make their decision of investment based on the risk taking ability.

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*CHAPTER 1*  
*INTRODUCTION*

## 1.1 BACKGROUND OF THE STUDY

Indian stock market captures the behaviour of the overall equity market. The movements of the index represent the returns obtained by typical portfolios in the country. Stock market indices reflect the changing expectations of the stock market about future dividends of India's corporate sector. When the index goes up, it is because the stock market thinks that the prospective dividends in the future will be better than previously thought. When prospects of dividends in the future become pessimistic, the index drops. Every stock price moves for two possible reasons: news about the company (e.g. a product launch, or the closure of a factory, etc.) or news about the country (e.g. nuclear bombs, or a budget announcement, etc.).

Indian stock market has been attracting the attention of policy makers in several dimensions. The market capitalization in the stock market is 95 percent as of March 2007, which shows a very positive attitude among the investors and a thriving business environment. The risk or volatility in the stock market has shown a considerable fall in the trend. The indicators in the stock market show that there exist overall favourable developments in this performance. In a nut shell the rise in stock prices in India is not undergoing a weak form of market efficiency but possibly a semi-strong form of market efficiency.

There are many ways by which an investor can diversify a portfolio, such as investing in shares, mutual funds, government bonds etc., another common way to diversify is between various sectors of the economy. Sectoral stocks can vary substantially in market capitalization, investment objective and class of securities within the portfolio. Investors who are considering sectoral funds should be prepared to accept greater risk and volatility than what they will endure in the broader-based funds and index funds. Some sectors do well in bull markets but poorly in bear markets, while other sector funds can grow earnings even during the recessions. Sectoral stocks also tend to have higher turnover than other types of funds. One of the important reasons that an investor would consider sectoral stocks is that the investor feels that the sector is about to experience a period of strong growth.

## **MID-CAP STOCKS:**

Mid-cap funds have been among the best performers in the equity diversified category, which has resulted in increase of launches in mid-cap category. As these funds grow bigger and bigger in size and as more and more investors come into mid-cap, too much money is chasing too few stocks.

As the name implies, a mid cap company is in the middle of the pack between large cap and small cap companies.

Mid-cap fund is a type of stock fund that invests in mid-sized companies. A company's size is determined by its market capitalization, with mid-sized firms generally ranging from \$2 billion to \$10 billion in market cap.

Most stocks held in a mid-cap fund are firms with established businesses that are still considered developing companies. These funds tend to offer more growth than large-cap stocks and less volatility than the small-cap segment.

The size restrictions for a mid-cap stock fluctuate between funds. The range of \$2 billion to \$10 billion is only an approximation, and it can change over time.

## **NIFTY MID-CAP 50:**

The mid-cap (medium/middle capitalized) segment of the stock market is perceived as an attractive investment segment with high growth potential. Nifty Mid-cap 50 is computed using free float market capitalization weighted method, wherein the level of the index reflects the total market value of all the stocks in the index relative to a particular base period. The method also takes into account constituent changes in the index and importantly corporate actions such as stock splits, rights, etc without affecting the index value.

The primary objective of the Nifty Mid-cap 50 Index is to capture the movement of the mid-cap segment of the market. It can also be used for index-based derivatives trading.

## **BASE DATE AND VALUE:**

The Nifty Mid-cap 50 Index has a base date of Jan 1, 2004 and a base value of 1000.

## **CRITERIA FOR SELECTION OF CONSTITUENT STOCKS:**

The constituents and the criteria for the selection judge the effectiveness of the index. Selection of the index set is, inter alia, based on the following criteria:

- Stocks with average market capitalization ranging from Rs.1000 Crore to Rs.5000 Crore at the time of selection.
- Stocks which are not part of the derivatives segment are excluded.
- Stocks which are forming part of the S&P CNX NIFTY index are excluded.

## **OTHER STATISTICS:**

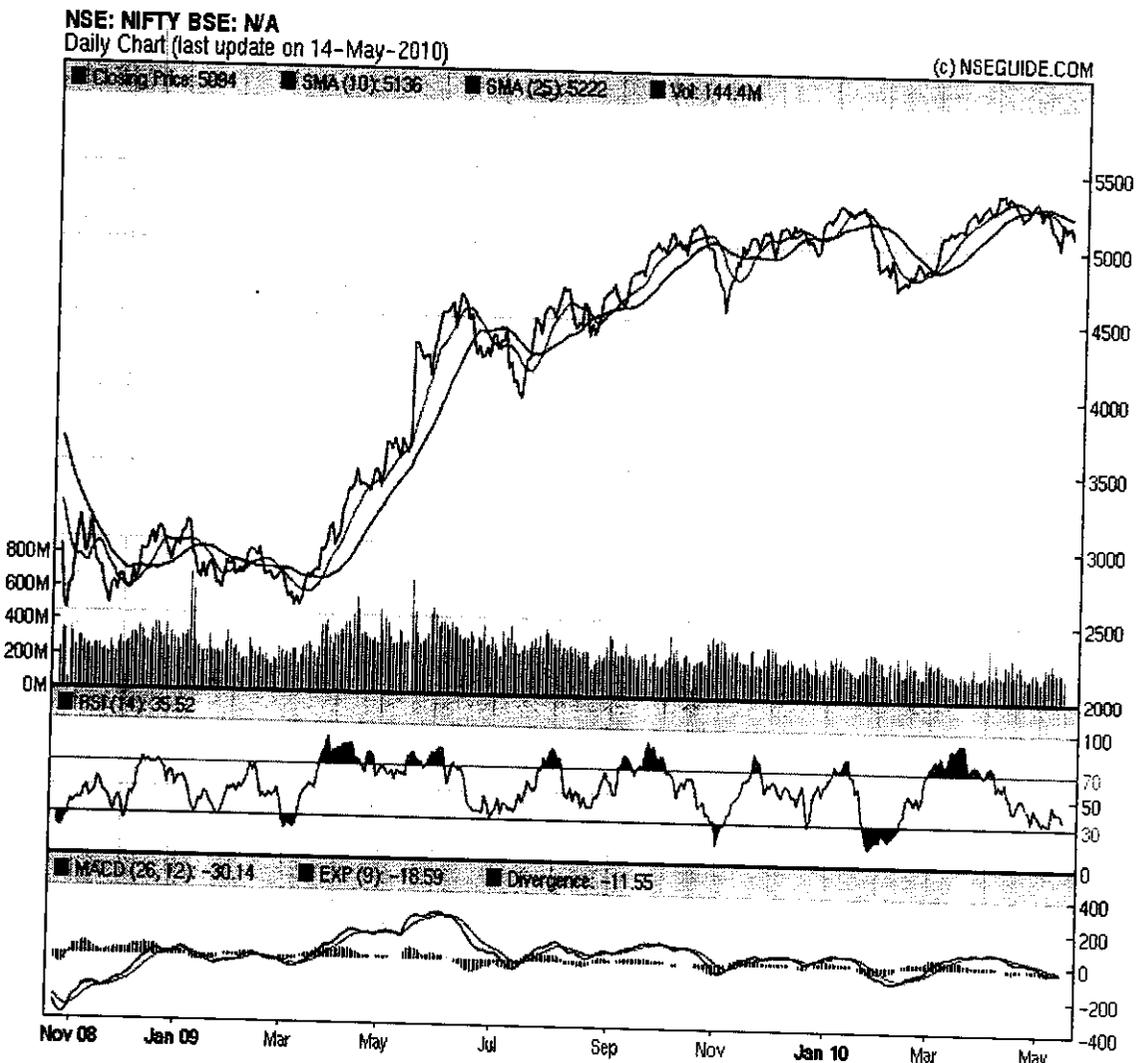
- Nifty Midcap 50 stocks represent about 6.50 % of the total market capitalization as on March 31, 2010.
- The traded volume for the last six months of all Nifty Midcap 50 stocks is approximately 10% of the traded volume of all stocks on the NSE.
- Nifty Midcap 50 Index was computed using market capitalization weighted method from the launch date till February 25, 2010

## **OTHER INDICES OF NSE:**

- S&P CNX Nifty - measured in dollars. If the S&P CNX Nifty rises by 2% it means that the Indian stock market rose by 2%, measured in rupees
- S&P CNX 500 - India's first broadbased benchmark of the Indian capital market. The S&P CNX 500 represents about 86% of total market capitalisation and about 78% of the total turnover on the NSE
- CNX Nifty Junior - first step of the largest, highly liquid stocks in India
- CNX MidCap - The medium capitalised segment of the stock market is being increasingly perceived as an attractive investment segment with high growth potential
- CNX Segment Indices

- **CNX MNC Index** - comprises 15 listed companies in which the foreign shareholding is over 50% and / or the management control is vested in the foreign company
- **CNX PSE Index** - comprising of 20 Public Sector Enterprises stocks. The Index is a market capitalisation weighted index with base period being the month of December 1994 and base index value being 1,000
- **CNX IT Sector Index** - Companies in this index should have more than 50% of their turnover from IT related activities like software development, hardware manufacture, vending, support and maintenance

### MOVEMENT OF NIFTY50 STOCKS OVER THE PAST YEARS:



## 1.2 REVIEW OF LITERATURE

1. The average one-year return of top 10 performers was 37.8%<sup>1</sup> for the 12-month period ended Sept. 30, compared with one-year averages of 9.5% and zero, respectively, for the two quarters. The small-cap strategy has owned Blue Nile since 2004 and the stock was up 44% in the third quarter. In mid-cap strategies, Mr. Lynch and his managers have put heavy reliance on Baidu Inc., which he called "the Google of China," and Tencent Inc.,. Both companies have experienced strong growth because of their market dominance in that country. In second place for the year was the Small/Mid Cap Core strategy of Pyramis Global Advisors, Boston, with 49.25%, followed by the growth strategy of Moloney Securities Asset Management, St. Louis, with 43.79%. For the five years ended Sept. 30, small- and mid-cap strategies again dominated with some exceptions.

2. One area that might be very attractive for investment are "mid-cap" funds<sup>2</sup>, which specialize in well-established companies, typically between \$1 billion and \$5 billion in market capitalization. Over the past 12 months the mid-cap sector has underperformed the S&P 500 by more than 20 percent. Typical of the mid-cap funds is the Robertson Stephens Growth & Income fund, which since its inception two years ago is one of the few mid-cap funds to outperform the juggernaut of the S&P 500 by a margin of 4.5 percent. In picking stocks, Wallace (manager) scours the markets looking for companies that have the potential to double their value in 24 to 36 months.

3. Investors willing to look past the inherent risks of investing in lesser-developed countries are likely to find good potential for attractive returns — particularly among small-cap to mid-cap companies<sup>3</sup>. The index was reconstituted monthly and performance was calculated from December 1994 to September 2003. MID-cap stocks have tended to under perform during downturns in the economic and stock market cycle because their access to capital tends to be more restricted during bad times. Consequently, when the

<sup>1</sup> **Title:** Mid-cap, small-cap strategies rule as rising manager returns indicate storm is abating. **Authors:** Diamond, Randy **Source:** Pensions & Investments; 11/16/2009, Vol. 37 Issue 23, p17-20, 3p, 3 color

<sup>2</sup> **Title:** Unlike lofty large-cap stocks, mid-caps may offer more value. **Authors:** Strudwick, Barry Grant, **Source:** Business Press; Vol. 10 Issue 14, p21, 1/2p, 1 chart

<sup>3</sup> **Title:**

cycle turns, they tend to be more operationally and financially leveraged to improving conditions. There has been plenty of discussion regarding the inefficiencies in coverage of small- to mid-cap versus large-cap stocks in developed countries. Approximately two-thirds of the SMID-cap stocks are covered by fewer than 10 analysts — a scenario that spells opportunities for stock pickers. SMID-cap stocks offer better leverage to domestic growth, better diversification versus developed markets, and fertile ground for disciplined stock pickers to add value.

4. The top five managed and mixed managers for the shorter periods had a micro, small or mid-cap focus. For the three years, larger-cap won out in both universes. The best-performing managed account for the quarter was the small-cap growth equity portfolio managed by S E B Asset Management America Inc. that returned 16%<sup>4</sup>. But the 8.5% return of the best-performing mixed fund strategy --Provident Investment Counsel Inc.'s small-cap growth equity fund -- was only about half that of the top separate account strategy. Insight includes only companies that are growing between four and five times the rate of the U.S. economy. Companies in the portfolio will grow an estimated average 76% in 1999, compared with 18% for companies in the S&P 500.

5. Mid-capitalised stocks are set to offer a bit of brightness in an otherwise dull final results season, according to investment bank Merrill Lynch<sup>5</sup>. Merrill said mid-cap stocks offered investors the best value. AWG was the star pick, despite the expected 'labyrinthine complexity' of its figures and exceptionality of around Pound 100 million. Pennon was a close second. Some mid-cap stocks also offered the prospect of capital returns. AWG, for example, has promised shareholders 100p a share from operating cash flow, while Kelda was expected to return cash from the sale of its Waste Recycling Group.

6. In 1991, the Standard & Poor's 500-stock index rose 30.7% splendid by most measures. S&P's Mid-cap 400 was even more impressive, soaring 50.1%<sup>6</sup>. Frank Russell Company's Mid-cap Index gained 41.5%. **Mid-cap stocks are those of companies smaller than giants but bigger than upstarts. Until recently no special index has**

<sup>4</sup> Title: Small-cap, mid-cap stocks gain. Authors: Williamson, Christine Source: Pensions & Investments; 11/29/99, Vol. 27 Issue 24, p25, 2p, 1 color

<sup>5</sup> Title: Mid-cap stocks brighten dull final results round. Authors: Shepherd, Nick Source: Utility Week; 1/23/2003, Vol. 19 Issue 21, p6, 0p

tracked their performance, so investment managers and investors who wanted a benchmark for that segment of the market were out of luck. In response, two new mid-cap indexes were created. S&P covers 400 companies with market values clustered between \$500 million and \$2 billion. Russell has 800 issues from \$350 million to \$3.25 billion. Instead of a small-company mutual fund, you can now consider a mid-cap fund, which should perform roughly the same as a small-stock portfolio.

7. There is one broad market sector where one can find an abundance of apparent bargains. That is the mid-cap sector<sup>7</sup> – the oft-overlooked stocks with floats well below the jillion-share caps of the big techs and far more liquid than the appallingly thin caps of the dot-coms and earnings-less newcomers. Buying the mid-caps, the growth can be projected of at least 20 percent a year for the coming three to five years at reasonable P/E's no greater than 1.5 times their growth. The earnings growth is expected to average of 26.5 percent a year for the coming three to five years. Their forward P/E's average 23.9 times next fiscal year estimated earnings. That gives them an average P/E to growth rate ratio of 0.90 – compared with P/E/G ratios of 1.82 for the S&P 500, 1.59 for the Dow Industrials and 1.17 for the full S&P Mid-cap 400 universe.

8. AMETEK<sup>8</sup> trades for 18 times the 2007 consensus earnings estimate of \$2.01 per share — not dirt cheap, but reasonable given the company's strong growth record and the stock's consistent upward move. These shares have posted higher highs every year but one since 1996. The stock has excellent appreciation potential over the next 12 months and should beat the market over the next 24 to 48 months. AMETEK offers a direct-purchase plan whereby any investor may buy shares directly, the first share and every share. Minimum initial investment is \$250.

9. Banks<sup>9</sup> and water utilities, as industries provide investors with lower risk for their money than other industries, according to the new indeed, 67% of the 63 bank stocks evaluated by Weiss rated B-minus or higher on the company's investment risk rating index, which is similar to a school grading system. The ratings are composed of two

<sup>7</sup> Title: A Good word for Mid Caps Authors: Stephen W. Quickel Source: On Wall Street, August 2000, markets

<sup>8</sup> Title: AMETEK Attractive Mid-cap DRIP Source: DRIP Investor, June 2007

<sup>9</sup> Title: Bank Stocks Less Risky Than Other Sectors Authors: Ted Cornwell Source: National M...  
ws, Jan 14, 2008

components; one that evaluates the stock's historical and projected risk, and other measures the historical and projected performance, allowing investors to make buy or sell decisions based on their own individual goals and market views.

10. Small and mid-sized<sup>10</sup> stocks have outpaced large-cap shares measured by the SPDR S&P 500 ETF (SPY) by a wide margin so far in 2010, and since the March bottom last year," John Spence Reports From Market Watch. The iShares S&P Small Cap 600 Index Fund was up 8.5% for the year-to-date period through March 12, while the SPDR S&P Mid Cap (MDY) gained 8.2%, and the SPDR S&P 500 ETF added 3.6%. With small and mid-cap stocks essentially unchanged from where they traded right before the Lehman meltdown, this recovery is "considered an important step for stocks and indexes that have fallen steeply in price. "Historically, small-cap stocks continue to beat large-caps, cyclical sectors outperform defensive ones, and a rising tide once again lifts all boats," S&P Equity Research Chief Investment Strategist Sam Stovall wrote in a March 5 report. "But while the direction remains the same, the magnitude is reduced."

11. Mid-cap<sup>11</sup> stocks were widely expected to lag large-cap stocks in a rebound, given the latter's superior ability to survive a downturn. With mid-cap and small-cap stocks losing no time in catching up with, and even surging ahead of, large-caps. With investors busy ferreting out less expensive stocks, the wide gap between the valuations of large and mid-cap stocks has not gone unnoticed. With the majority of mid-caps available at single-digit valuations, these stocks have swiftly caught the market's attention. The 86 per cent and 92 per cent returns notched up by the BSE Mid-cap and Smallcap indices respectively from their March 9 lows, have trounced the Sensex returns of 70 per cent. The price earnings multiple of the BSE Mid-cap and Smallcap indices (source: BSE) as of March 9 stood at 8.6 times and 5.9 times respectively, as against 11.6 times for the Sensex. Of the 130 companies (out of 222) in the BSE Mid-cap index that have so far come up with their March quarter results, at least 57 recorded a 10 per cent sequential profit growth.

<sup>10</sup> Title: Investors Are Turning To Small and Mid Cap ETFs In 2010. Author: D. M. S.

12. During the bull market, analysts debated the merits of small caps<sup>12</sup> versus large caps, growth versus value. The difference between two market capitalization groups wasn't as big a concern for investors when their decision was "to invest or not to invest." Among the mid-cap funds, value produced the biggest winners but also held several of the worst performers, while mid- cap blend and mid-cap growth had less variation. Mid-cap value produced two of the top three performers, and the number one by a long shot.

13. Of the 2,795 stocks traded, 956 hit the ceiling suggesting a broader breadth and upward movement in the mid- and small-cap stocks<sup>13</sup>. As many as 14 components of the 30-stock Sensex were in the loser's list. The buoyant trend in lower capitalised stocks was also evident as only 70 stocks touched lower circuits. According to analysts and investment advisors, this surge in prices and traded volumes of mid- and small-cap stocks is largely fuelled by overseas investors and supported by domestic investors. Mr Saurabh Mukherjea, Head of Equities at Noble group, told *Business Line* that post election results, 80 per cent of advisory firms' overseas clients have turned to mid-cap stocks. "The number of clients investing in the mid-cap stocks has doubled in one week." Mid and small-cap represent around 40 per cent of the total market capitalization. India Head of Dalton Capital Mr U R Bhatt felt: "Mid-cap stock valuations compelled the long-term investors to ignore the liquidity risk."

14. Mid-caps<sup>14</sup>, interestingly, did much better, posting operating profit growth of 31% on the back of sales growth of 24.2%. They too saw a drop in growth, from 40.3% and 25.8%, respectively, but even then last quarter's numbers look impressive. Mint has classified companies with a market capitalization of more than Rs10,000 crore as large-cap firms, and those with a value of between Rs2,500 crore and Rs10,000 crore as mid-caps. The mid-caps are captured by Nifty Junior and the CNX Mid-cap index. At the net profit level, large-cap companies reported an increase of 32.2%.

<sup>12</sup> Title: Are Mid-Caps ready to lead the Rally? Authors: Don Dion, Aug 10, 2009

<sup>13</sup> Title: Mid and small-cap stocks shine Authors: Jayant M...

15. Over the last year, the S&P Mid-cap<sup>15</sup> 400 Index has gained 13.7%, versus 11.1% for the S&P 500 index of large-cap stocks and 9.1% for the S&P Small-Cap 600 Index. Over the last 10 years, the mid-cap index delivered annualized price gains of 10.9%, versus 9.0% for the small-cap index and 5.3% for the S&P 500. One common method for measuring risk-adjusted returns involves dividing the return by the standard deviation, a measure of volatility. Associates, mid-cap stocks delivered an annualized return of 11.4% from 1926 through 2006, below the 11.8% return from small-cap stocks and 12.8% return of micro-caps. But the returns of smaller stocks were much more volatile, and mid-caps had superior risk-adjusted returns.

16. Over the past 10 years, mid-cap stocks<sup>16</sup>, as measured by S&P's Mid-cap 400 index, have returned nearly six percentage points more per year on average than small-company stocks, as measured by the Russell 2000 index. They have delivered that performance with less volatility. Many funds that invest in big stocks have been packing their portfolios with mid-cap stocks too. Instead of relying on big-company fund manager to spice up your portfolio with a few mid-cap names, consider investing in an unadulterated jolt of mid-cap funds.

17. Citigroup offered research last week saying that smaller and mid-cap<sup>17</sup> stocks took the brunt of hedge fund selling in the second half of last year, though alternative asset managers continue to be more deeply positioned in both than they are in large-cap names. For the average Russell mid-cap stock, ownership fell to 9.9% from 12.3%, and for the average Russell large-cap name ownership fell to 6.1% from 7.5%. From a sector perspective, consumer discretionary names took the biggest hit among small-caps, while tech was hardest hit within the madcap arena. Hedge fund ownership of small and mid-cap energy is similar to that of technology and consumer discretionary, Calvasina said, even though energy's market cap weights are much smaller.

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<sup>15</sup> **Title:** Don't forget about mid-caps **Source:** Dow Theory Forecasts, November 5, 2007

<sup>16</sup> **Title:** Not too big, not too small – just the right size **Author:** Robert Frick **Source:** Smart Investing, Kiplinger's Personal Finance Magazine

18. Shopping for a standout mid-cap<sup>18</sup> or small-cap U.S. stock fund can be surprisingly difficult. Many of the best performers are closed to new investors, leaving latecomers with fewer attractive options and more guesswork. A popular benchmark, the index consists of 600 U.S. stocks with market capitalizations of roughly \$300 million to \$1.5 billion. To gain entry in the index, a company must have four consecutive quarters of profits. As of June 30, the fund was invested primarily in the industrial (19% of assets), financial (15%), and technology (14%) sectors

19. A fair number of market experts will tell you that middle-sized companies<sup>19</sup> offer a unique opportunity under most market conditions. For one, they often go under appreciated by large brokerage firms until they report dazzling profit news. This means that a well-run mid-cap is often poised for the same potential for large gains that investors find in small companies. Additionally, mid-caps tend to be more established than small-caps, and therefore less likely to undergo extreme volatility when the market drops.

20. For mid-caps<sup>20</sup>, the top scorers beat the average mid-cap by an average of 6%. On the surface, the performance is comparable. Management plans to expand the division's product lineup, adding new alternative and foreign investment offerings. Client assets in the wealth-management business are rising, and broker productivity is improving. Assets in its asset-management business, flat for years, have begun to edge upward.

21. Light-blue chips are those companies that lack the seasoning and size of blue chips but are nevertheless strong players in their industries. Mid-cap<sup>21</sup> stocks generally have market capitalizations between \$1.7 billion and \$6.7 billion. A company's market capitalization equals outstanding shares multiplied by the per-share stock price. Historically, mid-cap stocks have delivered returns superior to those of large caps. Indeed, the S&P Mid-Cap 400 Index has gained 477% since year-end 1991, versus 278% for the large-company S&P 500 Index.

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<sup>18</sup> **Title:** Top small-cap, mid-cap funds **Source:** Dow Theory forecasts, July 23, 2007

<sup>19</sup> **Title:** The best mid-cap blue chips **Source:** Dow Theory forecasts, April 15

<sup>20</sup> **Title:** Finding mid-cap, large-cap gems **Source:** Dow Theory forecasts, September 4, 2006

<sup>21</sup> **Title:** Light-blue Chips **Source:** Dow Theory forecasts, September 5, 2005

### **1.3 STATEMENT OF THE PROBLEM**

Stock market, being a vital institution, facilitates economic development. The study is mainly concerned with four major problem statements which helps the investor for his risk and return analysis towards the midcap stocks.

