

A PROJECT REPORT ON
“A STUDY ON RISK AND RETURN ANALYSIS OF SELECTED STOCK
IN NIFTY INDEX, INDIA”

Submitted By

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Under the guidance of

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CERTIFICATE

This is to certify that **DARSHAN V** bearing **USN 4AL21BA025** is a bonafide student of Master of Business Administration course of the Institute in 2021-23, affiliated to Visvesvaraya Technological University, Belgaum. Project report titled "**A STUDY ON RISK AND RETURN ANALYSIS OF SELECTED STOCK IN NIFTY INDEX, INDIA**" is prepared by him under the guidance of **Dr. Vishnu Prasanna K N, Professor**, PG Department of Business Administration in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belgaum Karnataka.

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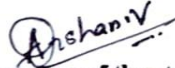
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DECLARATION

I DARSHAN V, hereby declare that the project report entitled “A Study On Risk And Return Analysis Of Selected Stock In Nifty Index, India” prepared by me under the guidance of Dr Vishnu Prasanna K N, Professor, PG Department of Business Administration, Alva's Institute of Engineering and Technology. I also declare that this project work is towards the partial fulfilment of the university regulations for the award of the degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum. I have undergone a summer project for a period of six weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree/ diploma from any other University/ Institution.

Place: Mijar

Date: 04-09-2023


Signature of the student

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EXECUTIVE SUMMARY

Indian stock markets are directing financial resources towards the nation's economic development. The stock markets subgroup that is essential to stock trading is the Indian financial services sector has a wide range of products and is expanding quickly in terms of both the introduction of new players playing a key role and the strong expansion of established enterprises. Many investors shifted their investments to the financial services segment as a result of the financial services sector's explosive growth. The individual investor should do a risk-return analysis well in advance to build an appealing portfolio. The investor can use this to assess the risk-return relationship of various assets. With this context, a study is conducted to assess the risk-return patterns of securities in various sectors.

By using the monthly closing price of 10 companies from the Nifty50 index is used to calculate the risk and return of a sample group of companies from the listed industry. From January 2018 to December 2022, according to Nifty index. Different statistical tools are used to achieve the goals, including descriptive statistics, correlation and beta. To verify the accuracy of the hypothesis, a t-test is also done. The study has brought to light that Tata Steel has provided the highest returns with high beta value and Coal India has the lowest return and the lowest beta value. Further, the tested hypothesis reveals that there exists a significant difference in the return of Nifty and stock returns.

The study emphasizes the risk and return analysis of selected stocks of the various sectors. Potential investors will benefit from this analysis because it will enable them to make more intelligent and accurate investment decisions.

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