The problem statements are as follows:

- To identify which scrip has consistently provided returns and which is more volatile
- To identify which sector is more sensitive towards the market returns
- To identify which scrip is more sensitive to market returns
- To identify the choice of scrip to the segment of investors.

### **1.4 SCOPE OF THE STUDY**

The present study examines the risk and return analysis of the stocks listed in the Nifty Midcap 50. The study covers three years ranging from April 2007 to March 2010. It is restricted to the daily closing price of the scrips of the 50 Midcap companies.

### **1.5 OBJECTIVES OF THE STUDY**

- A risk and return analysis of scrips listed in Nifty Midcap 50.
- To explore the best performing sector among the sectors of Nifty midcap 50 stocks.
- To find the stock which provides the highest returns among the midcap stocks
- To advice the choice of scrips based on the investor behaviour.

### **1.6 RESEARCH METHODOLOGY:**

Research methodology may be understood as a science of studying how research is done. It is a systematic step by step investigation or enquiry for new facts in any branch of knowledge.

The methodology adopted for the study is detailed below which includes area of the study, with population, sources of data, tools for collecting data, sampling design and statistical tools for analysis.

### **1.6.a TYPE OF STUDY**

The study conducted is analytical in nature, where the facts and information already available is used to analyse and make a critical evaluation of the problem.

### **1.6.b SAMPLING DESIGN**

This is a census study with the universe as all the scrips that are traded in NSE and the population is the scrips included in the Nifty Midcap 50

### **1.6.c METHOD OF DATA COLLECTION**

The study relies on the secondary data published in NSE which includes the daily closing price of Nifty50 stocks for the period of three years from April 2007 to March 2010.

### **1.6.d TOOLS OF ANALYSIS**

- Arithmetic Mean
- Range
- Standard deviation
- Coefficient of variance
- Skewness
- Kurtosis
- Correlation
- Coefficient of determination
- Beta coefficient
- Multiple regression model
- Trend Analysis

## **.7 LIMITATIONS**

- Data for all the 50 stocks are available only for the continuous 3 years and not more than that which restricts the detailed analysis
- The study is concentrated only on the Nifty 50 Midcap stocks and the other Midcap stocks listed in BSE are not included in the study

*CHAPTER 2*  
*ORGANIZATION PROFILE*

## 2.1: HISTORY OF THE ORGANIZATION:

UNICON is a financial services company which has emerged as a one-stop investment solutions provider. It was founded in 2004 by two visionary and flamboyant entrepreneurs, Mr. Gajendra Nagpal and Mr. Ram M. Gupta, who possess expertise in the field of Finance. The company is headquartered in New Delhi, and has its corporate office in Mumbai with regional offices in Kolkata, Chennai, Hyderabad and Noida.

UNICON is a professionally managed company led by a team with outstanding managerial insight and cumulative experience of more than 400 man years in the financial markets. The Company is supported by more than 4500 Uniconians and has a team of over 900 business offices in 235 cities across India.

With a customer base of over 200,000 the Unicon Group has an eye for the intricate financial needs of its clients and caters to both their short – term and long – term financial needs through a comprehensive bouquet of investment services. It has been founded with the aim of providing world class investing experience to the investing community. These services range from offline & online trading in equity, commodities, and currency derivatives to debt markets to corporate finance and portfolio management services. The company has a sizable presence in the distribution of 3rd party financial products like mutual funds, insurance products and property broking. It also provides expert Advisory on Life Insurance, General Insurance, Mutual Funds and IPO's.

The Equity broking arm – UNICON Securities Pvt. Ltd offers personalized premium services on the NSE, BSE & Derivatives market. The Commodity broking arm Unicon Commodities Pvt. Ltd offers services in Commodity trading on NCDEX and MCX. The UNICON group also has a PCG (Private Client Group) division providing investments solutions for High Net Worth Individuals. The Corporate Advisory Services arm – Unicon Capital Services (P) Ltd offers entire range of Investment Banking services to corporate.

UNICON can boast of some of the most respected names in the private equity space like Sequoia Capitals, Nexus India Capital and Subhkam Ventures as its shareholders.

Unicon customers have the advantage of trading in all the market segments together in the same window. At the same time, they have the advantage of having all Advisory Services for

Unicon is a customer focused financial services organization providing a range of investment solutions to their customers. They work with clients to meet their overall investment objectives and achieve their financial goals. The clients have the opportunity to get personalized services depending on their investment profiles. This personalized approach enables clients to achieve their Total Investment Objectives.

## **2.2: MANAGEMENT TEAM:**

Mr. Gajendra Nagpal - Founder and Chief Executive Officer

Mr. Ram M. Gupta - President and Co-Founder

Mr. Vikas Mallan - Chief Financial Officer & Head Distribution

Mr. Arora - Head of operations

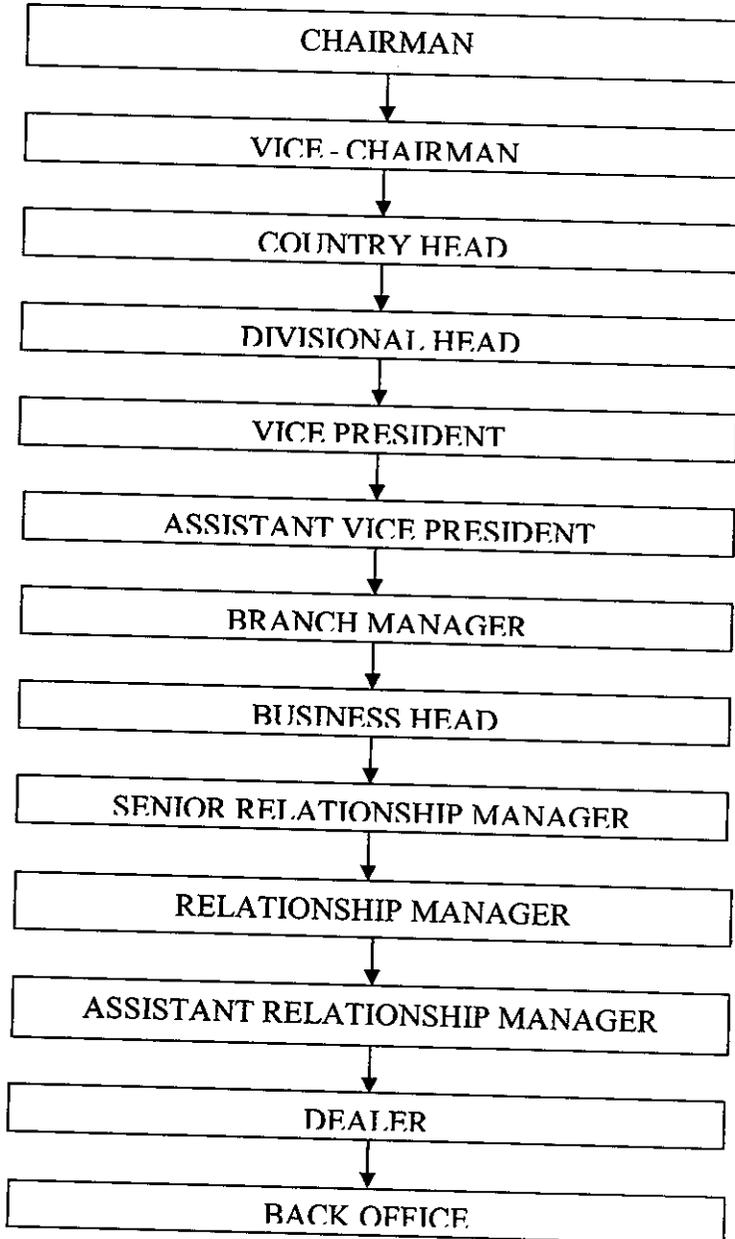
Mr. Y.P. Narang - Head, Fixed Income (Debt) Group

Mr. Subhash Nagpal - Director, Strategic Planning and Implementation

Mr. Vijay Chopra - National Head Business Alliances

Mr. Anurag Nayar - Chief Technology Officer

Mr. Manmohan Tiwari - Country Head, Equity Sales

**2.3: ORGANIZATION STRUCTURE:**

## **2.4: PRODUCTS PROFILE AND MARKET POTENTIAL:**

Key product offerings of Unicon are as follows:

- ❖ Equity
- ❖ Commodity
- ❖ Depository
- ❖ Distribution
- ❖ NRI Services
- ❖ Back Office
- ❖ Fixed Income
- ❖ Investment Banking
- ❖ Currency Derivatives
- ❖ Portfolio Management

The mostly traded products were Equity, Commodity and Currency Derivatives.

### **EQUITY:**

#### **UNICON EASY**

Browser based trading terminal that can be accessed by a unique ID and password. This facility is available to all online customers the moment they get registered with Unicon.

### **FEATURES:**

- ❖ Trading at NSE,BSE and Derivatives on single screen.
- ❖ Greater exposure for trading on the available margin.
- ❖ Common window for order execution.
- ❖ Real time updating of exposure and portfolio while trading.
- ❖ Offline order placement facility (AMO).
- ❖ Stop-loss feature.
- ❖ Competitive Brokerages.

## **UNICON PLUS**

Browser based trading terminal that can be accessed by a unique ID and password. This facility is available to all online customers the moment they get registered with Unicon.

### **FEATURES:**

- ❖ Trading at NSE,BSE and Derivatives on single screen.
- ❖ Add multiple scrips on the market watch.
- ❖ Greater exposure for trading on the available margin.
- ❖ Common window for display of market watch and order execution.
- ❖ Real time updating of exposure and portfolio while trading.
- ❖ Offline order placement facility.
- ❖ Stop-loss feature.
- ❖ Competitive Brokerages.
- ❖ Banking integration with ICICI Bank, HDFC Bank & Axis Bank,& Bank of India,& Corporation Bank, & Karnataka Bank, & Oriental bank of Commerce, & South Indian Bank, & Vijaya Bank and Yes Bank.
- ❖ Proxy link to enable trading behind firewalls.

## **UNICON SWIFT**

Application based terminal for active traders. It provides better speed, greater analytical features & priority access to Relationship Managers.

### **FEATURES:**

- ❖ Trading at NSE,BSE and Derivatives on single screen.
- ❖ Add any number of scrips in the Market Watch.
- ❖ Tick by tick live updation of Intraday chart.
- ❖ Greater exposure for trading on the margin available
- ❖ Common window for market watch and order execution.
- ❖ Key board driven short cuts for punching orders quickly.
- ❖ Real time updation of exposure and portfolio.

- ❖ Market depth, i.e. Best 5 bids and offers, updated live for all scrips.
- ❖ Facility to cancel all pending orders with a single click.
- ❖ Instant trade confirmations.
- ❖ Banking integration with ICICI Bank, HDFC Bank & Axis Bank, & Bank of India, & Corporation Bank, & Karnataka Bank, & Oriental bank of Commerce, & South Indian Bank, & Vijaya Bank and Yes Bank.
- ❖ Stop-loss feature.

## **COMMODITY**

Unicon offers a unique feature of a single screen trading platform in MCX and NCDEX. Unicon offers both Offline & Online trading platforms. One can Walk in or place their orders through telephone at any of the branch locations

## **ONLINE COMMODITY INTERNET TRADING PLATFORM THROUGH UNIFLEX:**

- ❖ Live Market Watch for commodity market (NCDEX, MCX) in one screen.
- ❖ Add any number of scrips in the Market Watch.
- ❖ Tick by tick live updation of Intraday chart.
- ❖ Greater exposure for trading on the margin available
- ❖ Common window for market watch and order execution.
- ❖ Key board driven short cuts for punching orders quickly.
- ❖ Real time updation of exposure and portfolio.
- ❖ Facility to customize any number of portfolios & watchlists.
- ❖ Market depth, i.e. Best 5 bids and offers, updated live for all scrips.
- ❖ Facility to cancel all pending orders with a single click.
- ❖ Instant trade confirmations.
- ❖ Stop-loss feature.

## **PORTFOLIO MANAGEMENT**

### **PORTFOLIO MANAGEMENT SERVICES**

Gone are the days when an investor could directly participate in the capital markets, for they have not only become far more complex in terms of compliances, methodologies, effects and analysis but also need a constant tracking mechanism. As is the case globally, the Indian investor has also realized the advantages of seeking professional advice in order to not only manage but also augment his portfolio.

The Portfolio Management Schemes of the Company offer Discretionary Schemes (Unicon Optimizer & Unicon Growth) for Individuals, Corporate Bodies, Partnership firms, Proprietors, Non Resident Indians etc. The Company is registered with SEBI enabling it to undertake Portfolio Management activities under a specific license.

PMS is a very personalized service wherein each portfolio has to be specifically constructed in order to reflect the objective and risk appetite of a particular client. Our qualified managers are constantly evolving methodologies and financial models that provide them with a composite mix of:

- Medium term comprising of value investing and other fundament tools
- Short term comprising primarily of technical analysis and tools
- Hedging strategies comprising of derivative products

UNICON PMS provides following benefits:

- Strong Research Team
- Profile based investment solution
- Professional Fund Management
- Strict Risk Management
- Timely performance reporting
- Periodic reviews & rebalancing
- Dedicated relationship manager

## **CURRENCY DERIVATIVES:**

### **CURRENCY FUTURES**

Currently in India, futures contracts of 4 currencies are traded against the Indian Rupee (INR). US Dollar Indian Rupee (USD INR) currency futures were the first to be introduced in Aug 2008 and have seen a 1500% burst in volume growth in this period.

On Feb 1, 2010 the trading of Euro (€) Rupee (EUR INR), Pound Sterling (£) Rupee (GBP INR) and Yen (¥) Rupee (YEN INR) was introduced in India. As in the case of USD INR, trading happens on 2 exchanges – NSE and MCX-SX.

Unicon offers clients the opportunity to trade these products, either in online or offline mode as per their needs. The products provide ample liquidity to function both as a speculative tool and as a hedging instrument for exporters and importers. The attractive features of the product are as follows:

- ❖ Unlike currency forwards offered by banks, currency futures trading does not have to be backed by an underlying merchant transaction exposure
- ❖ Tight bid ask spreads; usually 0.25 paisa wide
- ❖ Margin requirements less than 5% to take exposure on a lot size of \$1000, €1000, £1000 and ¥1,00,000 respectively
- ❖ New asset class for diversification for all resident individuals
- ❖ Commodity traders can hedge against unfavourable movements since gold, crude etc.
- ❖ For exporters and importers, no credit line required from their Banker as is the case with forwards
- ❖ Ideal tool for those with smaller exposures, as in the case of travel needs, educational payments etc.

**Currency options are expected to be added to the basket of products soon.**

## **UNICON ADVANTAGE**

- ❖ Online & Offline trading facility on all the bourses
- ❖ Exclusive daily commentary and research reports by our Currency analyst team
- ❖ Regular updates on Dollar INR movement with calls to buy and sell
- ❖ Special consultancy to Exporters, Importers & Corporate for their Forex transactions
- ❖ Receive education on the product through seminars/con-calls organized by Unicon
- ❖ Your Cash Margin with Unicon Securities can be used for either segment – Equity or Currency.

## **2.5 COMPETITIVE STRENGTH OF THE COMPANY:**

The major competitive strength of the company relies in two components i.e, the brokerage charges and the service provided. The brokerage charges of the company can be negotiated by the customer and the customer has the flexibility in the reduction of brokerage charges after tenure of period with Unicon. Every customer will be provided with the contact numbers of the dealers, the executive and the advisor so that the customer can deal with any one or the three for his issues to be resolved if any. Therefore the customers get updated with any modifications regarding their account immediately.

## **2.6 FUTURE PLANS:**

Steps are being taken for the company to be listed in NSE in the near future and for the increase in number of branches in Tamilnadu.

*CHAPTER.*

*MACRO – MICRO ANALYSIS.*

### 3.1 HISTORY OF THE INDIAN CAPITAL MARKET

The history of the capital market in India dates back to the eighteenth century when East India Company securities were traded in the country. Until the end of the nineteenth century, securities trading was unorganized and the main trading centres were Bombay (now Mumbai) and Calcutta (now Kolkata). Of the two, Bombay was the chief trading centre wherein bank shares were the major trading stock. During the American Civil War (1860-61), Bombay was an important source of supply for cotton. Hence, trading activities flourished during the period, resulting in a boom in share prices. This boom, the first in the history of the Indian capital market, lasted for a half a decade. The bubble burst on July 1, 1865, when there was tremendous slump in share prices.

Trading was at that time limited to a dozen brokers: their trading place was under a banyan tree in front of the Town Hall in Bombay. These stockbrokers organized an informal association in 1875-Native Shares and Stock Brokers Association, Bombay. The stock exchanges in Calcutta and Ahmedabad, also industrial and trading centres, came up later. The Bombay Stock Exchange was recognized in May 1927 under the Bombay Securities Contracts Control Act, 1925.

The capital market was not well organized and developed during the British rule because the British government was not interested in the economic growth of the country. As a result, many foreign companies depended on the London capital market for funds rather than on the Indian capital market. In the post-independence period also, the size of the capital market remained small. During the first and second five-year plans, the government's emphasis was on the development of the agricultural sector and public sector undertakings. The public sector undertakings were healthier than the private undertakings in terms of paid-up capital but their shares were not listed on the stock exchanges. Moreover, the Controller of Capital Issues (CCI) closely supervised and controlled the timing, composition, interest rates, pricing, allotment, and floatation costs of new issues. These strict regulations demotivated many companies from going public for almost four and a half decades.

stock market came to be known as 'Satta Bazaar'. Despite speculation, non-payment or defaults were not very frequent. The government enacted the Securities Contracts (Regulation) Act in 1956s was also characterized by the establishment of a network for the development of financial institutions and state financial corporations.

The 1960s was characterized by wars and droughts in the country which led to bearish trends. These trends were aggravated by the ban in 1969 on forward trading and 'badla', technically called 'contracts for clearing.' 'Badla' provided a mechanism for carrying forward positions as well as borrowing funds. Financial institutions such as LIC and GIC helped to revive the sentiment by emerging as the most important group of investors. The first mutual fund of India, the Unit Trust of India (UTI) came into existence in 1964.

In the 1970s, badla trading was resumed under the disguised form of 'hand-delivery contracts-A group.' This revived the market. However, the capital market received another severe setback on July 6, 1974, when the government promulgated the Dividend Restriction Ordinance, restricting the payment of dividend by companies to 12 per cent of the face value or one-third of the profits of the companies that can be distributed as computed under section 369 of the Companies Act, whichever was lower. This led to a slump in market capitalization at the BSE by about 20 per cent overnight and the stock market did not open for nearly a fortnight. Later came a buoyancy in the stock markets when the multinational companies (MNCs) were forced to dilute their majority stocks in their Indian ventures in favour of the Indian public under FERA, 1973. Several MNCs opted out of India. One hundred and twenty-three MNCs offered shares were lower than their intrinsic worth. Hence, for the first time, the FERA dilution created an equity cult in India. It was the spate of FERA issues that gave a real fillip to the Indian stock markets. For the first time, many investors got an opportunity to invest in the stocks of such MNCs as Colgate, and Hindustan Liver Limited. Then, in 1977, a little-known entrepreneur, Dhirubhai Ambani, tapped the capital market. The scrip, Reliance Textiles, is still a hot favourite and dominates trading at all stock exchanges.

The 1980s witnessed an explosive growth of the securities market in India, with millions of investors suddenly discovering lucrative opportunities. Many investors jumped into the

badla, and resumption of badla continued. Convertible debentures emerged as a popular instrument of resource mobilization in the primary market. The introduction of public sector bonds and the successful mega issues of Reliance Petrochemicals and Larsen and Toubro gave a new lease of life to the primary market. This, in turn, enlarged volumes in the secondary market. The decade of the 1980s was characterized by an increase in the number of stock exchanges, listed companies, paid up-capital, and market capitalization.

The 1990s will go down as the most important decade in the history of the capital market of India. Liberalisation and globalization were the new terms coined and marketed during this decade. The Capital Issues (Control) Act, 1947 was repealed in May 1992. The decade was characterized by a new industrial policy, emergence of SEBI as a regulator of capital market, advent of foreign institutional investors, euro-issues, free pricing, new trading practices, new stock exchanges, entry of new players such as private sector mutual funds and private sector banks, and primary market boom and bust.

The 1991-92 securities scam revealed the inadequacies of and inefficiencies in the financial system. It was the scam, which prompted a reform of the equity market. The Indian stock market witnessed a sea change in terms of technology and market prices. Technology brought radical changes in the trading mechanism. The Bombay Stock Exchange was subject to nationwide competition by two new stock exchanges-the National Stock Exchange, set up in 1994, and Over the Counter Exchange of India, set up in 1992. The National Securities Clearing Corporation (NSCC) and National Securities Depository Limited (NSDL) were set up in April 1995 and November 1996 respectively for improved clearing and settlement and dematerialized trading. The Securities Contracts (Regulation) Act, 1956 was amended in 1995-96 for introduction of options trading. Moreover, rolling settlement was introduced in January 1998 for the dematerialized segment of all companies. With automation and geographical spread, stock market participation increased.

In the late 1990s, the Information Technology (IT) scrips were dominant on the Indian bourses. These scrips included Infosys, Wipro, and Satyam. They were a part of the favourite scrips of the period, also known as 'New Economy' scrips, alongwith telecommunications and

The Indian capital market entered the twenty-first century with the Ketan Parekh scam. As a result of this scam, badla was discontinued from July 2001 and rolling settlement was introduced in all scrips. Trading of futures commenced from June 2000, and Internet trading was permitted in February 2000. On July 2, 2001, the Unit Trust of India announced suspension of the sale and repurchase of its flagship US-64 scheme due to heavy redemption leading to panic on the bourses. The government's decision to privatize oil PSUs in 2003 fuelled stock prices. One big divestment of international telephony major VSNL took place in early February 2002. Foreign institutional investors have emerged as major players on the Indian bourses. NSE has an upper hand over its rival BSE in terms of volumes not only in the equity markets but also in the derivatives market.

It has been a long journey for the Indian capital market. Now the capital market is organized, fairly integrated, mature, more global and modernized. The Indian equity market is one of the best in the world in terms of technology. Advances in computer and communications technology, coming together on Internet are shattering geographic boundaries and enlarging the investor class. Internet trading has become a global phenomenon. The Indian stock markets are now getting integrated with global markets.

### 3.2 CONCEPT OF STOCK EXCHANGE

The Securities Contracts (Regulation) Act, 1956, has defined Stock Exchange as an "association, organization or body of individuals, whether incorporated or not, established for the purpose of assisting, regulating and controlling business of buying, selling and dealing in Securities".

The Stock Exchanges in India as elsewhere have a vital role to play in the development of the country in general and industrial growth of companies in the private sector in particular and helps the Government to raise internal resources for the implementation of various development programmes in the public sector. As a segment of the capital market it performs an important function in mobilizing and channelising resources which remain otherwise

The Stock Exchanges tap the new resources and stimulate a broad based

A well developed and healthy stock exchange can be and should be an important institution in building up a property base alongwith a socialist in India with broader distribution of wealth and income. Thus Stock Exchange is a vital organ in a modern society. Without a stock exchange a modern democratic economy cannot exist. The system of joint stock companies financed through the public investment as emerged has put the vast means of finances almost to entrepreneurs' needs.

Finance from external sources mainly from the investing public can become possible only when an institute like Stock Exchange provides opportunities for the conversion of scattered savings into profitable investments with the promises of a reasonable yield and minimum element of risk. Such a mechanism as provided by Stock Exchanges is not merely a source of capital but also a conduit which channelises the savings into investment along with a free movement of capital.

The Stock Exchange benefits the entire community in a variety of way. It enables the producers to raise capital which directly and indirectly gives gainful employment to millions of people on the one hand and helps consumers to get the variety of goods needed by them on the other. It provides opportunities to savers to store the value either as temporary abode of purchasing power or as a permanent abode of purchasing power in the form of financial assets. It also helps the segments of the savers who put their savings in commercial firms and non-banking financial intermediaries because these institutions avail themselves of the services of Stock Exchange to invest the money thus collected.

The Stock Exchange comes close enough to a perfectly competitive market allowing the forces of demand and supply a reasonable degree of freedom to operate as compared to other markets specially the commodity markets. This segment of the factor market can be considered as a perfect or a nearly perfect market. Apart from providing a mechanism for transacting business in stock and shares it generates genuine potential for a new entrepreneur to take up initiative in the private sector enterprises and allows the expansion of investing community by offering gainful development of their otherwise sluggish or shy capital. The Stock Exchange must assume the responsibility of protecting the rights of investors specially

## Existing structure of the stock exchanges in India

The Act recognizes stock exchanges with different legal structure. Presently the stock exchanges which are recognised under the Securities Contracts (Regulation) Act in India, could be segregated into two broad groups – 20 stock exchanges which were set up as companies, either limited by guarantees or by shares, and the 3 stock exchanges which are functioning as associations of persons (AOP) viz. BSE, Ahmedabad Stock Exchange and Indore Stock Exchange. The 20 stock exchanges which are companies are: the stock exchanges of Bangalore, Bhubaneswar, Calcutta, Cochin, Coimbatore, Delhi, Gauhati, Hyderabad, Interconnected SE, Jaipur, Ludhiana, Madras, Magadh, Managalore, NSE, Pune, OTCEI, Saurashtra-Kutch, Uttar Pradesh, and Vadodara. Of these, the stock exchanges of Ahmedabad, Bangalore, BSE, Calcutta, Delhi, Hyderabad, Madhya Pradesh, Madras and Gauhati were given permanent recognition by the Central Government at the time of setting up of these stock exchanges. Apart from NSE, all stock exchanges whether established as corporate bodies or Association of Persons (AOPs), are non-profit making organizations.

## Current Scenario

The prevailing economic conditions, both domestic and global, suggest the Indian stock market is poised to continue to rally in 2010 even though US and European Markets have yet to recover from recession effect. Key factor remains the impact of Q4 results and strong GDP growth of around 8%. However point of caution needs to be the phase wise withdrawal of financial support given by Indian government to the market. So far, the recovery in India has been driven by domestic consumption and government expenditure. However, corporate investment is expected to surge in 2010 due to the strong GDP growth which will increase capacity utilisation.

Stocks in the infrastructure and power sectors may be the front runners in 2010 as they receive strong policy support from the Indian government. But one must be cautious that the interest rate cycle might start moving up with the strong GDP performance and relatively high inflation. If it does, banking stocks will be affected severely as was seen in the past. We have witnessed a global financial crisis in 2008-09 which is still very much an unforgettable

During the bull rally (2003-2007) there was considerable exuberance. This was the time when interest rates were low. Credit was available and that too cheaply. Not just that, corporate profits were growing at a healthy rate. Stock markets were notching strong gains. But the global credit crisis changed all that. The abundant liquidity, not surprisingly, led to asset bubbles that finally burst. So if one learned a good lesson should go for companies with less debt, enough cash and strong return ratios. These are the ones who will be able to tide over the crisis and generate strong returns to shareholders in the long term beyond 2010

India's stock market returns over the past couple of years have actually beaten most other global markets. And with good reason...

- While it's still classed as an emerging market, India's strength comes from the fact that its internal market is not only huge, but also better insulated than China, Brazil, Russia and South Korea. It operates at its own pace, seemingly oblivious to what happens around it.
- With a population of over one billion, India has a huge edge over smaller emerging markets because it has the critical mass to withstand minor shocks to the system.
- India isn't reliant on a huge export market for the bulk of its growth.
- It has a huge, educated middle class. In fact, India's middle class population is larger than that of the entire United States. Of course, this middle class earns less on average than poverty line families in America, but it has the capacity to spend enough money to buy products that were once considered luxuries (washers/dryers, TVs, cars, etc). This generates tremendous economic activity without the issues of trade balance.
- Because of India's protectionist business nature, companies tend to thrive without the threat of multi-national competition.

*CHAPTER*  
*DATA ANALYSIS AND*  
*INTERPRETATION*

#### 4.1 Arithmetic Mean:

Arithmetic Mean is used to return the average of the selected data. It is calculated as follows.

Arithmetic Mean for ungrouped data:  $\sum x_i / n ; i=1 \text{ to } n$

#### 4.2 Range:

It is the difference between the highest value and the lowest value of the given set of observations.

Range = Highest value - Lowest value

#### 4.3 Standard Deviation:

It is the widely used measure of variation, called as root mean square deviation and denoted as  $\sigma$ . Standard Deviation is calculated as follows:

$$\sigma = \sqrt{\frac{\sum (x - \bar{x})^2}{(n-1)}}, \text{ n is the number of observations.}$$

#### 4.4 Coefficient of Variance:

It is an improved measure over standard deviation, which is the ratio between standard deviation and mean and indicates consistency of observations within a sample.

$$\text{Coefficient of Variance} = (\sigma / \text{Mean}) * 100$$

#### 4.5 Skewness:

It returns a characterization of the degree of asymmetry of a distribution around its mean. Positive skewness indicates a distribution with an asymmetric tail extending toward more positive values. Negative skewness indicates a distribution with an asymmetric tail extending toward more negative values. It is calculated as follows:

$$\text{Skewness} = \frac{n}{(n-1)(n-2)} \sum \left( \frac{x_j - \bar{x}}{s} \right)^3$$

#### 4.6 Kurtosis:

It characterizes the relative peakedness or flatness of a distribution compared with the normal distribution. Positive kurtosis indicates a relatively peaked distribution. Negative kurtosis indicates a relatively flat distribution. It is calculated as follows:

$$\text{Kurtosis} = \frac{\left\{ \frac{n(n+1)}{(n-1)(n-2)(n-3)} \sum \left( \frac{x_j - \bar{x}}{s} \right)^4 \right\}}{\frac{3(n-1)^2}{(n-2)(n-3)}}$$

#### 4.7 Correlation:

It is the degree of association between two variables and it is represented in terms of coefficient known as correlation coefficient. The range of the correlation coefficient is in between -1 and +1. It is calculated as follows:

$$\text{Correl}(X, Y) = \frac{\sum (x - \bar{x})(y - \bar{y})}{\sqrt{\sum (x - \bar{x})^2 \sum (y - \bar{y})^2}}$$

#### 4.8 Beta Coefficient:

Beta Coefficient is the vertical distance divided by the horizontal distance between any two points on the line, which is the rate of change along the regression line.

$$b = \frac{\sum (x - \bar{x})(y - \bar{y})}{\sum (x - \bar{x})^2}, \text{ where } x \text{ and } y \text{ are the sample means.}$$

#### 4.9 Multiple Regression Model:

Regression is the dependence of a variable on one or more variables. Consider a linear equation, as shown below, which is known as a linear regression equation.

$$Y = a + bX$$

Where Y is the dependent variable, X is the independent variable, 'a' is the intercept and b is the slope/trend. If the number of independent variables on the right hand side of the

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_iX_i + \dots + b_nX_n$$

Where  $X_{i=1 \text{ to } n}$  are independent variables and  $b_{i=1 \text{ to } n}$  are slopes of corresponding  $X_i$

#### **4.10 Trend Analysis:**

Trend Analysis is used to forecast the returns that will be provided by the company for the next two years using the data available for the past three years. This will be useful for the investor in determining the company in which the investment can be made for getting better returns in the near future. Here, the trend analysis is calculated for all the 50 scrips and projections are made for the forthcoming 2 years.

**The Nifty 50 companies and their corresponding sectors are analysed and the interpretation is made using the tools mentioned above.**

## AIRCONDITIONERS:

**Table 4.1:** Table showing the yearly and compounded results of Voltas Ltd for the period April 2007 to March 2010

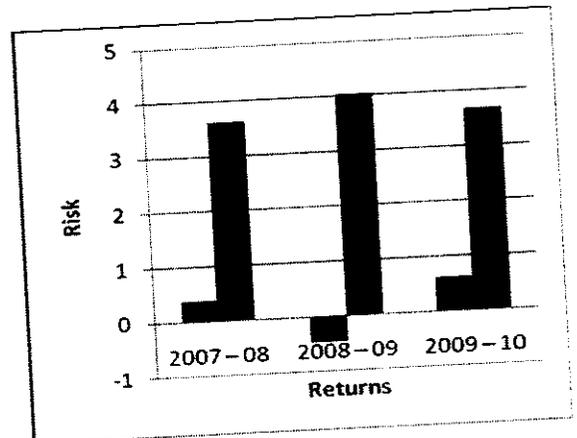
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.37	(0.48)	0.62	0.17
Risk	3.62	4.04	3.67	3.81
CV%	992.50	(849.41)	595.96	2223.70
Range of returns(%)	(16.03) to 14.49	(11.99) to 11.79	(8.97) to 20.12	(16.03) to 20.12
Skewness	0.01	0.11	1.29	0.39
Kurtosis	2.16	0.36	5.37	2.42

Source: Secondary Data

### Interpretation:

From the Chart 4.1, the company has provided returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the 3<sup>rd</sup> year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

**CHART 4.1: TREND ANALYSIS OF VOLTAS**



From the Table 4.1, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimal return (loss) to the extent of (0.48)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.62%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

for the compounded period is 0.17% with the deviation in returns as

## AUTOMOBILES – 4 WHEELERS:

**Table 4.2: Table showing the yearly and compounded results of Ashok Leyland Ltd for the period April 2007 to March 2010**

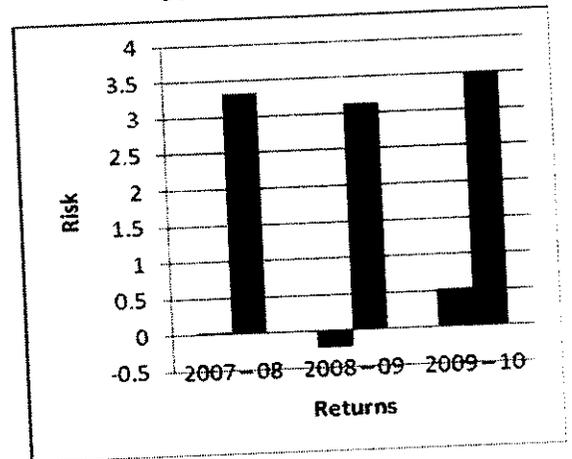
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.02	(0.23)	0.52	0.11
Risk	3.32	3.13	3.51	3.33
CV%	14361.18	(1385.67)	672.78	3144.52
Range of returns(%)	(21.35) to 16.50	(11.78) to 10.34	(9.78) to 16.63	(21.35) to 16.63
Skewness	(0.20)	0.06	0.72	0.25
Kurtosis	10.75	1.75	2.73	5.21

Source: Secondary Data

**CHART 4.2: TREND ANALYSIS OF ASHOKLEY**

### Interpretation:

From the Chart 4.2, the company has provided no returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided high returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.2, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2008 – 2009 and in the same year has got minimal return (loss) to the extent of (0.23)%. The maximum return is found to be in the year 2009 -2010 with 0.52%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.11% with the deviation in returns as

**BANKS:**

**Table 4.3: Table showing the yearly and compounded results of Allahabad Bank for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.08	(0.24)	0.58	0.14
Risk	3.38	2.74	3.18	3.13
CV%	4368.50	(1133.02)	543.80	2232.79
Range of returns(%)	(14.23) to 18.63	(9.90) to 9.01	(9.48) to 15.93	(14.23) to 18.63
Skewness	0.26	(0.02)	0.95	0.46
Kurtosis	4.87	0.86	3.02	3.68

Source: Secondary Data

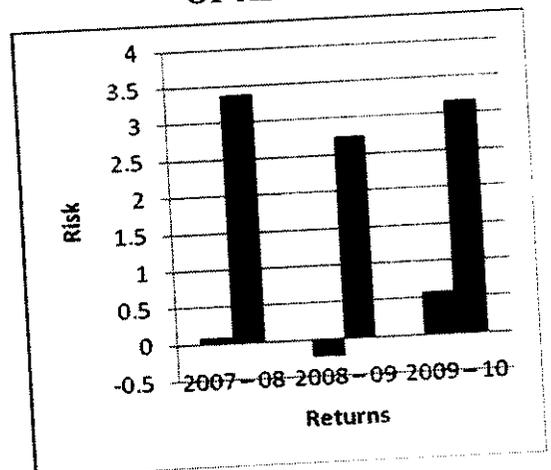
**Interpretation:**

From the Chart 4.3, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided very high returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.3, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2008 – 2009 and in the same year has got minimal return (loss) to the extent of (0.24)%. The maximum return is found to be in the year 2009 -2010 with 0.58%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.14% with the deviation in returns as

**CHART 4.3: TREND ANALYSIS OF ALBK**



**Table 4.4: Table showing the yearly and compounded results of Andhra Bank for the period April 2007 to March 2010**

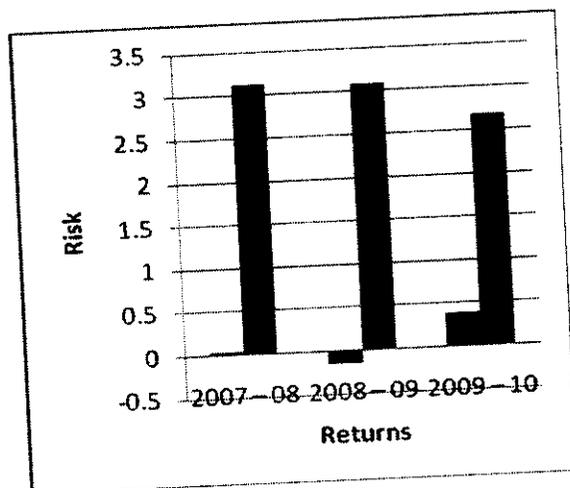
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.04	(0.15)	0.39	0.09
Risk	3.13	3.08	2.68	2.98
CV%	8705.83	(2023.12)	681.69	3232.19
Range of returns(%)	(14.58) to 14.86	(16.86) to 9.58	(6.48) to 15.06	(16.86) to 15.06
Skewness	(0.14)	(0.36)	0.99	0.03
Kurtosis	3.80	3.66	3.83	3.90

Source: Secondary Data

**CHART 4.4: TREND ANALYSIS  
OF ANDHRABANK**

**Interpretation:**

From the Chart 4.4, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided high returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.4, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and in the same year has got maximum returns to the extent of 0.39%. The minimum return is found to be in the year 2008 -2009 with (0.15)%. The returns are less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.09% with the deviation in returns as

**Table 4.5: Table showing the yearly and compounded results of IDBI Bank Ltd for the period April 2007 to March 2010**

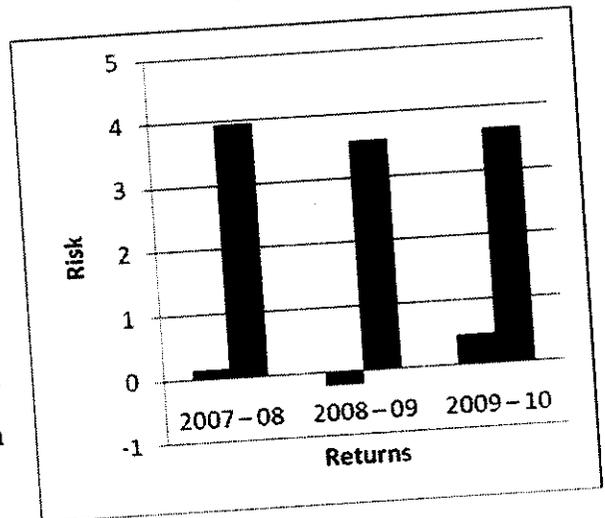
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.13	(0.21)	0.45	0.12
Risk	3.95	3.58	3.65	3.74
CV%	2945.65	(1675.79)	817.97	3041.35
Range of returns (%)	(20.51) to 17.50	(11.94) to 13.46	(9.66) to 16.76	(20.51) to 17.50
Skewness	(0.49)	0.29	1.05	0.21
Kurtosis	4.21	0.88	4.01	3.27

Source: Secondary Data

**CHART 4.5: TREND ANALYSIS OF IDBI**

**Interpretation:**

From the Chart 4.5, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided moderate returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.5, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2008 – 2009 and in the same year has got minimum return (loss) to the extent of (0.21)%. The maximum return is found to be in the year 2009 -2010 with 0.45%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

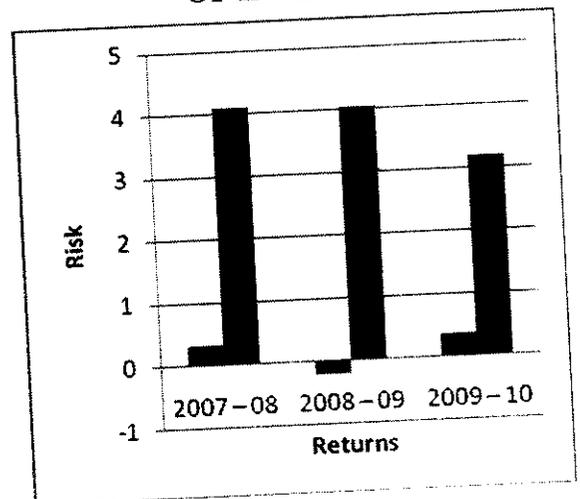
returns for the compounded period is 0.12% with the deviation in returns as

**Table 4.6: Table showing the yearly and compounded results of Indian Bank for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.32	(0.20)	0.36	0.16
Risk	4.09	4.03	3.18	3.80
CV%	1274.95	(1990.03)	881.78	2349.49
Range of returns (%)	(11.82) to 14.68	(15.06) to 13.67	(10.97) to 15.26	(15.06) to 15.26
Skewness	0.40	0.12	0.86	0.36
Kurtosis	1.16	1.47	3.52	1.85

Source: Secondary Data

**CHART 4.6: TREND ANALYSIS  
OF INDIANB**



### Interpretation:

From the Chart 4.6, the company has provided moderate returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided moderate returns to the investors. When projected for next two years, the company may be on the positive side in providing returns to the investors.

From the table 4.6, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.20)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.36%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

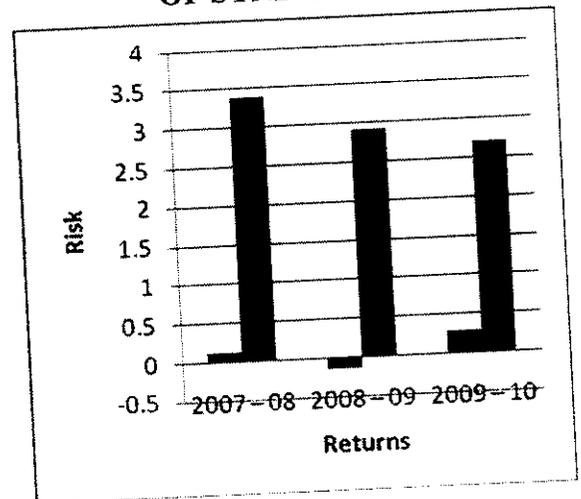
The average returns for the compounded period is 0.16% with the deviation in returns as

**Table 4.7: Table showing the yearly and compounded results of Syndicate Bank for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.12	(0.14)	0.28	0.09
Risk	3.38	2.91	2.70	3.02
CV%	2814.85	(2083.06)	980.15	3505.74
Range of returns(%)	(12.14) to 13.59	(14.55) to 8.51	(10.62) to 13.58	(14.55) to 13.59
Skewness	0.37	(0.88)	0.22	(0.03)
Kurtosis	2.72	4.89	3.11	3.64

Source: Secondary Data

**CHART 4.7: TREND ANALYSIS OF SYNDIBANK**



**Interpretation:**

From the Chart 4.7, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided moderate returns to the investors. When projected for next two years, the company may be on the positive side in providing returns to the investors.

From the table 4.7, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.14)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.28%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

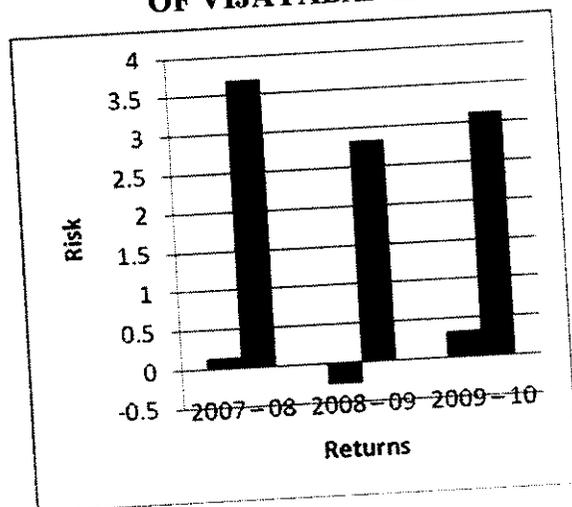
The average returns for the compounded period is 0.09% with the deviation in returns as 3.02% and the maximum loss that has resulted in 3 years is (14.55) % and the maximum

**Table 4.8: Table showing the yearly and compounded results of Vijaya Bank for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.13	(0.27)	0.34	0.07
Risk	3.69	2.83	3.12	3.24
CV%	2867.52	(1049.77)	920.92	4831.81
Range of returns(%)	(16.91) to 16.15	(11.50) to 10.28	(8.46) to 17.34	(16.91) to 17.34
Skewness	0.02	(0.12)	0.89	0.27
Kurtosis	3.92	2.07	4.58	4.08

Source: Secondary Data

**CHART 4.8: TREND ANALYSIS OF VIJAYABANK**



#### Interpretation:

From the Chart 4.8, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.8, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2008 – 2009 and in the same year has got minimum return (loss) to the extent of (0.27)%. The maximum return is found to be in the year 2009 -2010 with 0.34%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.07% with the deviation in returns as (16.91) % and the maximum

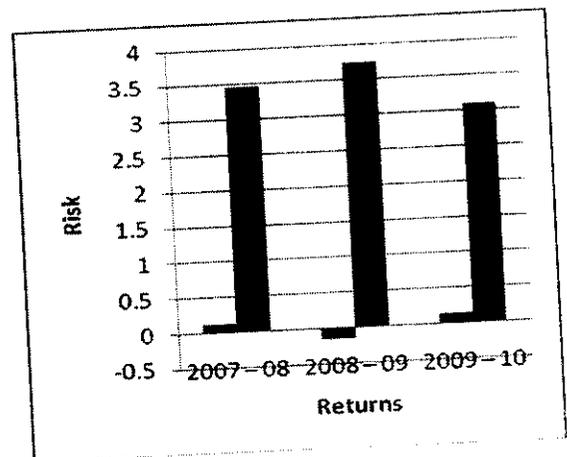
## CEMENT AND CEMENT PRODUCTS:

**Table 4.9: Table showing the yearly and compounded results of India Cements Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.12	(0.16)	0.14	0.03
Risk	3.46	3.75	3.10	3.44
CV%	2942.19	(2294.80)	2263.06	10922.36
Range of returns(%)	(19.04) to 10.35	(12.20) to 15.49	(11.14) to 11.66	(19.04) to 15.49
Skewness	(0.65)	0.37	0.11	(0.06)
Kurtosis	4.52	1.61	2.46	2.80

Source: Secondary Data

**CHART 4.9: TREND ANALYSIS OF INDIACEM**



### Interpretation:

From the Chart 4.9, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. Immediately in the next year it has provided good returns to the investors. When projected for next two years, the company has only minimal chance in providing returns to the investors.

From the table 4.9, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.16)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.14%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

The average returns for the compounded period is 0.03% with the deviation in returns as

**Table 4.10: Table showing the yearly and compounded results of UltraTech Cement Ltd for the period April 2007 to March 2010**

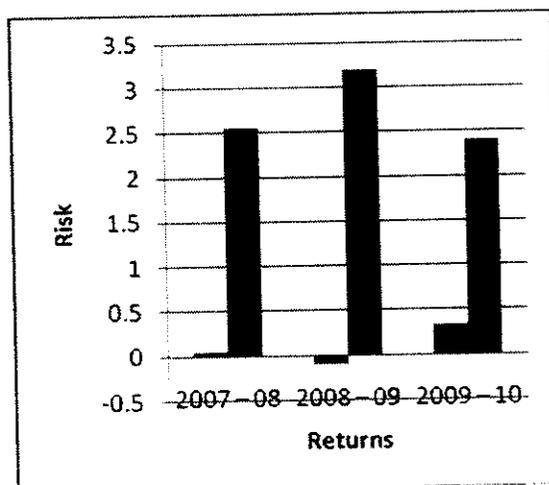
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.04	(0.09)	0.33	0.09
Risk	2.56	3.19	2.40	2.74
CV%	6576.58	(3377.87)	724.33	2984.01
Range of returns(%)	(9.07) to 9.94	(8.86) to 11.52	(6.71) to 14.64	(9.07) to 14.64
Skewness	0.15	0.37	0.92	0.40
Kurtosis	1.76	1.06	4.87	2.21

Source: Secondary Data

**CHART 4.10: TREND ANALYSIS OF ULTRACEMCO**

**Interpretation:**

From the Chart 4.10, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.10, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.09)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.33%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.09% with the deviation in returns as

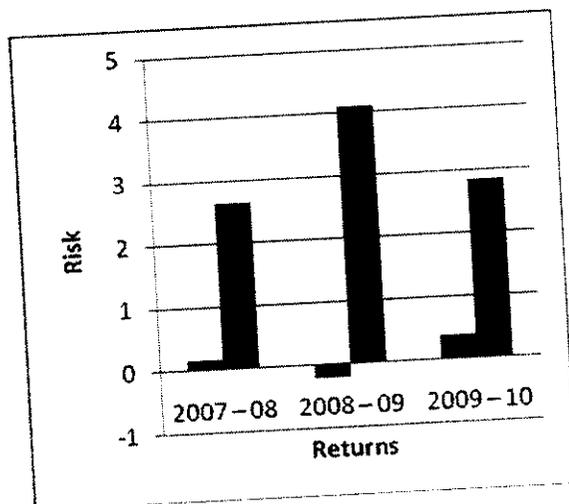
## CHEMICALS – INORGANIC:

**Table 4.11: Table showing the yearly and compounded results of Tata Chemicals Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.15	(0.20)	0.38	0.11
Risk	2.64	4.10	2.84	3.25
CV%	1702.47	(2076.83)	737.22	2830.91
Range of returns(%)	(9.87) to 8.75	(15.39) to 19.23	(7.10) to 11.40	(15.39) to 19.23
Skewness	(0.20)	0.15	0.51	0.09
Kurtosis	1.45	2.40	1.44	2.94

Source: Secondary Data

**CHART 4.11: TREND ANALYSIS OF TATACHEM**



### Interpretation:

From the Chart 4.11, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.11, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.20)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.38%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow.

... compounded period is 0.11% with the deviation in returns as

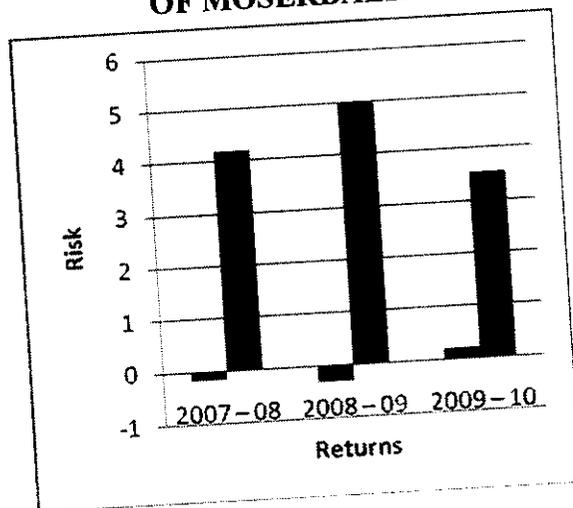
## COMPUTERS – HARDWARE:

**Table 4.12: Table showing the yearly and compounded results of Moserbaer India Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.17)	(0.31)	0.19	(0.10)
Risk	4.18	4.98	3.54	4.27
CV%	(2399.39)	(1613.88)	1841.14	(4388.19)
Range of returns(%)	(35.60) to 20.16	(19.84) to 20.81	(9.85) to 16.54	(35.60) to 20.81
Skewness	(1.98)	0.19	0.51	(0.47)
Kurtosis	22.01	2.60	2.03	8.88

Source: Secondary Data

**CHART 4.12: TREND ANALYSIS OF MOSERBAER**



### Interpretation:

From the Chart 4.12, the company has provided loss in the 1<sup>st</sup> year and in the 2<sup>nd</sup> year. In the next year it has provided moderate returns to the investors. When projected for next two years, the company has very minimal chance in providing returns to the investors.

From the table 4.12, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.31)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.19%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow.

For the compounded period is (0.10) % with the deviation in

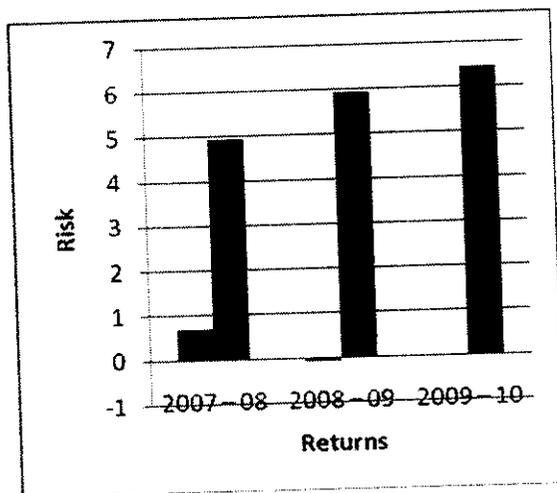
## COMPUTERS – SOFTWARE:

**Table 4.13: Table showing the yearly and compounded results of Educomp Solutions Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.68	(0.07)	(0.01)	0.20
Risk	4.95	5.93	6.44	5.80
CV%	731.84	(8289.48)	(65225.61)	2852.45
Range of returns(%)	(14.95) to 17.21	(22.44) to 19.16	(80.37) to 16.35	(80.37) to 19.16
Skewness	0.51	(0.05)	(7.93)	(3.49)
Kurtosis	1.51	2.10	100.15	50.87

Source: Secondary Data

**CHART 4.13: TREND ANALYSIS OF EDUCOMP**



### Interpretation:

From the Chart 4.13, the company has provided more returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided no returns to the investors. When projected for next two years, the company will not provide positive returns to the investors.

From the table 4.13, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.07)% in the year 2008 - 2009. The maximum return is found to be in the year 2007 -2008 with 0.68%. The returns are inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

for the compounded period is 0.20 % with the deviation in returns as

**Table 4.14: Table showing the yearly and compounded results of Mphasis Ltd for the period April 2007 to March 2010**

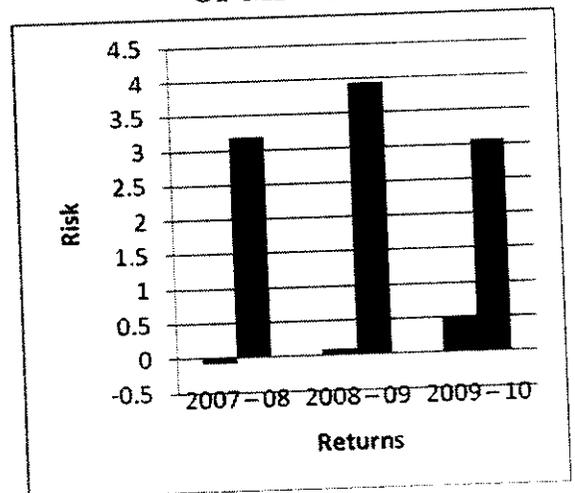
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.08)	0.08	0.50	0.16
Risk	3.19	3.94	3.05	3.42
CV%	(3777.26)	4949.25	605.12	2079.09
Range of returns(%)	(9.61) to 22.65	(15.76) to 22.65	(11.24) to 11.04	(15.76) to 22.65
Skewness	0.62	0.52	0.30	0.48
Kurtosis	2.88	5.39	1.47	4.20

Source: Secondary Data

**CHART 4.14: TREND ANALYSIS OF MPHASIS**

**Interpretation:**

From the Chart 4.14, the company has provided loss in the 1<sup>st</sup> year and made less returns in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.14, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.08)% in the year 2007 - 2008. The maximum return is found to be in the year 2009 -2010 with 0.50%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

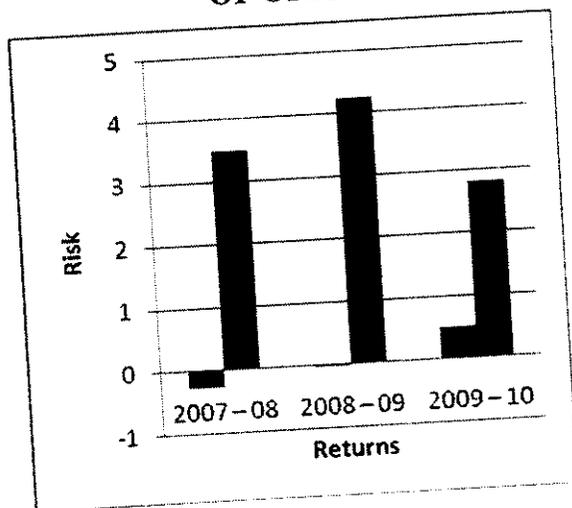
The average returns for the compounded period is 0.16 % with the deviation in returns as

**Table 4.15: Table showing the yearly and compounded results of Oracle Financial Services Software Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.26)	(0.01)	0.50	0.08
Risk	3.48	4.24	2.80	3.56
CV%	(1363.28)	(48368.40)	556.77	4650.77
Range of returns(%)	(18.45) to 15.43	(10.96) to 15.69	(7.08) to 10.18	(18.45) to 15.69
Skewness	0.20	0.33	0.68	0.30
Kurtosis	6.10	1.12	1.33	3.04

Source: Secondary Data

**CHART 4.15: TREND ANALYSIS OF OFSS**



### Interpretation:

From the Chart 4.15, the company has made in the 1<sup>st</sup> and 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company has maximum chance in providing positive returns to the investors.

From the table 4.15, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.26)% in the year 2007 - 2008. The maximum return is found to be in the year 2009 -2010 with 0.50%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

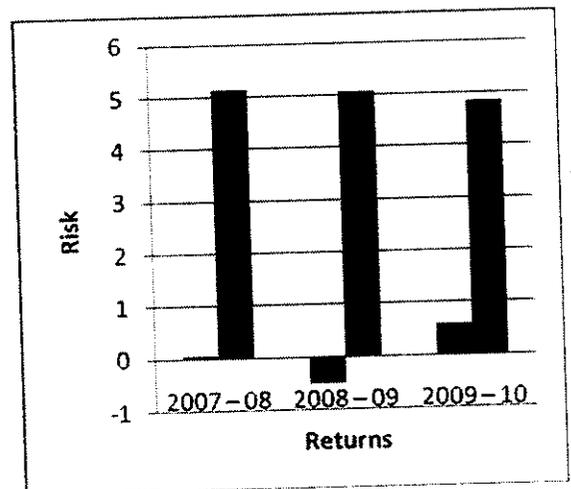
The average returns for the compounded period is 0.08 % with the deviation in returns as

**Table 4.16: Table showing the yearly and compounded results of Rolta India Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.06	(0.49)	0.58	0.05
Risk	5.14	5.05	4.85	5.03
CV%	8255.90	(1024.26)	843.87	10244.32
Range of returns(%)	(49.12) to 23.37	(17.78) to 20.44	(14.59) to 43.07	(49.12) to 43.07
Skewness	(3.31)	0.05	2.76	(0.37)
Kurtosis	35.05	2.66	24.27	20.82

Source: Secondary Data

**CHART 4.16: TREND ANALYSIS  
OF ROLTA**



**Interpretation:**

From the Chart 4.16, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.16, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.49)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.58%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

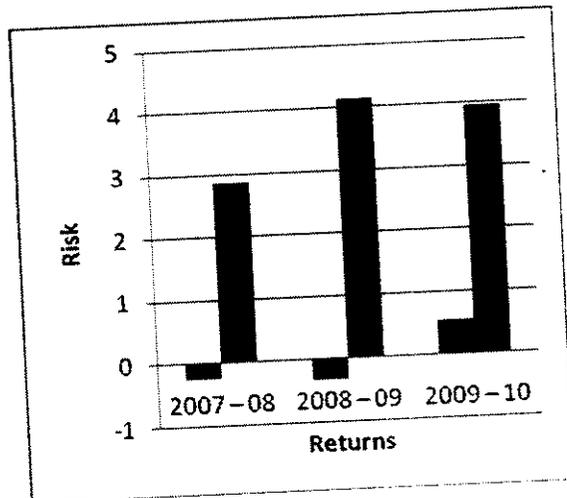
The average returns for the compounded period is 0.05 % with the deviation in returns as

**Table 4.17: Table showing the yearly and compounded results of Tech Mahindra Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.24)	(0.32)	0.55	(0.0017)
Risk	2.87	4.14	3.96	3.71
CV%	(1201.78)	(1314.40)	713.33	(212487.89)
Range of returns(%)	(14.47) to 9.94	(14.75) to 12.46	(9.98) to 25.61	(14.75) to 25.61
Skewness	0.12	(0.22)	1.75	0.64
Kurtosis	3.55	1.53	8.43	5.42

Source: Secondary Data

**CHART 4.17: TREND ANALYSIS OF TECHM**



### Interpretation:

From the Chart 4.17, the company has made loss in the 1<sup>st</sup> and 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.17, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.32)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.55%. The returns are very inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns (loss) for the compounded period is (0.0017) % with the deviation in returns as 3.71% and the maximum loss that has resulted in 3 years is (14.75) % and the

**CONSTRUCTION:**

**Table 4.18: Table showing the yearly and compounded results of Hindustan Construction Co. Ltd for the period April 2007 to March 2010**

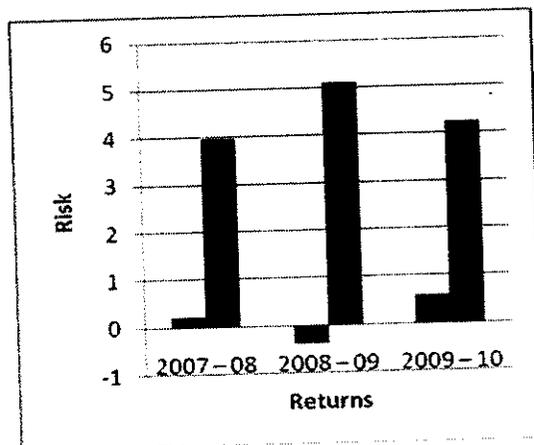
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.23	(0.37)	0.59	0.15
Risk	3.98	5.11	4.23	4.47
CV%	1696.45	(1384.38)	714.84	2909.69
Range of returns(%)	(12.79) to 15.63	(18.98) to 20.46	(10.27) to 24.21	(18.98) to 24.21
Skewness	0.25	0.01	1.63	0.47
Kurtosis	1.85	1.48	7.50	3.46

Source: Secondary Data

**CHART 4.18: TREND ANALYSIS  
OF HCC**

**Interpretation:**

From the Chart 4.18, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. Immediately in the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



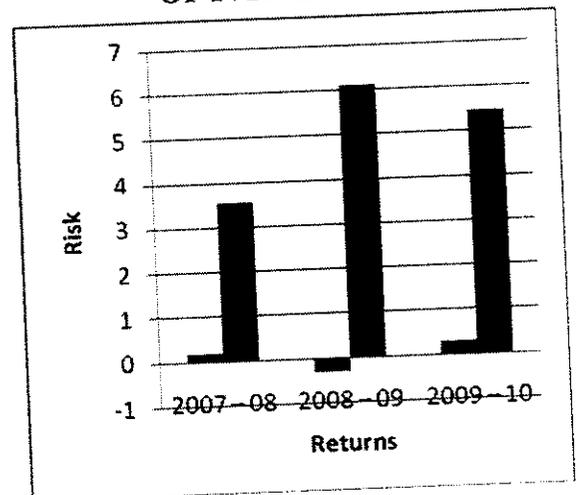
From the table 4.18, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.37)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.59%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

**Table 4.19: Table showing the yearly and compounded results of IVRCL Infrastructures & Projects Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.19	(0.31)	0.30	0.06
Risk	3.55	6.11	5.46	5.14
CV%	1835.88	(2001.94)	1829.95	8045.81
Range of returns (%)	(11.76) to 11.71	(29.36) to 30.67	(48.87) to 26.11	(48.87) to 30.67
Skewness	(0.18)	(0.0049)	(2.17)	(0.91)
Kurtosis	1.34	6.05	29.51	16.46

Source: Secondary Data

**CHART 4.19: TREND ANALYSIS OF IVRCLINFRA**



#### Interpretation:

From the Chart 4.19, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided fewer returns to the investors. When projected for next two years, the company has minimal chance in providing positive returns to the investors.

From the table 4.19, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.31)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.30%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

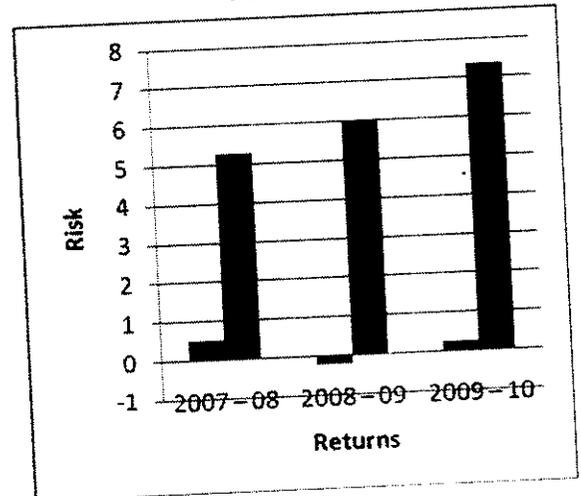
The average returns for the compounded period is 0.06 % with the deviation in returns as 5.14% and the maximum loss that has resulted in 3 years is (48.98) % and the maximum

**Table 4.20: Table showing the yearly and compounded results of Lanco Infratech Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.50	(0.22)	0.25	0.18
Risk	5.27	5.98	7.34	6.24
CV%	1063.08	(2666.38)	2922.41	3514.70
Range of returns(%)	(25.34) to 29.58	(25.35) to 24.94	(89.93) to 22.28	(89.93) to 29.58
Skewness	0.25	0.08	(7.40)	(3.87)
Kurtosis	5.74	3.07	94.27	60.11

Source: Secondary Data

**CHART 4.20: TREND ANALYSIS OF LITL**



### Interpretation:

From the Chart 4.20, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the 3<sup>rd</sup> year it has provided very fewer returns to the investors. When projected for next two years, the will not provide positive returns to the investors.

From the table 4.20, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2008 – 2009 and has got minimum return (loss) to the extent of (0.22)% in the year 2008 - 2009. The maximum return is found to be in the year 2007 -2008 with 0.50%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

The average returns for the compounded period is 0.18 % with the deviation in returns as 6.24% and the maximum loss that has resulted in 3 years is (89.93) % and the maximum

**Table 4.21: Table showing the yearly and compounded results of Nagarjuna Construction Co. Ltd for the period April 2007 to March 2010**

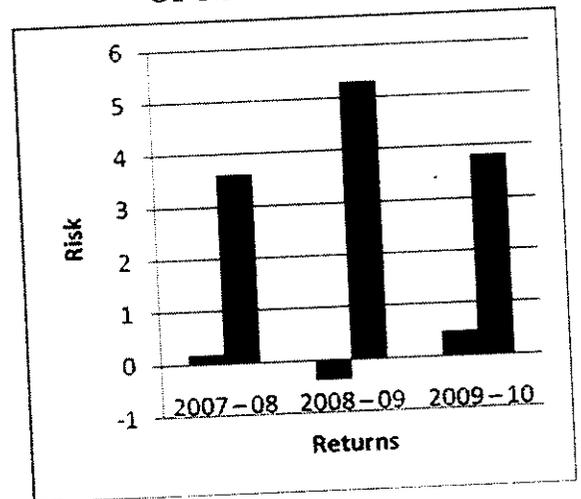
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.18	(0.37)	0.47	0.10
Risk	3.62	5.31	3.83	4.32
CV%	2007.16	(1447.89)	817.61	4517.80
Range of returns(%)	(10.38) to 11.11	(24.26) to 14.92	(10.32) to 18.09	(24.26) to 18.09
Skewness	0.23	(0.45)	0.84	(0.11)
Kurtosis	0.48	2.82	2.90	3.31

Source: Secondary Data

**CHART 4.21: TREND ANALYSIS  
OF NAGARCONST**

**Interpretation:**

From the Chart 4.21, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.21, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.37)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.47%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.10 % with the deviation in returns as

**Table 4.22: Table showing the yearly and compounded results of Patel Engineering Ltd for the period April 2007 to March 2010**

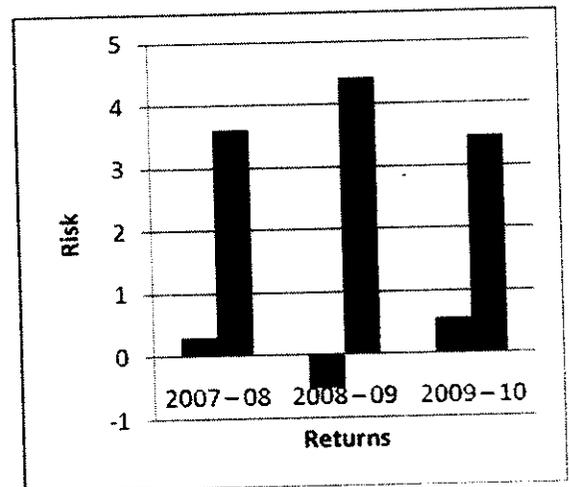
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.30	(0.52)	0.56	0.11
Risk	3.60	4.41	3.46	3.87
CV%	1206.09	(842.87)	621.63	3409.70
Range of returns(%)	(10.99) to 16.61	(16.47) to 20.00	(7.13) to 24.63	(16.47) to 24.63
Skewness	0.87	0.44	1.96	0.83
Kurtosis	3.53	2.82	10.76	4.93

Source: Secondary Data

**CHART 4.22: TREND ANALYSIS OF PATELENG**

**Interpretation:**

From the Chart 4.22, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.22, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.52)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.56%. The returns are inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

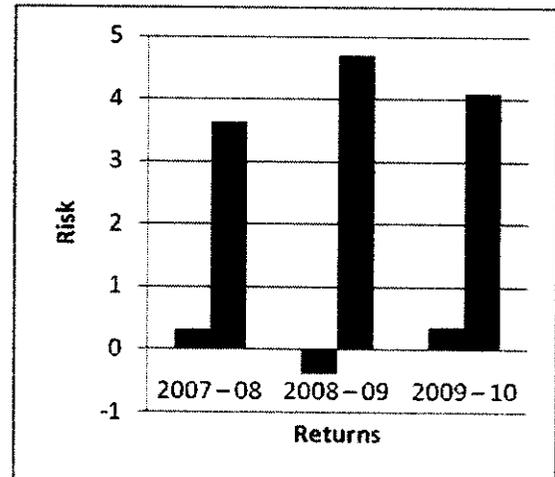
The average returns for the compounded period is 0.11 % with the deviation in returns as 3.87% and the maximum loss that has resulted in 3 years is (16.47) % and the maximum

**Table 4.23: Table showing the yearly and compounded results of Punj Lloyd Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.32	(0.39)	0.36	0.10
Risk	3.64	4.69	4.09	4.16
CV%	1120.60	(1193.64)	1149.89	4229.97
Range of returns(%)	(10.31) to 12.61	(18.02) to 14.12	(16.46) to 23.65	(18.02) to 23.65
Skewness	0/05	(0.17)	0.79	0.13
Kurtosis	0.93	1.50	6.22	3.05

Source: Secondary Data

**CHART 4.23: TREND ANALYSIS  
OF PUNJLLOYD**



**Interpretation:**

From the Chart 4.23, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company has minimum chance in providing positive returns to the investors.

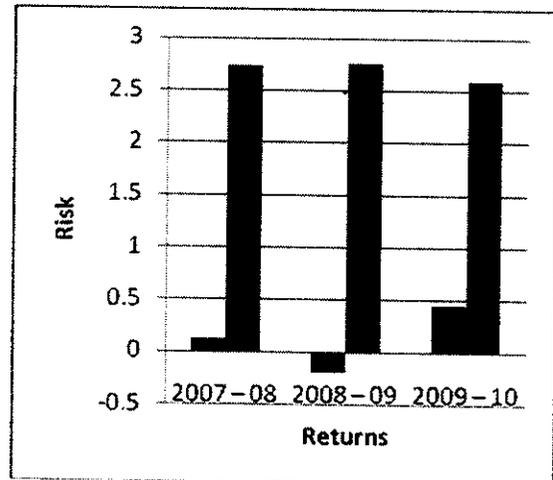
From the table 4.23, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.39)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.36%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow.

The average returns for the compounded period is 0.10 % with the deviation in returns as 4.16% and the maximum loss that has resulted in 3 years is (18.02) % and the maximum

**DIESEL ENGINES:****Table 4.24: Table showing the yearly and compounded results of Cummins India Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.12	(0.19)	0.45	0.13
Risk	2.73	2.76	2.59	2.70
CV%	2356.51	(1448.99)	573.73	2143.68
Range of returns(%)	(13.28) to 8.00	(13.92) to 13.87	(7.41) to 14.30	(13.92) to 14.30
Skewness	(0.22)	0.21	0.85	0.23
Kurtosis	2.12	5.62	3.69	3.80

Source: Secondary Data

**CHART 4.24: TREND ANALYSIS OF CUMMINSIND****Interpretation:**

From the Chart 4.24, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.24, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.19)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.45%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow.

The average returns for the compounded period is 0.13 % with the deviation in returns as

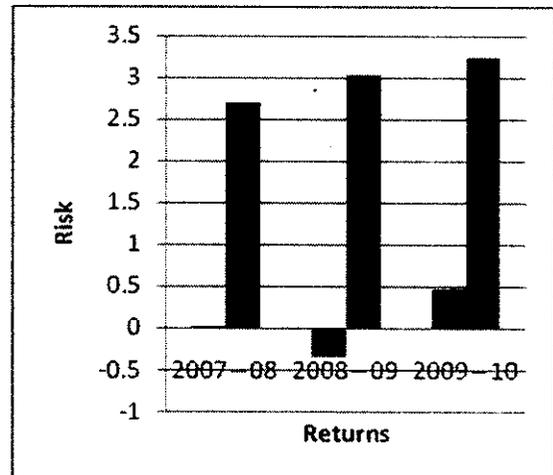
**ENGINEERING:****Table 4.25: Table showing the yearly and compounded results of BEML Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.0009	(0.35)	0.47	0.04
Risk	2.70	3.04	3.25	3.02
CV%	314952.38	(880.21)	697.18	7428.40
Range of returns (%)	(7.70) to 9.30	(10.28) to 7.83	(9.16) to 18.75	(10.28) to 18.75
Skewness	-0.35	(0.25)	1.87	0.79
Kurtosis	0.45	0.96	8.45	4.63

Source: Secondary Data

**CHART 4.25: TREND ANALYSIS  
OF BEML****Interpretation:**

From the Chart 4.25, the company has provided no returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.25, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.35)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.47%. The returns are inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

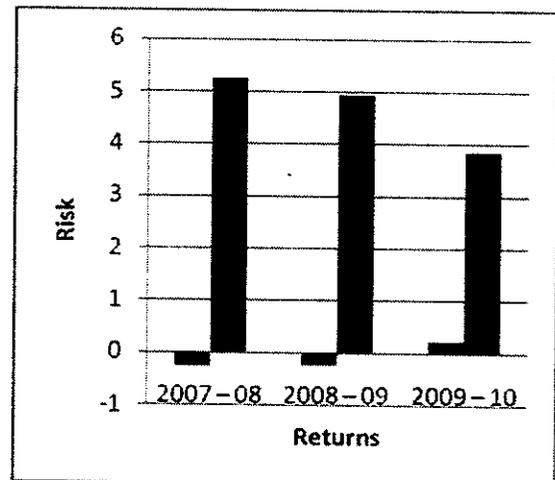
The average returns for the compounded period is 0.04 % with the deviation in returns as

**Table 4.26: Table showing the yearly and compounded results of Praj Industries Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.25)	(0.23)	0.23	(0.08)
Risk	5.25	4.93	3.86	4.72
CV%	(2142.08)	(2172.79)	1661.30	(5817.24)
Range of returns(%)	(48.84) to 18.37	(18.78) to 16.52	(9.40) to 16.74	(48.84) to 18.37
Skewness	(3.01)	0.30	0.63	(1.20)
Kurtosis	29.90	1.87	2.39	16.70

Source: Secondary Data

**CHART 4.26: TREND ANALYSIS OF PRAJIND**



**Interpretation:**

From the Chart 4.26, the company has provided loss in the 1<sup>st</sup> and 2<sup>nd</sup> year. In the next year it has provided moderate returns to the investors. When projected for next two years, the company has very minimum chance in providing better returns to the investors.

From the table 4.26, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.25)% in the year 2007 - 2008. The maximum return is found to be in the year 2009 -2010 with 0.23%. The returns are inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns (loss) for the compounded period is (0.08)% with the deviation in returns as 4.72% and the maximum loss that has resulted in 3 years is (48.84) % and the maximum return obtained is 18.37%

**GAS:**

**Table 4.27: Table showing the yearly and compounded results of Petronet LNG Ltd for the period April 2007 to March 2010**

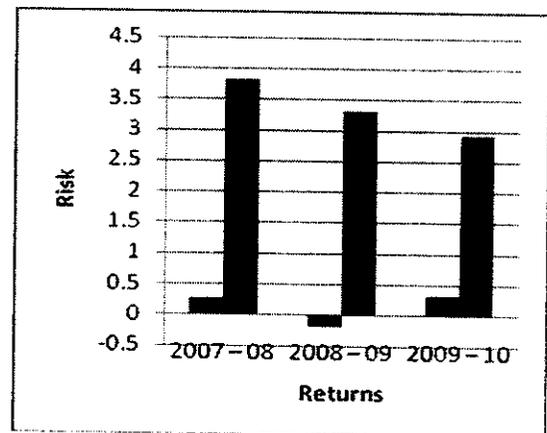
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.28	(0.19)	0.32	0.14
Risk	3.82	3.31	2.92	3.38
CV%	1368.09	(1739.74)	919.54	2458.95
Range of returns(%)	(22.03) to 15.58	(11.12) to 13.17	(11.05) to 11.24	(22.03) to 15.58
Skewness	(0.85)	0.11	0.40	(0.29)
Kurtosis	8.20	1.57	1.74	5.32

Source: Secondary Data

**Interpretation:**

From the Chart 4.27, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided moderate returns to the investors. When projected for next two years, the company has minimum chance to be on the positive side in providing returns to the investors.

**CHART 4.27: TREND ANALYSIS OF PETRONET**



From the table 4.27, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.19)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.32%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

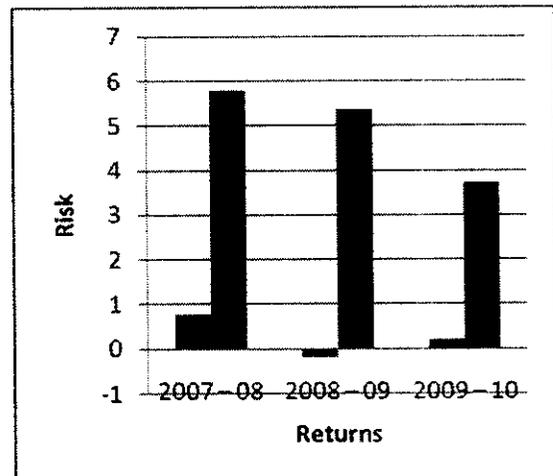
The average returns for the compounded period is 0.14% with the deviation in returns as

**Table 4.28: Table showing the yearly and compounded results of Reliance Natural Resources Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.77	(0.19)	0.20	0.26
Risk	5.78	5.36	3.72	5.05
CV%	755.57	(2817.68)	1850.72	1911.52
Range of returns(%)	(26.58) to 35.30	(16.10) to 25.83	(8.77) to 23.97	(26.58) to 35.30
Skewness	0.72	1.20	1.64	1.07
Kurtosis	9.53	4.87	8.99	8.62

Source: Secondary Data

**CHART 4.28: TREND ANALYSIS  
OF RNRL**



**Interpretation:**

From the Chart 4.28, the company has provided good returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided very less returns to the investors. When projected for next two years, the company has minimum chance in providing returns to the investors.

From the table 4.28, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.19)% in the year 2008 - 2009. The maximum return is found to be in the year 2007 -2008 with 0.77%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.26% with the deviation in returns as

## GEMS JEWELLERY AND WATCHES:

**Table 4.29: Table showing the yearly and compounded results of Titan Industries Ltd for the period April 2007 to March 2010**

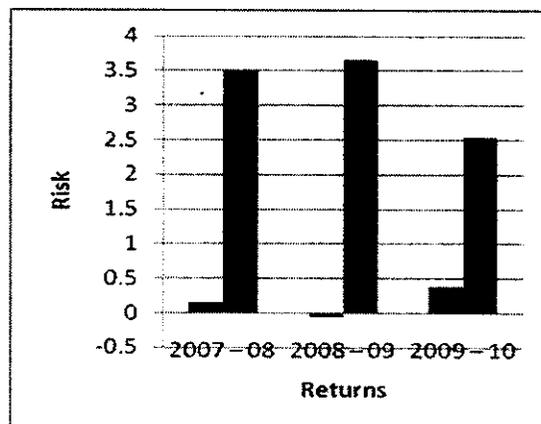
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.15	(0.06)	0.38	<b>0.16</b>
Risk	3.51	3.66	2.54	<b>3.27</b>
CV%	2313.87	(6295.42)	662.61	<b>2075.25</b>
Range of returns(%)	(12.87) to 11.96	(14.35) to 17.74	(9.25) to 13.83	<b>(14.35) to 17.74</b>
Skewness	0.0021	0.53	0.65	<b>0.30</b>
Kurtosis	1.76	3.86	4.17	<b>3.38</b>

Source: Secondary Data

**CHART 4.29: TREND ANALYSIS  
OF TITAN**

### Interpretation:

From the Chart 4.29, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



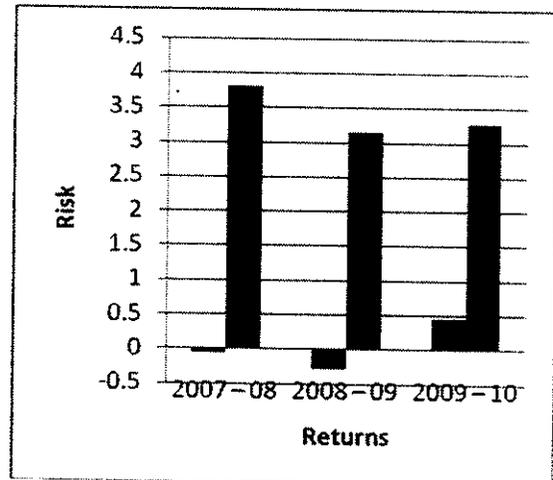
From the table 4.29, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.06)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.38%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.16% with the deviation in returns as

**HOTELS:****Table 4.30: Table showing the yearly and compounded results of Hotel Leelaventure Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.06)	(0.27)	0.45	0.04
Risk	3.81	3.15	3.28	3.44
CV%	(6467.86)	(1184.21)	730.16	8395.59
Range of returns(%)	(19.19) to 16.57	(11.15) to 11.81	(8.81) to 20.43	(19.19) to 20.43
Skewness	0.18	0.09	1.05	0.40
Kurtosis	6.06	1.96	5.68	5.22

Source: Secondary Data

**CHART 4.30: TREND ANALYSIS  
OF HOTELEELA****Interpretation:**

From the Chart 4.30, the company has provided loss in the 1<sup>st</sup> and the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.30, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2008 – 2009 and has got minimum return (loss) to the extent of (0.27)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.45%. The returns are inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

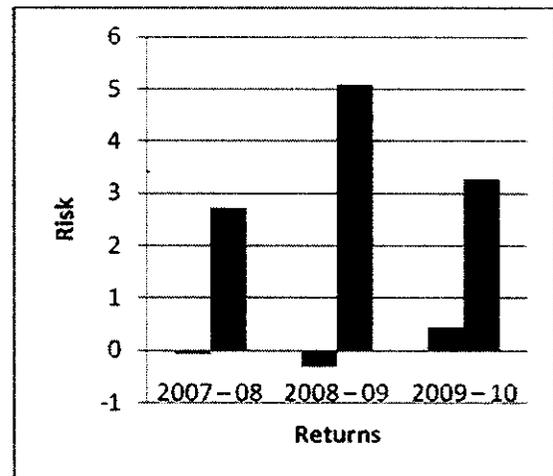
The average returns for the compounded period is 0.04% with the deviation in returns as

**Table 4.31: Table showing the yearly and compounded results of Indian Hotels Co. Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.07)	(0.30)	0.44	0.02
Risk	2.72	5.09	3.28	3.83
CV%	(4008.36)	(1700.73)	740.48	15452.94
Range of returns(%)	(10.83) to 13.80	(19.71) to 23.14	(8.98) to 16.45	(19.71) to 23.14
Skewness	0.26	0.21	1.07	0.33
Kurtosis	3.90	6.40	4.00	8.41

Source: Secondary Data

**CHART 4.31: TREND ANALYSIS OF INDHOTEL**



**Interpretation:**

From the Chart 4.31, the company has provided loss in the 1<sup>st</sup> and the 2<sup>nd</sup> year. In the next year it has provided moderate returns to the investors. When projected for next two years, the company has minimum chance in providing returns to the investors.

From the table 4.31, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.30)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.44%. The returns are inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.02% with the deviation in returns as 3.83% and the maximum loss that has resulted in 3 years is (19.71) % and the maximum

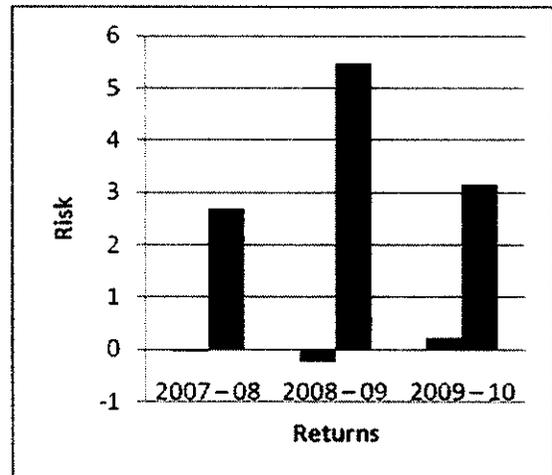
## PESTICIDES AND AGROCHEMICALS:

**Table 4.32: Table showing the yearly and compounded results of United Phosphorus Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.05)	(0.23)	0.22	(0.02)
Risk	2.70	5.48	3.15	3.96
CV%	(5537.19)	(2393.58)	1432.05	(20564.88)
Range of returns(%)	(7.86) to 9.38	(48.97) to 25.61	(8.53) to 14.60	(48.97) to 25.61
Skewness	0.15	(2.45)	0.67	(2.07)
Kurtosis	0.67	27.65	2.10	34.95

Source: Secondary Data

**CHART 4.32: TREND ANALYSIS OF UNIPHOS**



### Interpretation:

From the Chart 4.32, the company has provided loss in the 1<sup>st</sup> and 2<sup>nd</sup> year. In the next year it has provided fewer returns to the investors. When projected for next two years, the company has very minimal chance in providing returns to the investors.

From the table 4.32, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.23)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.22%. The returns are very inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

The average returns (loss) for the compounded period is (0.02)% with the deviation in returns

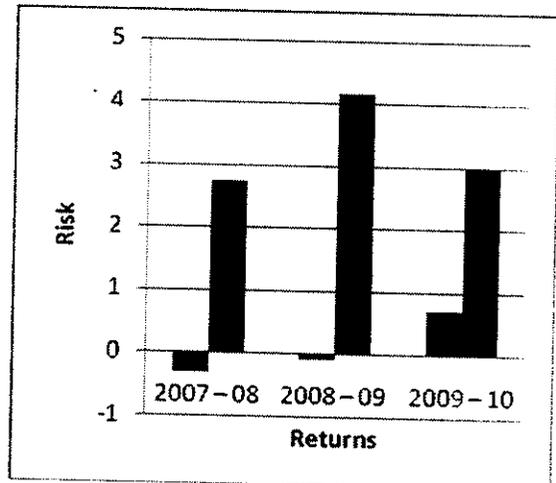
## PHARMACEUTICALS:

**Table 4.33: Table showing the yearly and compounded results of Aurobindo Pharma Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.30)	(0.09)	0.71	0.10
Risk	2.75	4.15	2.99	3.37
CV%	(921.39)	(4479.02)	419.07	3236.13
Range of returns(%)	(13.34) to 11.94	(21.98) to 19.46	(7.72) to 10.46	(21.98) to 19.46
Skewness	(0.88)	(0.25)	0.63	(0.19)
Kurtosis	6.66	6.36	1.22	6.55

Source: Secondary Data

**CHART 4.33: TREND ANALYSIS  
OF AUROPHARMA**



### Interpretation:

From the Chart 4.33, the company has made loss in the 1<sup>st</sup> and 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.33, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and in the same year has got minimum return (loss) to the extent of (0.30)%. The maximum return is found to be in the year 2009 -2010 with 0.71%. The returns are inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

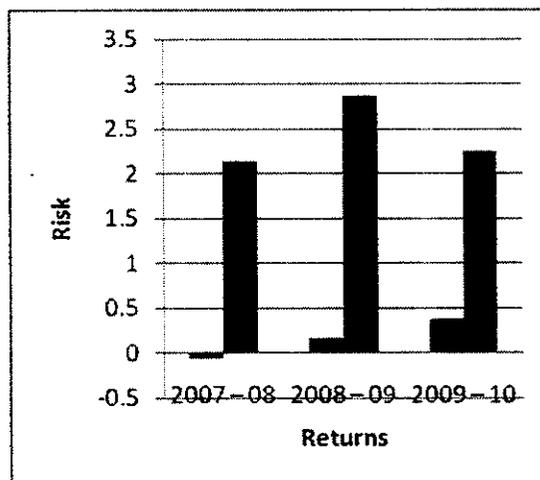
The average returns for the compounded period is 0.10% with the deviation in returns as

**Table 4.35: Table showing the yearly and compounded results of Lupin Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.06)	0.17	0.38	<b>0.16</b>
Risk	2.13	2.87	2.25	<b>2.44</b>
CV%	(3852.12)	16.71.20	590.49	<b>1490.53</b>
Range of returns(%)	(6.72) to 6.38	(14.66) to 10.80	(6.78) to 10.55	<b>(14.66) to 10.80</b>
Skewness	0.07	(0.20)	0.36	<b>0.01</b>
Kurtosis	0.81	3.70	1.51	<b>3.05</b>

Source: Secondary Data

**CHART 4.35: TREND ANALYSIS  
OF LUPIN**



**Interpretation:**

From the Chart 4.35, the company has provided loss in the 1<sup>st</sup> year and made moderate returns in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.35, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and in the same year has got minimum return (loss) to the extent of (0.06)%. The maximum return is found to be in the year 2009 -2010 with 0.38%. The returns are inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

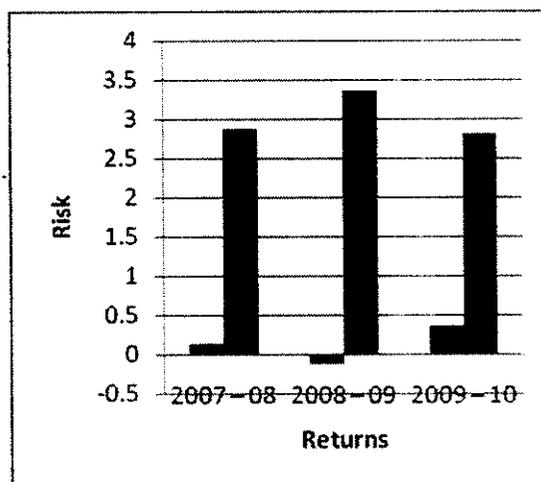
The average returns for the compounded period is 0.16% with the deviation in returns as 2.44% and the maximum loss that has resulted in 3 years is (14.66) % and the maximum

**Table 4.36: Table showing the yearly and compounded results of Piramal Healthcare Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.13	(0.13)	0.36	0.12
Risk	2.88	3.36	2.81	3.03
CV%	2207.25	(2627.38)	789.08	2519.43
Range of returns(%)	(11.61) to 10.74	(11.10) to 16.71	(6.82) to 11.34	(11.61) to 16.71
Skewness	0.13	0.59	0.775	0.47
Kurtosis	1.89	3.80	2.00	2.90

Source: Secondary Data

**CHART 4.36: TREND ANALYSIS OF PIRHEALTH**



**Interpretation:**

From the Chart 4.36, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company may be on the positive side in providing returns to the investors.

From the table 4.36, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.13)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.36%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

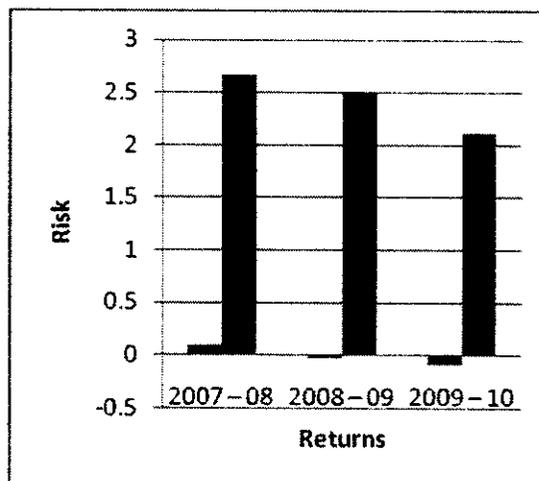
The average returns for the compounded period is 0.12% with the deviation in returns as

**Table 4.37: Table showing the yearly and compounded results of Sterling Biotech Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.09	(0.02)	(0.09)	(0.01)
Risk	2.66	2.51	2.11	2.44
CV%	3086.50	(11894.66)	(2385.69)	(35303.88)
Range of returns(%)	(13.96) to 15.89	(13.08) to 11.16	(8.69) to 9.80	(13.96) to 15.89
Skewness	0.20	(0.58)	0.17	(0.06)
Kurtosis	8.91	7.54	3.70	7.73

Source: Secondary Data

**CHART 4.37: TREND ANALYSIS OF STERLINBIO**



**Interpretation:**

From the Chart 4.37, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> and 3<sup>rd</sup> year. When projected for next two years, the company will not be providing positive returns to the investors.

From the table 4.37, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and in the same year has got minimum return (loss) to the extent of (0.09)%. The maximum return is found to be in the year 2007 -2008 with 0.09%. The returns are very inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

The average returns (loss) for the compounded period is (0.01)% with the deviation in returns as 2.44% and the maximum loss that has resulted in 3 years is (13.96) % and the maximum

## PLASTIC AND PLASTIC PRODUCTS:

**Table 4.38: Table showing the yearly and compounded results of Sintex Industries Ltd for the period April 2007 to March 2010**

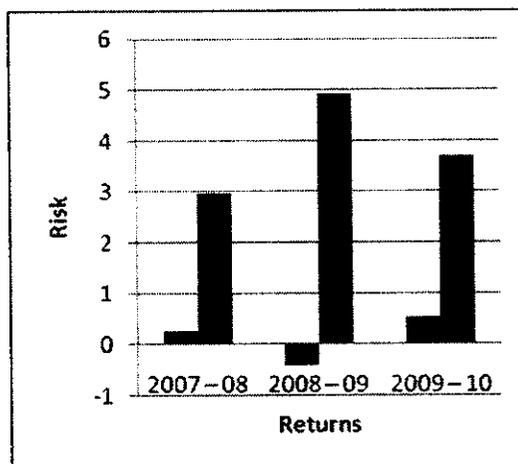
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.25	(0.41)	0.52	0.12
Risk	2.98	4.91	3.69	3.95
CV%	1177.28	(1197.96)	710.27	3205.96
Range of returns(%)	(10.94) to 10.10	(17.32) to 20.28	(8.62) to 17.32	(17.32) to 20.28
Skewness	0.24	0.45	1.21	0.54
Kurtosis	1.20	2.02	4.12	3.19

Source: Secondary Data

**CHART 4.38: TREND ANALYSIS OF SINTEX**

### Interpretation:

From the Chart 4.38, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.38, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.41)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.52%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow.

The average returns for the compounded period is 0.12% with the deviation in returns as

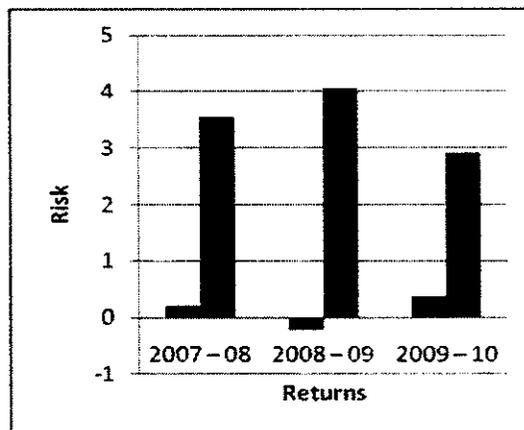
**POWER:****Table 4.39: Table showing the yearly and compounded results of Alstom Projects India Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.21	(0.22)	0.37	0.12
Risk	3.56	4.05	2.92	3.54
CV%	1657.43	(1845.53)	784.36	2860.96
Range of returns(%)	(16.02) to 12.91	(13.10) to 13.40	(9.99) to 13.04	(16.02) to 13.40
Skewness	(0.32)	0.25	0.66	0.08
Kurtosis	2.47	0.81	3.90	2.02

Source: Secondary Data

**CHART 4.39: TREND ANALYSIS OF APIL****Interpretation:**

From the Chart 4.39, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.39, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.22)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.37%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

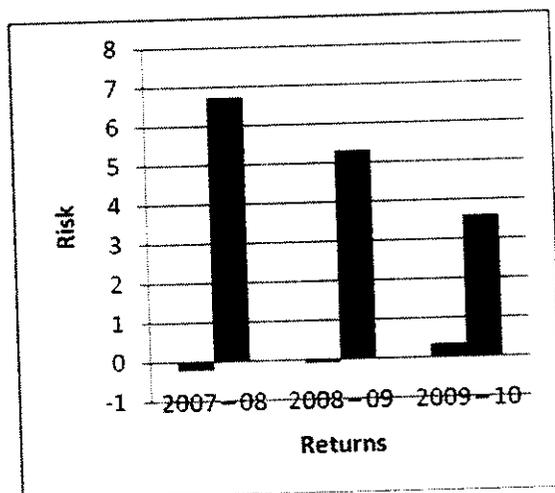
The average returns for the compounded period is 0.12% with the deviation in returns as

**Table 4.41: Table showing the yearly and compounded results of GVK Power & Infrastructures Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	(0.24)	(0.08)	0.33	0.0005
Risk	6.71	5.28	3.57	5.36
CV%	(2815.77)	(6464.84)	1088.63	1006226.65
Range of returns(%)	(89.87) to 16.41	(19.57) to 24.07	(10.57) to 27.22	(89.87) to 27.22
Skewness	(9.48)	0.15	1.78	(6.13)
Kurtosis	127.63	3.00	12.72	108.54

Source: Secondary Data

**CHART 4.41: TREND ANALYSIS OF GVKPPIL**



#### Interpretation:

From the Chart 4.41, the company has provided loss in the 1<sup>st</sup> and 2<sup>nd</sup> year. In the next year it has provided fewer returns to the investors. When projected for next two years, the company will not provide positive returns to the investors.

From the table 4.41, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.24)% in the year 2007 – 2008. The maximum return is found to be in the year 2009 -2010 with 0.33%. The returns are inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

The average returns for the compounded period is 0.0005% with the deviation in returns as 5.36% and the maximum loss that has resulted in 3 years is (89.87) % and the maximum

**Table 4.40: Table showing the yearly and compounded results of CESC Ltd for the period April 2007 to March 2010**

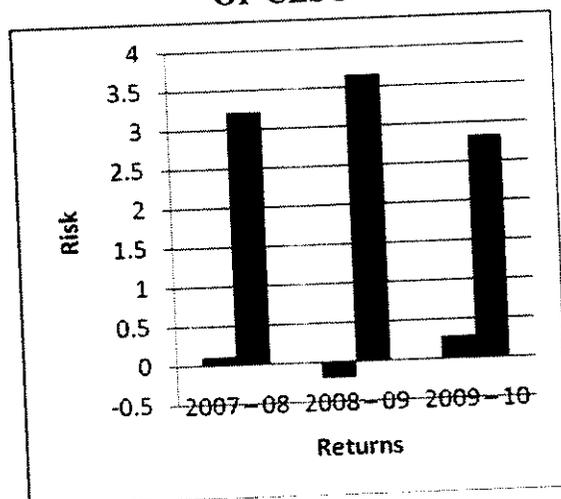
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.09	(0.21)	0.28	0.05
Risk	3.21	3.64	2.82	3.24
CV%	3699.64	(1740.17)	996.64	5991.01
Range of returns(%)	(10.99) to 10.08	(13.44) to 16.86	(6.73) to 14.05	(13.44) to 16.86
Skewness	0.09	0.35	1.37	0.45
Kurtosis	1.16	2.93	4.47	2.86

Source: Secondary Data

**CHART 4.40: TREND ANALYSIS OF CESC**

**Interpretation:**

From the Chart 4.40, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.40, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.21)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.28%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow.

The average returns for the compounded period is 0.05% with the deviation in returns as 3.24% and the maximum loss that has resulted in 3 years is (13.44) % and the maximum

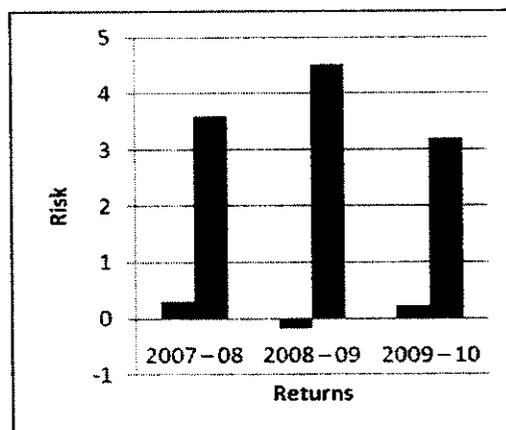
**SHIPPING:****Table 4.43: Table showing the yearly and compounded results of Great Eastern Shipping Co. Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.31	(0.18)	0.23	<b>0.12</b>
Risk	3.59	4.53	3.20	<b>3.81</b>
CV%	1153.20	(2499.25)	1386.10	<b>3115.35</b>
Range of returns(%)	(17.72) to 19.74	(11.66) to 15.90	(9.37) to 11.36	<b>(17.72) to 19.74</b>
Skewness	0.18	0.65	0.14	<b>0.39</b>
Kurtosis	6.49	1.39	1.08	<b>2.93</b>

Source: Secondary Data

**CHART 4.43: TREND ANALYSIS  
OF GESHIP****Interpretation:**

From the Chart 4.43, the company has provided moderate returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided fewer returns to the investors. When projected for next two years, the company has very minimal chance of providing positive returns to the investors.



From the table 4.43, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.18)% in the year 2008 – 2009. The maximum return is found to be in the year 2007 -2008 with 0.31%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

The average returns for the compounded period is 0.12% with the deviation in returns as

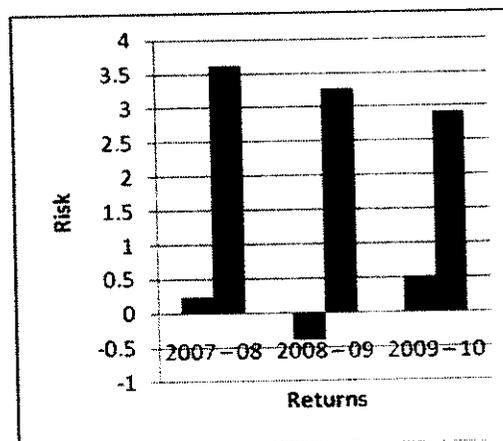
**REFINERIES:****Table 4.42: Table showing the yearly and compounded results of Chennai Petroleum Corporation Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.23	(0.40)	0.51	0.12
Risk	3.62	3.26	2.92	3.30
CV%	1598.08	(824.24)	573.50	2859.70
Range of returns(%)	(19.37) to 13.57	(10.07) to 13.77	(8.23) to 17.85	(19.37) to 17.85
Skewness	(0.04)	0.14	1.28	0.30
Kurtosis	4.89	2.01	6.15	4.39

Source: Secondary Data

**CHART 4.42: TREND ANALYSIS  
OF CHENNPETRO****Interpretation:**

From the Chart 4.42, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.42, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.40)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.51%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

## STEEL AND STEEL PRODUCTS:

**Table 4.45: Table showing the yearly and compounded results of JSW Steel Ltd for the period April 2007 to March 2010**

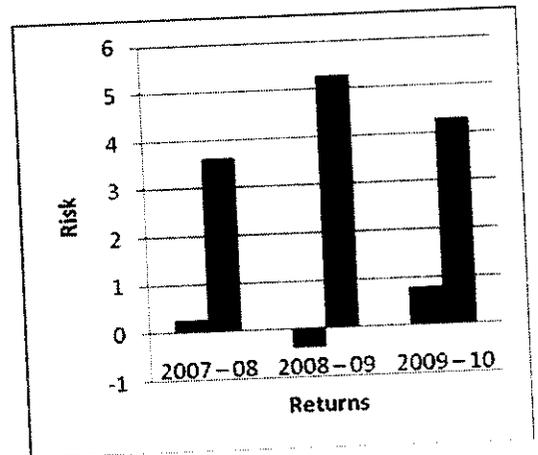
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.27	(0.38)	0.78	0.22
Risk	3.63	5.28	4.30	4.47
CV%	1353.14	(1386.47)	553.93	2008.85
Range of returns(%)	(13.07) to 12.12	(15.44) to 33.71	(13.02) to 21.55	(15.44) to 33.71
Skewness	(0.12)	1.19	0.70	0.76
Kurtosis	1.97	7.31	3.16	5.81

Source: Secondary Data

**CHART 4.45: TREND ANALYSIS  
OF JSWSTEEL**

### Interpretation:

From the Chart 4.45, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.45, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and has got minimum return (loss) to the extent of (0.38)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.78%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

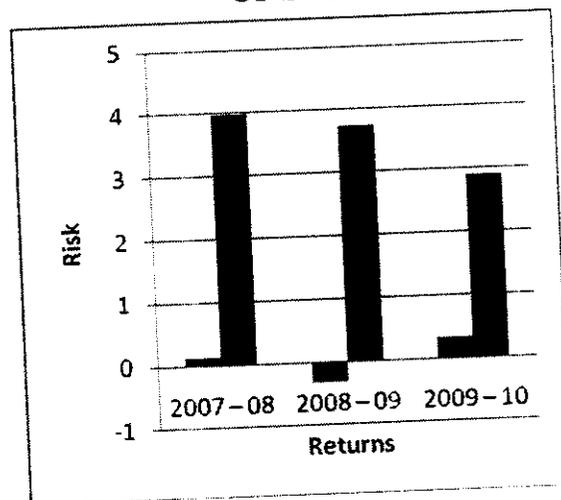
... 0.22% with the deviation in returns as

**Table 4.44: Table showing the yearly and compounded results of Shipping Corporation of India Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.13	(0.31)	0.33	0.05
Risk	3.97	3.73	2.90	3.57
CV%	3029.98	(1189.68)	876.83	7039.96
Range of returns(%)	(19.31) to 16.18	(34.57) to 11.83	(9.96) to 16.32	(34.57) to 16.32
Skewness	0.23	(2.91)	0.94	(0.84)
Kurtosis	4.91	29.13	5.67	15.15

Source: Secondary Data

**CHART 4.44: TREND ANALYSIS OF SCI**



**Interpretation:**

From the Chart 4.44, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

From the table 4.44, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.31)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.33%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

The average returns for the compounded period is 0.05% with the deviation in returns as 3.57% and the maximum loss that has resulted in 3 years is (34.57) % and the maximum

**SUGAR:**

**Table 4.47: Table showing the yearly and compounded results of Bajaj Hindusthan Ltd for the period April 2007 to March 2010**

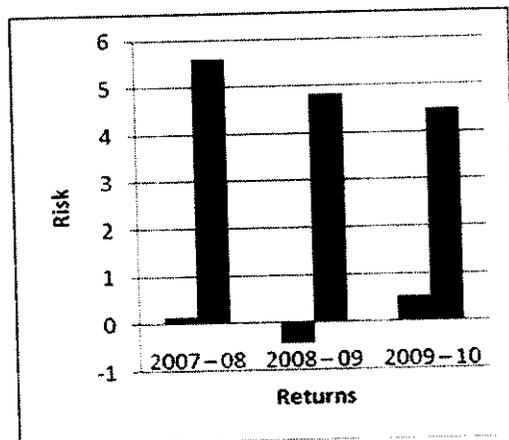
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.15	(0.44)	0.52	0.08
Risk	5.60	4.83	4.48	5.01
CV%	3858.93	(1087.26)	854.81	6540.00
Range of returns(%)	(28.28) to 28.73	(22.33) to 17.34	(12.34) to 23.86	(28.28) to 28.73
Skewness	(0.05)	(0.05)	0.95	0.18
Kurtosis	7.32	2.61	3.96	5.54

Source: Secondary Data

**CHART 4.47: TREND ANALYSIS OF BAJAJHIND**

**Interpretation:**

From the Chart 4.47, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.47, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 – 2010 and has got minimum return (loss) to the extent of (0.44)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.52%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

... is 0.08% with the deviation in returns as

**Table 4.46: Table showing the yearly and compounded results of Welspun Gujarat Stahl Rohren Ltd for the period April 2007 to March 2010**

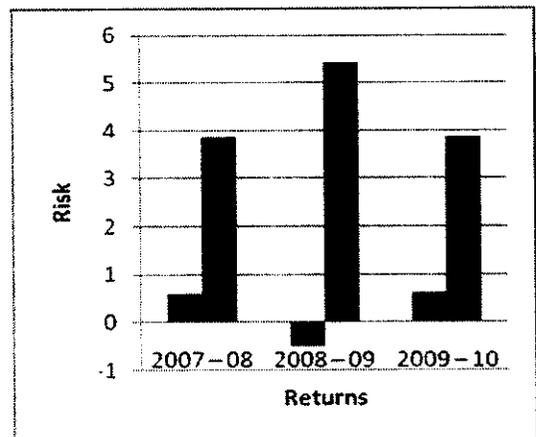
PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.60	(0.52)	0.61	0.23
Risk	3.87	5.43	3.87	4.47
CV%	649.34	(1038.01)	637.48	1935.05
Range of returns(%)	(14.52) to 13.16	(22.13) to 21.11	(10.48) to 15.99	(22.13) to 21.11
Skewness	(0.02)	0.06	0.66	0.05
Kurtosis	1.56	2.21	2.68	2.71

Source: Secondary Data

**CHART 4.46: TREND ANALYSIS  
OF WELGUJ**

**Interpretation:**

From the Chart 4.46, the company has provided moderate returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.



From the table 4.46, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2007 – 2008 and 2009 – 2010 and has got minimum return (loss) to the extent of (0.38)% in the year 2008 – 2009. The maximum return is found to be in the year 2009 -2010 with 0.61%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow and peaking towards the average returns.

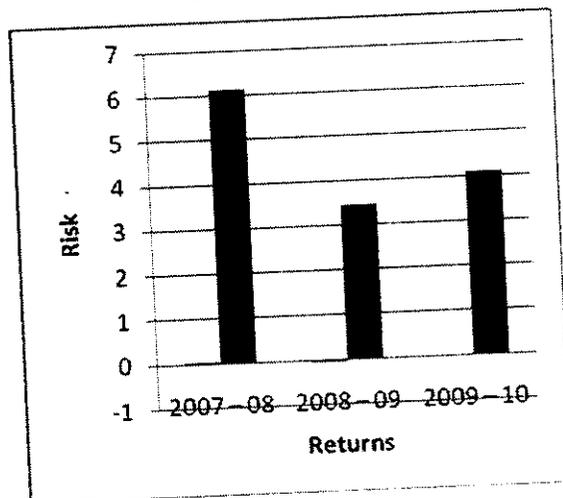
The average returns for the compounded period is 0.23% with the deviation in returns as 4.47% and the maximum loss that has resulted in 3 years is (22.13) % and the maximum

**Table 4.34: Table showing the yearly and compounded results of Divi's Laboratories Ltd for the period April 2007 to March 2010**

PARTICULARS	VALUES (APR – MAR)			CONSOLIDATED VALUES (APR 2007 – MAR 2010)
	2007 – 2008	2008 – 2009	2009 – 2010	
Average returns (%)	0.02	(0.06)	(0.02)	(0.02)
Risk	6.12	3.43	4.08	4.70
CV%	27237.55	(5430.21)	(16697.55)	(22131.61)
Range of returns(%)	(79.56) to 16.52	(13.91) to 13.40	(50.46) to 12.62	(79.56) to 16.52
Skewness	(8.73)	0.22	(7.53)	(8.10)
Kurtosis	114.71	2.20	96.39	129.02

Source: Secondary Data

**CHART 4.34: TREND ANALYSIS OF DIVISLAB**



### Interpretation:

From the Chart 4.34, the company has provided very less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> and 3<sup>rd</sup> year. When projected for next two years, the company will not provide positive returns to the investors.

From the table 4.34, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2008 – 2009 and in the same year has got minimum return (loss) to the extent of (0.06)%. The maximum return is found to be in the year 2007 -2008 with 0.02%. The returns are inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow.

The average returns (loss) for the compounded period is (0.02)% with the deviation in returns as 4.70% and the maximum loss that has resulted in 3 years is (79.56) % and the maximum

Table 4.48: Table showing the yearly and compounded results of Tata Tea Ltd for the period April 2007 to March 2010

PARTICULARS	VALUES (APR - MAR)			CONSOLIDATED VALUES (APR 2007 - MAR 2010)
	2007 - 2008	2008 - 2009	2009 - 2010	
Average returns (%)	0.16	(0.11)	0.23	0.09
Risk	2.87	2.48	1.95	2.47
CV%	1752.95	(2219.18)	846.24	2600.16
Range of returns (%)	(12.51) to 14.61	(7.52) to 8.68	(5.25) to 9.10	(12.51) to 14.61
Skewness	0.37	0.26	1.00	0.43
Kurtosis	4.24	1.58	3.00	3.77

Source: Secondary Data

Interpretation:

From the Chart 4.48, the company has provided less returns in the 1<sup>st</sup> year and made a loss in the 2<sup>nd</sup> year. In the next year it has provided good returns to the investors. When projected for next two years, the company will be on the positive side in providing returns to the investors.

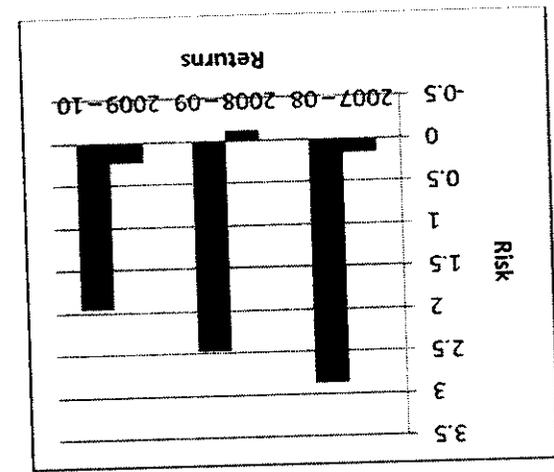


CHART 4.48: TREND ANALYSIS OF TATA TEA

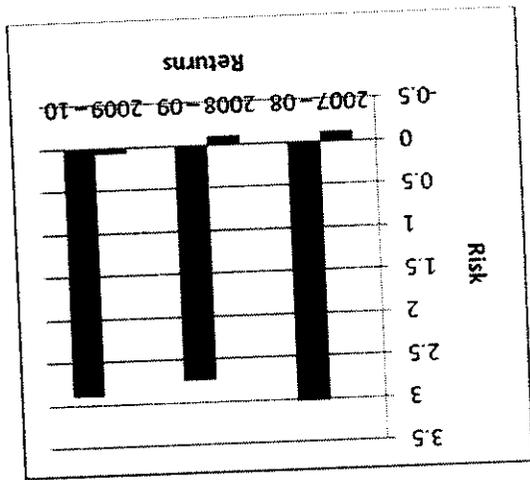
From the table 4.48, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 - 2010 and has got minimum return (loss) to the extent of (0.44)% in the year 2008 - 2009. The maximum return is found to be in the year 2009 -2010 with 0.23%. The returns are comparatively less inconsistent and the skewness indicates that it is right tailed and the extent of variations in returns is narrow. The average returns for the compounded period is 0.09% with the deviation in returns as 2.47% and the maximum loss that has resulted in 3 years is (12.51) % and the maximum return obtained is 14.61%.

Table 4.49: Table showing the yearly and compounded results of Mahanagar Telephone  
 Ltd for the period April 2007 to March 2010

PARTICULARS	VALUES (APR - MAR)			CONSOLIDATED VALUES (APR 2007 - MAR 2010)
	2007 - 2008	2008 - 2009	2009 - 2010	
Average returns (%)	(0.12)	(0.10)	0.07	(0.05)
Risk	3.03	2.74	2.89	2.89
CV%	(2538.02)	(2712.28)	4437.44	(5514.14)
Range of returns(%)	(16.72) to 9.82	(10.85) to 10.65	(10.34) to 16.54	(16.72) to 16.54
Skewness	(0.89)	0.22	0.98	0.03
Kurtosis	6.97	2.00	5.61	5.26

Source: Secondary Data

CHART 4.49: TREND ANALYSIS  
 OF MTNL



From the Chart 4.49, the company has provided loss in the 1<sup>st</sup> and 2<sup>nd</sup> year. In the next year it has provided very fewer returns to the investors. When projected for next two years, the company has very minimal chance in providing positive returns to the investors.

From the table 4.49, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2008 - 2009 and has got minimum return (loss) to the extent of (0.12)% in the year 2007 - 2008. The maximum return is found to be in the year 2009 -2010 with 0.07%. The returns are less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns. The average returns (loss) for the compounded period is (0.05)% with the deviation in returns as 2.89% and the maximum loss that has resulted in 3 years is (16.72) % and the maximum return obtained is 16.54%.

PARTICULARS	VALUES (APR - MAR)		
	2007 - 2008	2008 - 2009	2009 - 2010
Range returns (%)	0.21	(0.02)	0.06
Risk	4.27	3.74	3.08
CV%	2080.08	(23729.36)	5101.04
CV%	(21.01) to 19.03	(15.70) to 15.29	(7.09) to 14.52
Skewness	0.08	0.46	1.07
Kurtosis	5.43	4.42	3.69
VALUES (APR 2007 - MAR 2010)	0.08	3.73	4410.82
VALUES (APR 2007 - MAR 2010)	(21.02) to 19.03	0.40	5.28

Source: Secondary Data

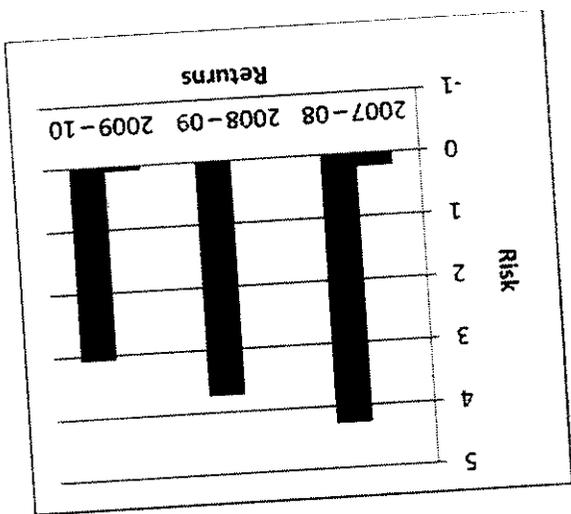
Interpretation:

From the Chart 4.50, the company has provided less returns in the 1<sup>st</sup> year and made loss in the 2<sup>nd</sup> year. In the next year it has provided very less returns to the investors. When projected for next two years, the company will not provide positive returns to the investors.

From the table 4.50, the average yearly returns have been fluctuating and the risk is found to be minimal for the year 2009 - 2010 and has got minimum return (loss) to the extent of (0.02)% in the year 2008 - 2009. The maximum return is found to be in the year 2007 - 2008 with 0.21%. The returns are comparatively less inconsistent and the skewness indicates that it is left tailed and the extent of variations in returns is narrow and peaking towards the average returns.

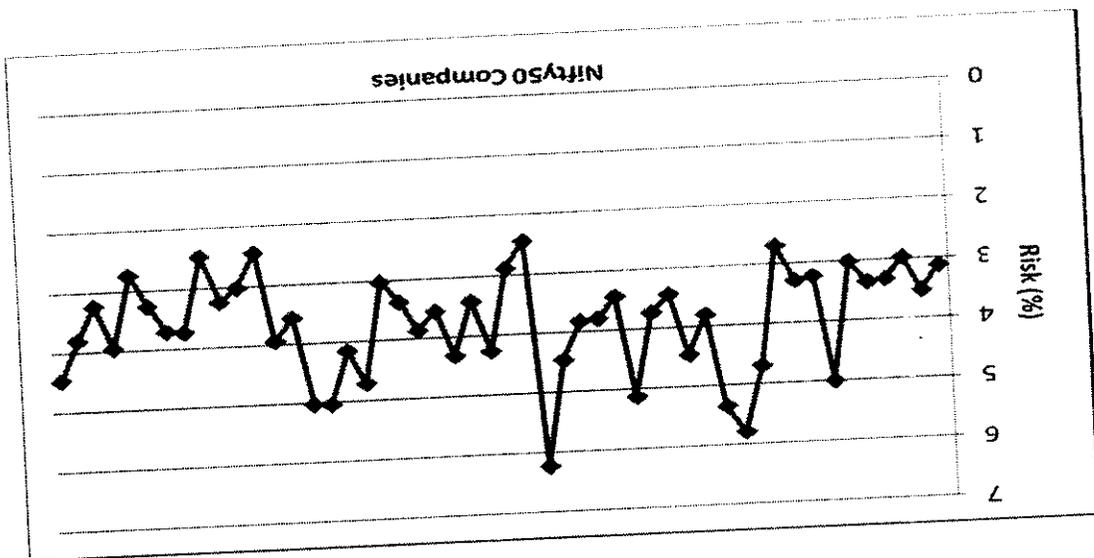
The average returns for the compounded period is 0.08% with the deviation in returns as 3.73% and the maximum loss that has resulted in 3 years is (21.02) % and the maximum return obtained is 19.03%.

CHART 4.50: TREND ANALYSIS OF TTM



From Chart 4.51 and 4.52, it is found that the scrip RNRL provides the highest returns of all the 50 companies with 0.26% with the risk 5.05% and the scrip LITL has the highest risk of all the 50 companies with 6.24% and provide the returns to the extent of 0.18%.

**Interpretation:**



**Chart 4.52: Chart representing the fluctuations in Standard Deviation:**



Nifty.

From the Chart 4.53 and 4.54, it is found that there exists high positive correlation between the Nifty and IDBI Bank with Correlation Coefficient as 0.81, and LITL has the high Beta Coefficient as 1.61, that is the fluctuations of LITL will be 1.61 times that of the

Interpretation:

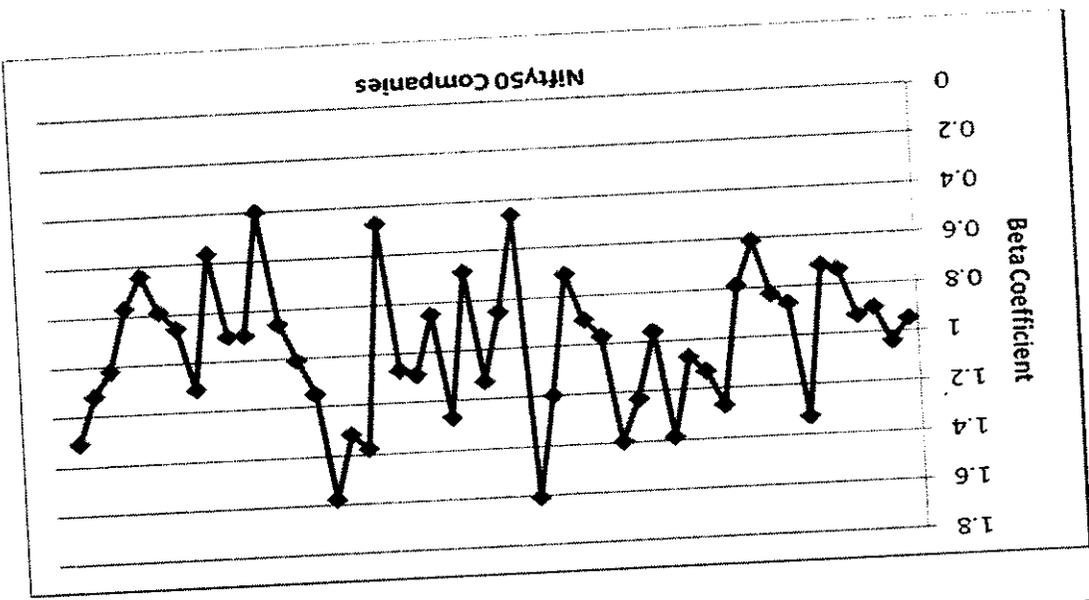


Chart 4.54: Chart representing the fluctuations in Beta Coefficient:

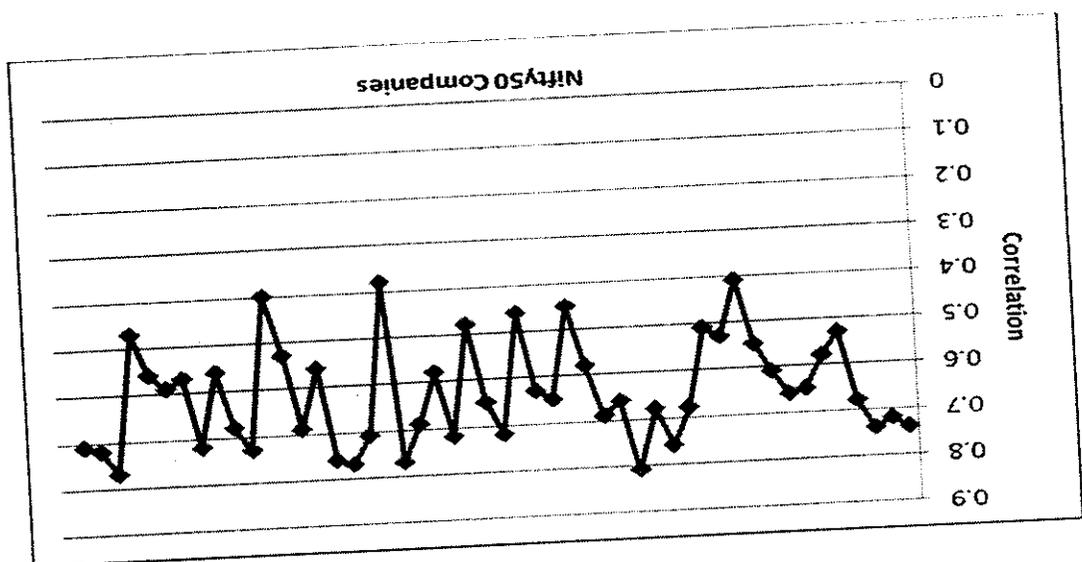


Table 4.51: Table showing the consolidated results of the Nifty50 companies according to the sector:

Particulars	Banks							Automobiles - 4 Wheelers	Airconditioners	Cement and INDIACEM
	ALBK	ANDHRABANK	IDBI	INDIANB	SYNDIBANK	VIJAYABANK	ASHOKLEY			
Mean	0.14	0.09	0.12	0.16	0.09	0.07	0.11	0.17	0.03	
Risk	3.13	2.98	3.74	3.80	3.02	3.24	3.33	3.81	3.44	
Variance	9.79	8.86	13.97	14.40	9.10	10.51	11.10	14.48	11.87	
C.V %	2232.79	3232.19	3041.35	2349.49	3505.74	4831.81	3144.52	2223.69	10922.36	
Skewness	0.46	0.03	0.21	0.36	(0.03)	0.27	0.25	0.39	(0.06)	
Kurtosis	3.68	3.90	3.27	1.85	3.64	4.08	5.21	2.42	2.79	
Covariance	5.64	5.35	7.32	5.36	5.36	6.06	5.53	6.67	5.78	
Correlation	0.74	0.74	0.81	0.58	0.73	0.77	0.68	0.72	0.69	
Coefficient of determination	54.88	54.52	64.81	33.66	53.29	58.86	46.40	51.87	47.53	
Error variance	45.12	45.48	35.19	66.34	46.71	41.14	53.60	48.13	52.47	
Beta coefficient	0.95	0.90	1.23	0.90	0.90	1.02	0.93	1.12	0.97	
Alpha	0.07	0.02	0.03	0.09	0.02	(0.01)	0.04	0.09	(0.04)	

**Pharmaceuticals**

Particulars	Computers - Software						Pharmaceuticals				
	EDUCOMP	MPHISIS	OFSS	ROLTA	TECHM	STERLINBIO	LUPIN	AUROPHARMA	PIRHEALTH		
Mean	0.20	0.16	0.07	0.05	(0.002)	(0.007)	0.16	0.10	0.12		
Risk	5.80	3.42	3.56	5.03	3.71	2.44	2.44	3.37	3.03		
Variance	33.67	11.66	12.68	25.29	13.76	5.96	5.94	11.35	9.15		
C.V %	2852.45	2079.08	4650.77	10244.32	(212488)	(35303.90)	1490.53	3236.13	2519.43		
Skewness	(3.49)	0.48	0.30	(0.37)	0.64	(0.06)	0.009	(0.19)	0.47		
Kurtosis	50.87	4.20	3.04	20.82	5.42	7.73	3.04	6.55	2.90		
Covariance	7.52	4.03	5.03	6.83	5.12	2.35	2.72	4.39	2.78		
Correlation	0.53	0.48	0.58	0.56	0.57	0.40	0.46	0.53	0.38		
Coefficient of determination	28.33	23.49	33.62	31.15	32.15	15.71	20.97	28.71	14.21		
Error variance	71.67	76.51	66.38	68.85	67.85	84.29	79.03	71.29	85.79		
Beta coefficient	1.27	0.68	0.85	1.15	0.86	0.40	0.46	0.74	0.47		
Alpha	0.11	0.11	0.01	(0.04)	(0.07)	(0.04)	0.13	0.05	0.08		



Chemicals - Inorganic	Tea and Coffee	Telecommunication - Services		Gems Jewellery and Watches	Pesticides and Agrochemicals	Diesel Engines	Sugar	Steel and Steel products		
		TATATEA	TTML					MTNL	TITAN	UNIPHOS
0.11	0.09	0.08	0.08	(0.05)	0.16	(0.02)	0.13	0.07	0.22	0.23
3.25	2.47	3.73	3.73	2.89	3.27	3.96	2.70	5.01	4.47	4.47
10.58	6.09	13.92	13.92	8.35	10.72	15.67	7.31	25.08	19.96	19.99
2830.91	2600.16	4410.82	4410.82	(5514.14)	2057.25	(20564.9)	2143.68	6540.01	2008.85	1935.05
0.09	0.43	0.40	0.40	0.03	0.30	(2.07)	0.23	0.18	0.76	0.05
2.94	3.77	5.28	5.28	5.26	3.38	34.96	3.80	5.54	5.81	2.71
5.35	3.34	6.58	6.58	5.06	4.70	4.58	3.65	7.88	7.12	7.76
0.68	0.56	0.72	0.72	0.72	0.59	0.47	0.55	0.65	0.65	0.71
45.67	31.00	52.55	52.55	51.85	34.79	22.60	30.74	41.75	42.87	50.79
54.33	69.00	47.45	47.45	48.15	65.21	77.40	69.26	58.25	57.13	49.21
0.90	0.56	1.11	1.11	0.85	0.79	0.77	0.61	1.33	1.20	1.31
0.05	0.05	0.001	0.001	(0.12)	0.10	(0.08)	0.08	(0.02)	0.13	0.13

Particulars	Gas			Engineering			Hotels			Plastic and Plastic Products	Power			
	PETRONET		RNRL	PRAJIND		BEML	INDHOTEL		HOTELEELA		CESC		APIL	GVKPPIL
	0.14		0.26	(0.08)	0.04	0.02	0.04			0.12	0.05	0.12	0.0005	
	3.38		5.05	4.72	3.02	3.83	3.44			3.95	3.24	3.54	5.36	
Income	11.42		25.48	22.31	9.09	14.66	11.81			15.58	10.50	12.55	28.71	
Expenses	2458.95		1911.52	(5817.24)	7428.40	15452.94	8395.59			3205.96	5991.01	2860.96	1006227	
Surplus	(0.29)		1.07	(1.20)	0.79	0.33	0.40			0.54	0.45	0.08	(6.13)	
Provision	5.32		8.62	16.69	4.63	8.41	5.22			3.19	2.86	2.02	108.54	
Variance	6.38		9.37	8.17	4.28	4.22	5.71			5.10	5.17	6.19	6.69	
Reconciliation	0.77		0.76	0.71	0.58	0.45	0.68			0.53	0.66	0.72	0.51	
Efficient of elimination	60.09		58.20	50.47	33.92	20.50	46.54			28.12	42.91	51.49	26.31	
Surplus	39.90		41.80	49.53	66.08	79.50	53.46			71.88	57.09	48.51	73.69	
Income	1.07		1.58	1.38	0.72	0.71	0.96			0.86	0.87	1.04	1.13	
Efficient	0.06		0.15	(0.18)	(0.01)	(0.03)	(0.03)			0.06	(0.01)	0.05	(0.08)	

*CHAPTER*  
*CONCLUSIONS*

From the above table, it is clear that the best performing sector is GAS Sector with the Scrip RNRL providing 0.26% returns with the risk of 5.05%. The coefficient of Variance is less which proves that this scrip is consistent over 3 years. 58.20% of the variance is explained by Nifty and it has a beta coefficient of 1.58 times which indicates the scrip would generate 1.58 times that of Nifty 50.

The Second performing sector is STEEL AND STEEL PRODUCTS with the scrip WELGUJ providing 0.23% returns with the volatility of 4.47%. The CV% proves that it is consistent over years. 50.79% of the variance is explained by Nifty and it has beta of 1.31 which indicates that the scrip would generate 1.31 times that of Nifty 50.

The Third performing sector is AIRCONDITIONERS with the scrip VOLTAS providing 0.17% returns with the volatility of 3.81%. The CV% proves that it is consistent over years. 51.87% of the variance is explained by Nifty and it has beta of 1.12 which indicates that the scrip would generate 1.12 times that of Nifty 50.

A Risk Averter can select the PHARMACEUTICAL SECTOR with the scrip LUPIN LTD providing 0.16% returns with the volatility of 2.44%. The coefficient of Variance is less which proves that this scrip is consistent over 3 years. 20.97% of the variance is explained by Nifty and it has a beta coefficient of 0.46 times which indicates the scrip would generate 0.46 times that of Nifty 50.

The least performing sector is COMPUTERS – HARDWARE with the scrip MOSERBAER Ltd providing negative returns of about (0.1)% with the volatility of 4.27%. 41.78% of the variance is explained by Nifty and it has a beta coefficient of 1.13 which indicates that the scrip would generate 1.13 times that of Nifty 50. The second least performing sector is PESTICIDES AND AGROCHEMICALS with the scrip UNITED PHOSPHORUS LTD providing negative returns of about (0.02)% with the volatility of 3.96%. 22.60% of the variance is explained by Nifty and it has a beta coefficient of 0.07 which indicates that the scrip would generate 0.07 times that of Nifty 50.

## 5.1 Results and Discussions:

- From the multiple regression analysis, the independent variables has the explained variance of about 98.7% towards the dependent variable, that is the Midcap 50 companies influences the major proportion of Nifty50 index. The error variance is very minute and negligible.
- The average return of VOLTAS is 0.17% with risk 3.81%. The maximum loss suffered is (16.03)% and the maximum return obtained is 20.12%.
- The average return of ASHOKLEY is 0.11% with risk 3.33%. The maximum loss suffered is (21.35)% and the maximum return obtained is 16.63%.
- The average return of ALBK is 0.14% with risk 3.13%. The maximum loss suffered is (14.23)% and the maximum return obtained is 18.63%.
- The average return of ANDHRABANK is 0.09% with risk 2.98%. The maximum loss suffered is (16.86)% and the maximum return obtained is 15.06%.
- The average return of IDBI is 0.12% with risk 3.74%. The maximum loss suffered is (20.51)% and the maximum return obtained is 17.50%.
- The average return of INDIANB is 0.16% with risk 3.80%. The maximum loss suffered is (15.06)% and the maximum return obtained is 15.26%.
- The average return of SYNDIBANK is 0.09% with risk 3.02%. The maximum loss suffered is (14.55) % and the maximum return obtained is 13.59%.
- The average return of VIJAYABANK is 0.07% with risk 3.24%. The maximum loss suffered is (16.91) % and the maximum return obtained is 17.34%.
- The average return of INDIACEM is 0.03% with risk 3.44%. The maximum loss suffered is (19.04) % and the maximum return obtained is 15.49%.
- The average return of ULTRACEMCO is 0.09% with risk 2.74%. The maximum loss suffered is (9.07) % and the maximum return obtained is 14.64%.

- The average return (loss) of MOSERBAER is (0.10) % with risk 4.27%. The maximum loss suffered is (35.60) % and the maximum return obtained is 20.81%.
- The average return of EDUCOMP is 0.20 % with risk 5.80%. The maximum loss suffered is (80.37) % and the maximum return obtained is 19.16%.
- The average return of MPHASIS is 0.16 % with risk 3.42%. The maximum loss suffered is (15.76) % and the maximum return obtained is 22.65%.
- The average return of OFSS is 0.08 % with risk 3.56%. The maximum loss suffered is (18.45) % and the maximum return obtained is 15.69%.
- The average return of ROLTA is 0.05 % with risk 5.03%. The maximum loss suffered is (49.12) % and the maximum return obtained is 43.07%.
- The average return (loss) of TECHM is (0.0017) % with risk 3.71%. The maximum loss suffered is (14.75) % and the maximum return obtained is 25.61%.
- The average return of HCC is 0.15 % with risk 4.47%. The maximum loss suffered is (18.98) % and the maximum return obtained is 24.21%.
- The average return of IVRCLINFRA is 0.06 % with risk 5.14%. The maximum loss suffered is (48.98) % and the maximum return obtained is 30.67%.
- The average return of LITL is 0.18 % with risk 6.24%. The maximum loss suffered is (89.93) % and the maximum return obtained is 29.58%.
- The average return of NAGARCONST is 0.10 % with risk 4.32%. The maximum loss suffered is (24.26) % and the maximum return obtained is 18.09%.
- The average return of PATELENG is 0.11 % with risk 3.87%. The maximum loss suffered is (16.47) % and the maximum return obtained is 24.63%.
- The average return of PUNJLLOYD is 0.10 % with risk 4.16%. The maximum loss suffered is (18.02) % and the maximum return obtained is 23.65%.
- The average return of CUMMINSIND is 0.13 % with risk 2.70%. The maximum loss suffered is (13.92) % and the maximum return obtained is 14.30%.

- The average return (loss) of PRAJIND is (0.08)% with risk 4.72%. The maximum loss suffered is (48.84) % and the maximum return obtained is 18.37%.
- The average return of PETRONET is 0.14% with risk 3.38%. The maximum loss suffered is (22.03) % and the maximum return obtained is 15.58%.
- The average return of RNRL is 0.26% with risk 5.05%. The maximum loss suffered is (26.58) % and the maximum return obtained is 35.30%.
- The average return of TITAN is 0.16% with risk 3.27%. The maximum loss suffered is (14.35) % and the maximum return obtained is 17.74%.
- The average return of HOTELEELA is 0.04% with risk 3.44%. The maximum loss suffered is (19.19) % and the maximum return obtained is 20.43%.
- The average return of INDHOTEL is 0.02% with risk 3.83%. The maximum loss suffered is (19.71) % and the maximum return obtained is 23.14%.
- The average return (loss) of UNIPHOS is (0.02)% with risk 3.96%. The maximum loss suffered is (48.97) % and the maximum return obtained is 25.61%.
- The average return of AUROPHARMA is 0.10% with risk 3.37%. The maximum loss suffered is (21.98) % and the maximum return obtained is 19.46%.
- The average return (loss) of DIVISLAB is (0.02)% with risk 4.70%. The maximum loss suffered is (79.56) % and the maximum return obtained is 16.52%.
- The average return of LUPIN is 0.16% with risk 2.44%. The maximum loss suffered is (14.66) % and the maximum return obtained is 10.80%.
- The average return of PIRHEALTH is 0.12% with risk 3.03%. The maximum loss suffered is (11.61) % and the maximum return obtained is 16.71%.
- The average return (loss) of STERLINBIO is (0.01)% with risk 2.44%. The maximum loss suffered is (13.96) % and the maximum return obtained is 15.89%.
- The average return of SINTEX is 0.12% with risk 3.95%. The maximum loss suffered is (17.32) % and the maximum return obtained is 20.28%.

- The average return of CESC is 0.05% with risk 3.24%. The maximum loss suffered is (13.44) % and the maximum return obtained is 16.86%.
- The average return of GVKPPIL is 0.0005% with risk 5.36%. The maximum loss suffered is (89.87) % and the maximum return obtained is 27.22%.
- The average return of CHENNPETRO is 0.12% with risk 3.30%. The maximum loss suffered is (19.37) % and the maximum return obtained is 17.85%.
- The average return of GESHIP is 0.12% with risk 3.81%. The maximum loss suffered is (17.72) % and the maximum return obtained is 19.74%.
- The average return of SCI is 0.05% with risk 3.57%. The maximum loss suffered is (34.57) % and the maximum return obtained is 16.32%.
- The average return of JSWSTEEL is 0.22% with risk 4.47%. The maximum loss suffered is (15.44) % and the maximum return obtained is 33.71%.
- The average return of WELGUJ is 0.23% with risk 4.47%. The maximum loss suffered is (22.13) % and the maximum return obtained is 21.11%.
- The average return of BAJAJHIND is 0.08% with risk 5.01%. The maximum loss suffered is (28.28) % and the maximum return obtained is 28.73%.
- The average return of TATATEA is 0.09% with risk 2.47%. The maximum loss suffered is (12.51) % and the maximum return obtained is 14.61%.
- The average return (loss) of MTNL is (0.05)% with risk 2.89%. The maximum loss suffered is (16.72) % and the maximum return obtained is 16.54%.
- The average return of TTML is 0.08% with risk 3.73%. The maximum loss suffered is (21.02) % and the maximum return obtained is 19.03%.
- RNRL provides the highest returns of all the 50 companies with 0.26% with the risk 5.05% and the scrip LITL has the highest risk of all the 50 companies with 6.24% and provide the returns to the extent of 0.18%.

➤ The exists high positive correlation between the Nifty and IDBI Bank with

## 5.2 Considered Recommendations:

Based on the sector wise performance of the Midcap stocks, the scrips are been ranked according to their returns and risk. The investors can chose the sector according to the risk taking ability and the returns expected. The Ranking of the sector wise scrips are as follows.

**Table 5.2.1: Ranking of the scrips based on the sector wise performance:**

RANK	SECTOR	SCRIP	RETURNS	RISK
1	GAS	RNRL	0.26	5.05
2	STEEL AND STEEL PRODUCTS	WELGUJ	0.23	4.47
3	STEEL AND STEEL PRODUCTS	JSWSTEEL	0.22	4.47
4	COMPUTERS - SOFTWARE	EDUCOMP	0.2	5.8
5	CONSTRUCTION	LITL	0.18	6.24
6	AIRCONDITIONERS	VOLTAS	0.17	3.81
7	BANKS	INDIANB	0.16	3.8
8	PHARMACEUTICALS	LUPIN	0.16	2.44
9	COMPUTERS - SOFTWARE	MPHASIS	0.16	3.42
10	GEMS JEWELLERY AND WATCHES	TITAN	0.16	3.27
11	CONSTRUCTION	HCC	0.15	4.47
12	BANKS	ALBK	0.14	3.13
13	GAS	PETRONET	0.14	3.38
14	DIESEL ENGINES	CUMMINSIND	0.13	2.7
15	POWER	APIL	0.12	3.54
16	REFINERIES	CHENNPETRO	0.12	3.3
17	SHIPPING	GESHIP	0.12	3.81
18	BANKS	IDBI	0.12	3.74
19	PHARMACEUTICALS	PIRHEALTH	0.12	3.03
20	PLASTIC AND PLASTIC PRODUCTS	SINTEX	0.12	3.95
21	AUTOMOBILES -- 4 WHEELERS	ASHOKLEY	0.11	3.33

RANK	SECTOR	SCRIP	RETURNS	RISK
24	PHARMACEUTICALS	AUROPHARMA	0.1	3.37
25	BANKS	ANDHRABANK	0.09	2.98
26	CONSTRUCTION	NAGARCONST	0.09	4.32
27	CONSTRUCTION	PUNJLLOYD	0.09	4.16
28	BANKS	SYNDIBANK	0.09	3.02
29	TEA AND COFFEE	TATATEA	0.09	2.47
30	CEMENT AND CEMENT PRODUCTS	ULTRACEMCO	0.09	2.74
31	TELECOMMUNICATION - SERVICES	TTML	0.08	3.73
32	SUGAR	BAJAJHIND	0.07	5.01
33	COMPUTERS - SOFTWARE	OFSS	0.07	3.56
34	BANKS	VIJAYABANK	0.07	3.24
35	CONSTRUCTION	IVRCLINFRA	0.06	5.14
36	POWER	CESC	0.05	3.24
37	COMPUTERS - SOFTWARE	ROLTA	0.05	5.03
38	SHIPPING	SCI	0.05	3.57
39	ENGINEERING	BEML	0.04	3.02
40	HOTELS	HOTELEELA	0.04	3.44
41	CEMENT AND CEMENT PRODUCTS	INDIACEM	0.03	3.44
42	HOTELS	INDHOTEL	0.02	3.83
43	POWER	GVKPPIL	0.0005	5.36
44	COMPUTERS - SOFTWARE	TECHM	-0.002	3.71
45	PHARMACEUTICALS	STERLINBIO	-0.007	2.44
46	PHARMACEUTICALS	DIVISLAB	-0.02	4.7
47	PESTICIDES AND AGROCHEMICALS	UNIPHOS	-0.02	3.96
48	TELECOMMUNICATION - SERVICES	MTNL	-0.05	2.89
49	ENGINEERING	PRAJIND	-0.08	4.72

**Table 5.2.2 - Recommended Scrips for Risk Takers:**

Risk takers or Risk lovers has the ability to take higher risk for generating better returns. Five stocks have been recommended for those segments of investors where the risk and the returns are high. The beta values of these scrips are high which indicates that these stocks provide the beta times returns as of the nifty index. The recommended scrips are as follows,

RANK	SCRIP NAME	AVERAGE RETURN	RISK	BETA
1	RNRL	0.26	5.05	1.58
2	WELGUJ	0.23	4.47	1.31
3	JSWSTEEL	0.22	4.47	1.20
4	EDUCOMP	0.20	5.80	1.27
5	LITL	0.18	6.24	1.61

**Table 5.2.3 - Recommended Scrips for Moderate Risk Takers:**

Moderate risk takers will take moderate risks and expect for a better return. Five stocks have been recommended for those segments of investors where the risk and the returns are moderate. The beta values of these scrips are moderate which indicates that these scrips provide the beta times returns as of the nifty index. The recommended scrips are as follows,

RANK	SCRIP NAME	AVERAGE RETURN	RISK	BETA
1	VOLTAS	0.17	3.81	1.12
2	INDIANB	0.16	3.80	0.90
3	MPHASIS	0.16	3.42	0.68
4	TITAN	0.16	3.27	0.79
5	LUPIN	0.16	2.44	0.46

**Table 5.2.4 - Recommended Scrips for Risk Averters:**

Risk Averters are those who take very less risk and expect fewer returns. Five stocks have been recommended for those segments of investors where the risk and the corresponding returns are less. The beta values of those scrips are less which indicates that these scrips provide fewer returns as of nifty index. The scrips recommended are as follows,

<b>RANK</b>	<b>SCRIP NAME</b>	<b>AVERAGE RETURN</b>	<b>RISK</b>	<b>BETA</b>
1	PETRONET	0.14	3.38	1.07
2	AHSOKLEY	0.11	3.33	0.93
3	ALBK	0.14	3.13	0.95
4	PIRHEALTH	0.12	3.03	0.47
5	CUMMINSIND	0.13	2.70	0.61

### 5.3 Conclusion:

From the above analysis it is clear that the Reliance Natural Resources Ltd from the Gas sector is providing higher returns to the extent of 0.26% with risk 5.05% to the investors. Its beta coefficient is 1.58, which indicates that the scrip would generate 1.58 times that of the Nifty50 index. The coefficient of variance is lesser when compared to other scrips which indicate that the scrip is consistent. Also from trend analysis, it is projected that the scrip provides positive returns to the investors in the next two years. For the moderate risk takers, Voltas Ltd from the Airconditioners sector is recommended for the investment as it provides the returns to the extent of 0.17% with risk 3.81% to the investors. Its beta coefficient is 1.12, which indicates that the scrip would generate 1.12 times that of the Nifty50 index. The coefficient of variance is 2223.69 which indicate that the scrip is moderately consistent when compared to other scrips. For the risk averters, Petronet Ltd from the Gas sector is providing better returns to the extent of 0.14% with risk 3.38% to the investors. Its beta coefficient is 1.07, which indicates that the scrip would generate 1.07 times that of the Nifty50 index. The coefficient of variance is 2458.95 which indicate the scrip is comparatively consistent for the risk averters.

Gas sector is the best performing sector, where the two scrips listed in this sector were the best performing scrips for the risk taker and the risk averter. The second performing sector is the Steel and Steel products sector where the two scrips listed in this sector were the best performing scrips for the risk takers. From the bank sector Indian bank and the Allahabad bank were the performing scrips for the moderate risk taker and the risk averter respectively. The least performing sector is Computer – Hardware sector which provides negative returns to the extent of (0.09)%, and is followed by the Engineering sector with the scrip praj industries which provides negative return to the extent of (0.08)%. The third least performing sector is Telecommunication sector with the scrip MTNL, which provides the negative return to the extent of (0.05)%. For each segment of investors five scrips are recommended so that the decision of investment according to the risk taking ability of the investors.

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**Table 4.52: Performance of Sector wise leading companies:**

Sector	Scrip	Average Returns	Risk	Coefficient of variance	Explained variance	Beta
Air conditioners	VOLTAS	0.17	3.81	2223.69	51.87	1.12
Automobiles - 4 wheelers	ASHOKLEY	0.11	3.33	3144.52	46.40	0.93
Banks	INDIANB	0.16	3.79	2349.49	33.66	0.90
Cement and cement products	ULTRACEMCO	0.09	2.74	2984.01	31.96	0.64
Chemicals-inorganic	TECHM	0.11	3.25	2830.91	45.67	0.90
Computers – hardware	MOSERBAER	(0.1)	4.27	(4388.19)	41.78	1.13
Computers – software	EDUCOMP	0.20	5.80	2852.45	28.33	1.27
Construction	LITL	0.18	6.24	3514.7	39.40	1.61
Diesel engines	CUMMINSIND	0.13	2.70	2143.68	30.74	0.61
Engineering	BEML	0.04	3.01	7428.40	33.92	0.72
Gas	RNRL	0.26	5.05	1911.52	58.20	1.58
Gems jewellery and watches	TITAN	0.16	3.27	2057.25	34.79	0.79
Hotels	HOTELEELA	0.04	3.44	8395.58	46.54	0.96
Pesticides and agrochemicals	UNIPHOS	(0.02)	3.96	(20564.9)	22.60	0.77
Pharmaceuticals	LUPIN	0.16	2.44	1490.53	20.97	0.46
Plastic and plastic products	SINTEX	0.12	3.95	3205.96	28.12	0.86
Power	APIL	0.12	3.54	2860.96	51.49	1.04
Refineries	CHENNPETRO	0.12	3.30	2859.70	37.46	0.83
Shipping	GESHIP	0.12	3.81	3115.35	46.99	1.07
Steel and steel products	WELGUJ	0.23	4.47	1935.05	50.79	1.31
Sugar	BAJAJHIND	0.07	5.01	6540.01	41.75	1.33
Tea and coffee	TATATEA	0.09	2.47	2600.16	30.99	0.56
Telecommunication services	TTML	0.08	3.73	4410.82	52.55	1.11

From the above table, it is clear that the best performing sector is GAS Sector with the scrip RNRL providing 0.26% returns with the risk of 5.05%. The coefficient of Variance is 0.18 which proves that this scrip is consistent over 3 years. 58.20% of the variance is explained by Nifty and it has a beta coefficient of 1.58 times which indicates the scrip would generate 1.58 times that of Nifty 50.

The Second performing sector is STEEL AND STEEL PRODUCTS with the scrip TATASTEEL providing 0.23% returns with the volatility of 4.47%. The CV% proves that it is consistent over years. 50.79% of the variance is explained by Nifty and it has beta of 1.31 which indicates that the scrip would generate 1.31 times that of Nifty 50.

The Third performing sector is AIRCONDITIONERS with the scrip VOLTAS providing 0.17% returns with the volatility of 3.81%. The CV% proves that it is consistent over years. 51.87% of the variance is explained by Nifty and it has beta of 1.12 which indicates that the scrip would generate 1.12 times that of Nifty 50.

A Risk Averter can select the PHARMACEUTICAL SECTOR with the scrip LUPIN providing 0.16% returns with the volatility of 2.44%. The coefficient of Variance is less than 1 which proves that this scrip is consistent over 3 years. 20.97% of the variance is explained by Nifty and it has a beta coefficient of 0.46 times which indicates the scrip would generate 0.46 times that of Nifty 50.

The least performing sector is COMPUTERS – HARDWARE with the scrip INFOSYS providing negative returns of about (0.1)% with the volatility of 4.27%. 78% of the variance is explained by Nifty and it has a beta coefficient of 1.13 which indicates that the scrip would generate 1.13 times that of Nifty 50. The second least performing sector is PESTICIDES AND AGROCHEMICALS with the scrip UNITED PHOSPHORUS LTD providing negative returns of about (0.02)% with the volatility of 6.6%. 22.60% of the variance is explained by Nifty and it has a beta coefficient of 0.07 which indicates that the scrip would generate 0.07 times that of Nifty 50.

## Results and Discussions:

- From the multiple regression analysis, the independent variables has the explained variance of about 98.7% towards the dependent variable, that is the Midcap 50 companies influences the major proportion of Nifty50 index. The error variance is very minute and negligible.
- The average return of VOLTAS is 0.17% with risk 3.81%. The maximum loss suffered is (16.03)% and the maximum return obtained is 20.12%.
- The average return of ASHOKLEY is 0.11% with risk 3.33%. The maximum loss suffered is (21.35)% and the maximum return obtained is 16.63%.
- The average return of ALBK is 0.14% with risk 3.13%. The maximum loss suffered is (14.23)% and the maximum return obtained is 18.63%.
- The average return of ANDHRABANK is 0.09% with risk 2.98%. The maximum loss suffered is (16.86)% and the maximum return obtained is 15.06%.
- The average return of IDBI is 0.12% with risk 3.74%. The maximum loss suffered is (20.51)% and the maximum return obtained is 17.50%.
- The average return of INDIANB is 0.16% with risk 3.80%. The maximum loss suffered is (15.06)% and the maximum return obtained is 15.26%.
- The average return of SYNDIBANK is 0.09% with risk 3.02%. The maximum loss suffered is (14.55) % and the maximum return obtained is 13.59%.
- The average return of VIJAYABANK is 0.07% with risk 3.24%. The maximum loss suffered is (16.91) % and the maximum return obtained is 17.34%.
- The average return of INDIACEM is 0.03% with risk 3.44%. The maximum loss suffered is (19.04) % and the maximum return obtained is 15.49%.
- The average return of ULTRACEMCO is 0.09% with risk 2.74%. The maximum loss suffered is (9.07) % and the maximum return obtained is 14.64%.

- The average return (loss) of MOSERBAER is (0.10) % with risk 4.27%. The maximum loss suffered is (35.60) % and the maximum return obtained is 20.81%.
- The average return of EDUCOMP is 0.20 % with risk 5.80%. The maximum loss suffered is (80.37) % and the maximum return obtained is 19.16%.
- The average return of MPHASIS is 0.16 % with risk 3.42%. The maximum loss suffered is (15.76) % and the maximum return obtained is 22.65%.
- The average return of OFSS is 0.08 % with risk 3.56%. The maximum loss suffered is (18.45) % and the maximum return obtained is 15.69%.
- The average return of ROLTA is 0.05 % with risk 5.03%. The maximum loss suffered is (49.12) % and the maximum return obtained is 43.07%.
- The average return (loss) of TECHM is (0.0017) % with risk 3.71%. The maximum loss suffered is (14.75) % and the maximum return obtained is 25.61%.
- The average return of HCC is 0.15 % with risk 4.47%. The maximum loss suffered is (18.98) % and the maximum return obtained is 24.21%.
- The average return of IVRCLINFRA is 0.06 % with risk 5.14%. The maximum loss suffered is (48.98) % and the maximum return obtained is 30.67%.
- The average return of LITL is 0.18 % with risk 6.24%. The maximum loss suffered is (89.93) % and the maximum return obtained is 29.58%.
- The average return of NAGARCONST is 0.10 % with risk 4.32%. The maximum loss suffered is (24.26) % and the maximum return obtained is 18.09%.
- The average return of PATELENG is 0.11 % with risk 3.87%. The maximum loss suffered is (16.47) % and the maximum return obtained is 24.63%.
- The average return of PUNJLLOYD is 0.10 % with risk 4.16%. The maximum loss suffered is (18.02) % and the maximum return obtained is 23.65%.
- The average return of CUMMINSIND is 0.13 % with risk 2.70%. The maximum loss suffered is (13.92) % and the maximum return obtained is 14.30%.

- The average return (loss) of PRAJIND is (0.08)% with risk 4.72%. The maximum loss suffered is (48.84) % and the maximum return obtained is 18.37%.
- The average return of PETRONET is 0.14% with risk 3.38%. The maximum loss suffered is (22.03) % and the maximum return obtained is 15.58%.
- The average return of RNRL is 0.26% with risk 5.05%. The maximum loss suffered is (26.58) % and the maximum return obtained is 35.30%.
- The average return of TITAN is 0.16% with risk 3.27%. The maximum loss suffered is (14.35) % and the maximum return obtained is 17.74%.
- The average return of HOTELEELA is 0.04% with risk 3.44%. The maximum loss suffered is (19.19) % and the maximum return obtained is 20.43%.
- The average return of INDHOTEL is 0.02% with risk 3.83%. The maximum loss suffered is (19.71) % and the maximum return obtained is 23.14%.
- The average return (loss) of UNIPHOS is (0.02)% with risk 3.96%. The maximum loss suffered is (48.97) % and the maximum return obtained is 25.61%.
- The average return of AUROPHARMA is 0.10% with risk 3.37%. The maximum loss suffered is (21.98) % and the maximum return obtained is 19.46%.
- The average return (loss) of DIVISLAB is (0.02)% with risk 4.70%. The maximum loss suffered is (79.56) % and the maximum return obtained is 16.52%.
- The average return of LUPIN is 0.16% with risk 2.44%. The maximum loss suffered is (14.66) % and the maximum return obtained is 10.80%.
- The average return of PIRHEALTH is 0.12% with risk 3.03%. The maximum loss suffered is (11.61) % and the maximum return obtained is 16.71%.
- The average return (loss) of STERLINBIO is (0.01)% with risk 2.44%. The maximum loss suffered is (13.96) % and the maximum return obtained is 15.89%.
- The average return of SINTEX is 0.12% with risk 3.95%. The maximum loss suffered is (11.61) % and the maximum return obtained is 20.28%.

- The average return of CESC is 0.05% with risk 3.24%. The maximum loss suffered is (13.44) % and the maximum return obtained is 16.86%.
- The average return of GVKPPIL is 0.0005% with risk 5.36%. The maximum loss suffered is (89.87) % and the maximum return obtained is 27.22%.
- The average return of CHENNPETRO is 0.12% with risk 3.30%. The maximum loss suffered is (19.37) % and the maximum return obtained is 17.85%.
- The average return of GESHIP is 0.12% with risk 3.81%. The maximum loss suffered is (17.72) % and the maximum return obtained is 19.74%.
- The average return of SCI is 0.05% with risk 3.57%. The maximum loss suffered is (34.57) % and the maximum return obtained is 16.32%.
- The average return of JSWSTEEL is 0.22% with risk 4.47%. The maximum loss suffered is (15.44) % and the maximum return obtained is 33.71%.
- The average return of WELGUJ is 0.23% with risk 4.47%. The maximum loss suffered is (22.13) % and the maximum return obtained is 21.11%.
- The average return of BAJAJHIND is 0.08% with risk 5.01%. The maximum loss suffered is (28.28) % and the maximum return obtained is 28.73%.
- The average return of TATATEA is 0.09% with risk 2.47%. The maximum loss suffered is (12.51) % and the maximum return obtained is 14.61%.
- The average return (loss) of MTNL is (0.05)% with risk 2.89%. The maximum loss suffered is (16.72) % and the maximum return obtained is 16.54%.
- The average return of TTML is 0.08% with risk 3.73%. The maximum loss suffered is (21.02) % and the maximum return obtained is 19.03%.
- RNRL provides the highest returns of all the 50 companies with 0.26% with the risk 5.05% and the scrip LITL has the highest risk of all the 50 companies with 6.24% and provide the returns to the extent of 0.18%.

The study also shows a high positive correlation between the Nifty and IDBI Bank with

### Considered Recommendations:

Based on the sector wise performance of the Midcap stocks, the scrips are been ranked according to their returns and risk. The investors can chose the sector according to the taking ability and the returns expected. The Ranking of the sector wise scrips are as follows.

Table 5.2.1: Ranking of the scrips based on the sector wise performance:

RANK	SECTOR	SCRIP	RETURNS	RISK
1	GAS	RNRL	0.26	5.05
2	STEEL AND STEEL PRODUCTS	WELGUJ	0.23	4.47
3	STEEL AND STEEL PRODUCTS	JSWSTEEL	0.22	4.47
4	COMPUTERS - SOFTWARE	EDUCOMP	0.2	5.8
5	CONSTRUCTION	LITL	0.18	6.24
6	AIRCONDITIONERS	VOLTAS	0.17	3.81
7	BANKS	INDIANB	0.16	3.8
8	PHARMACEUTICALS	LUPIN	0.16	2.44
9	COMPUTERS - SOFTWARE	MPHASIS	0.16	3.42
10	GEMS JEWELLERY AND WATCHES	TITAN	0.16	3.27
11	CONSTRUCTION	HCC	0.15	4.47
12	BANKS	ALBK	0.14	3.13
13	GAS	PETRONET	0.14	3.38
14	DIESEL ENGINES	CUMMINSIND	0.13	2.7
15	POWER	APIL	0.12	3.54
16	REFINERIES	CHENNPETRO	0.12	3.3
17	SHIPPING	GESHIP	0.12	3.81
18	BANKS	IDBI	0.12	3.74
19	PHARMACEUTICALS	PIRHEALTH	0.12	3.03
20	PLASTIC AND PLASTIC PRODUCTS	SINTEX	0.12	3.95
	VEHICLES - 4 WHEELERS	ASHOKLEY	0.11	3.33
				3.87

SR. NO.	SECTOR	SCRIP	RETURNS	RISK
24	PHARMACEUTICALS	AUROPARMA	0.1	3.37
25	BANKS	ANDHRABANK	0.09	2.98
26	CONSTRUCTION	NAGARCONST	0.09	4.32
27	CONSTRUCTION	PUNJLLOYD	0.09	4.16
28	BANKS	SYNDIBANK	0.09	3.02
29	TEA AND COFFEE	TATATEA	0.09	2.47
30	CEMENT AND CEMENT PRODUCTS	ULTRACEMCO	0.09	2.74
31	TELECOMMUNICATION - SERVICES	TTML	0.08	3.73
32	SUGAR	BAJAJHIND	0.07	5.01
33	COMPUTERS - SOFTWARE	OFSS	0.07	3.56
34	BANKS	VIJAYABANK	0.07	3.24
35	CONSTRUCTION	IVRCLINFRA	0.06	5.14
36	POWER	CESC	0.05	3.24
37	COMPUTERS - SOFTWARE	ROLTA	0.05	5.03
38	SHIPPING	SCI	0.05	3.57
39	ENGINEERING	BEML	0.04	3.02
40	HOTELS	HOTELEELA	0.04	3.44
41	CEMENT AND CEMENT PRODUCTS	INDIACEM	0.03	3.44
42	HOTELS	INDHOTEL	0.02	3.83
43	POWER	GVKPPIL	0.0005	5.36
44	COMPUTERS - SOFTWARE	TECHM	-0.002	3.71
45	PHARMACEUTICALS	STERLINBIO	-0.007	2.44
46	PHARMACEUTICALS	DIVISLAB	-0.02	4.7
47	PESTICIDES AND AGROCHEMICALS	UNIPHOS	-0.02	3.96
48	TELECOMMUNICATION - SERVICES	MTNL	-0.05	2.89
49	ENGINEERING	PRAJIND	-0.08	4.72
		MOSERBAER	-0.09	4.27

### Table 5.2.2 - Recommended Scrips for Risk Takers:

Risk takers or Risk lovers has the ability to take higher risk for generating better returns. Five stocks have been recommended for those segments of investors where the risk and the returns are high. The beta values of these scrips are high which indicates that these scrips provide the beta times returns as of the nifty index. The recommended scrips are as follows,

STOCK	SCRIP NAME	AVERAGE RETURN	RISK	BETA
	RNRL	0.26	5.05	1.58
	WELGUV	0.23	4.47	1.31
	JSWSTEEL	0.22	4.47	1.20
	EDUCOMP	0.20	5.80	1.27
	LITL	0.18	6.24	1.61

### Table 5.2.3 - Recommended Scrips for Moderate Risk Takers:

Moderate risk takers will take moderate risks and expect for a better return. Five stocks have been recommended for those segments of investors where the risk and the returns are moderate. The beta values of these scrips are moderate which indicates that these scrips provide the beta times returns as of the nifty index. The recommended scrips are as follows,

STOCK	SCRIP NAME	AVERAGE RETURN	RISK	BETA
	VOLTAS	0.17	3.81	1.12
	INDIANB	0.16	3.80	0.90
	MPHASIS	0.16	3.42	0.68
	TITAN	0.16	3.27	0.79
	LUPIN	0.16	2.44	0.46

#### 5.2.4 - Recommended Scrips for Risk Averters:

Risk Averters are those who take very less risk and expect fewer returns. Five stocks have been recommended for those segments of investors where the risk and the corresponding returns are less. The beta values of those scrips are less which indicates that the scrips provide fewer returns as of nifty index. The scrips recommended are as follows,

SYMBOL	SCRIP NAME	AVERAGE RETURN	RISK	BETA
	PETRONET	0.14	3.38	1.07
	AHSOKLEY	0.11	3.33	0.93
	ALBK	0.14	3.13	0.95
	PIRHEALTH	0.12	3.03	0.47
	CUMMINSIND	0.13	2.70	0.61

## Conclusion:

From the above analysis it is clear that the Reliance Natural Resources Ltd from the sector is providing higher returns to the extent of 0.26% with risk 5.05% to the investors. Its beta coefficient is 1.58, which indicates that the scrip would generate 1.58 times that of the Nifty50 index. The coefficient of variance is lesser when compared to other scrips which indicate that the scrip is consistent. Also from trend analysis, it is projected that the scrip provides positive returns to the investors in the next two years. For the moderate risk takers, Gas Ltd from the Airconditioners sector is recommended for the investment as it provides returns to the extent of 0.17% with risk 3.81% to the investors. Its beta coefficient is 1.12, which indicates that the scrip would generate 1.12 times that of the Nifty50 index. The coefficient of variance is 2223.69 which indicate that the scrip is moderately consistent when compared to other scrips. For the risk averters, Petronet Ltd from the Gas sector is providing higher returns to the extent of 0.14% with risk 3.38% to the investors. Its beta coefficient is 1.07, which indicates that the scrip would generate 1.07 times that of the Nifty50 index. The coefficient of variance is 2458.95 which indicate the scrip is comparatively consistent for the risk averters.

Gas sector is the best performing sector, where the two scrips listed in this sector were the best performing scrips for the risk taker and the risk averter. The second performing sector is the Steel and Steel products sector where the two scrips listed in this sector were the best performing scrips for the risk takers. From the bank sector Indian bank and the Allahabad bank were the performing scrips for the moderate risk taker and the risk averter respectively. The least performing sector is Computer – Hardware sector which provides negative returns to the extent of (0.09)%, and is followed by the Engineering sector with the scrip praj industries which provides negative return to the extent of (0.08)%. The third least performing sector is Telecommunication sector with the scrip MTNL, which provides the negative return to the extent of (0.05)%. For each segment of investors five scrips are recommended so that the decision of investment according to the risk taking ability of the investors.

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