RISK AND RETURN ANALYSIS OF HIGH PRICE SHARES V/S LOW PRICE SHARES OF SELECTED COMPANIES OF BSE SENSEX

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Abstract: *The main objectives of this research work is risk and return analysis of High price shares v/s Low price shares of selected companies of BSE SENSEXfor investment. To analyse that we have taken the 10 low price shares companies price range between Rs.100 to Rs.500 and 10 high price shares companies price range between Rs.1000 to Rs.5000. Which shows that investment in high price shares is not always risky and investment in low price shares are not always fruitful. High price shares earn high return compare to low price shares. So it is advisable for investors not to attract towards the price of shares only but also pay attention to the risk and return associated with that price and historical returns over the period of time.*

Key Words: *High Price Share, Low Price Share, Risk & Return, Stock Market, Sensex.*

1. INTRODUCTION:

Any rational investor, before investing his or her invertible wealth in the stock, analyses the risk associated with particular stock. The actual return he receives from a stock may vary from his expected return and the risk is expressed in terms of variability of return. The downside risk may be caused by several factors, either common to all stock or specific to a particular stock. Investor in general would like to analyse the risk factors and a thorough knowledge of the risk help him to plan his portfolio in such a manner so as to minimize the risk associated with the investment.

2. OBJECTIVE: This research work is undertaken to achieve below mentioned objectives

- To know the level of risk in high price share and low price share of BSE Sensex.
- To know the return pattern in high price share and low price share of BSE Sensex.
- To know the risk return relationship of High price shares and low price shares of BSE SENSEX Index.

3. RESEARCH HYPOTHESIS: Research hypothesis of this project is "There is significant difference in the risk & return of high price shares and low price shares of BSE".

4. RESEARCH METHODOLOGY:

Research Design

Research Design constitutes the blueprint for the collection, measurement, & analysis of data. Exploratory and Analytical research are used in this study to examine the impact of stock price on return and risk.

Sampling Design

- Population : Companies listed with BSE
- Sampling Frame : BSE SENSEX – 30 Companies
- Sampling method : Convenience Sampling Method

1. Sample size: 10 companies which are part of BSE SENSEX having high price of shares and 10 companies which are part of BSE SENSEX having low price of shares.

5. DATA ANALYSIS & INTERPRETATION:

Monthly Return of BSE SENSEX High Price Share

Month	Maruti Suzuki	Dr Reddys Labs	Hero Motocorp	TCS	Bajaj Auto	Infosys	Larsen	Lupin	HDFC	M&M	Avrg
Feb-15	-0.7407	3.4801	-6.5132	7.8315	-9.523	7.0984	3.9292	10.2629	5.5703	2.2565	**2.3651**
Mar-15	2.2387	4.1139	-1.4929	-4.793	-6.681	-3.4098	-2.7110	14.8888	-1.8636	-8.0798	**-0.779**
Apr-15	0.8867	-5.1399	-11.850	-3.156	-3.368	-12.370	-5.0320	-11.671	-10.817	-3.5379	**-6.605**
May-15	1.4308	6.7877	15.7355	5.8359	18.754	4.1186	1.3997	3.3337	5.6525	10.0467	**7.3096**

Jun-15	6.2674	0.5039	-6.3687	-2.237	9.5313	-51.278	7.6963	2.9996	4.9332	1.6664	**-2.628**
Jul-15	7.6491	14.5090	5.9482	-1.653	-0.650	9.4078	0.3814	-10.133	3.2898	6.2754	**3.5023**
Aug-15	-3.7618	6.0125	-10.361	2.2012	-10.48	1.5908	-10.295	13.7528	-11.220	-10.182	**-3.275**
Sep-15	12.5207	-3.5892	-0.0709	0.8752	2.4325	5.9578	-8.6339	5.4177	2.0524	3.0868	**2.0049**
Oct-15	-5.1319	2.7446	7.9039	-3.493	10.384	-2.1026	-3.7874	-5.2770	3.6225	-6.2029	**-0.134**
Nov-15	2.8784	-27.160	4.5513	-5.287	-2.669	-4.1900	-2.6291	-7.0221	-3.1817	15.6237	**-2.908**
Dec-15	0.8445	-0.2170	-0.2738	3.1265	2.0934	1.4792	-7.1613	2.6245	3.7340	-6.9995	**-0.074**
Jan-16	-11.2213	0.0145	-4.9142	-1.967	-7.562	5.4592	-13.597	-6.9404	-6.7358	-3.0553	**-5.052**
Feb-16	-20.8630	-2.3312	-2.4641	-8.752	-6.042	-6.9623	-2.0822	2.4499	-9.8548	-0.4786	**-5.738**
Mar-16	14.6950	0.1204	17.7525	15.314	9.3483	12.3829	12.6894	-15.518	4.1449	-1.3979	**6.9532**
Apr-16	2.0395	1.9572	-1.4303	0.5564	3.2625	-0.5829	3.0710	8.6134	-1.5151	10.0938	**2.6066**
May-16	9.8275	2.9118	6.8194	1.7806	5.4053	3.2209	17.6100	-8.2942	13.7858	-0.5294	**5.2538**
Jun-16	0.4139	6.2524	2.6362	-0.943	2.5717	-6.3288	1.4855	4.2695	1.1139	7.8697	**1.9340**
Jul-16	13.6208	-13.189	0.8048	2.6560	0.5863	-8.2682	4.1305	13.2306	9.7110	2.6558	**2.5939**
Aug-16	6.2553	5.1800	10.6364	-4.048	10.323	-3.4592	-2.8338	-14.769	2.3138	-1.9701	**0.7629**
Sep-16	8.4421	0.6247	-3.7533	-3.396	-4.991	0.1254	-5.4299	0.1213	-0.9316	-2.2288	**-1.141**
Oct-16	7.6599	6.9563	-1.7500	-1.343	0.0459	-3.4293	3.1432	2.1845	-0.8758	-6.2520	**0.6340**
Nov-16	-10.7723	-3.7925	-5.5327	-4.921	-5.283	-2.6983	-6.3725	-0.9684	-8.4115	-10.022	**-5.877**
Dec-16	1.1314	-4.3875	-3.9208	3.7422	-1.859	3.6137	-2.3977	-1.2972	-0.1779	-0.1265	**-0.568**

ANOVA Analysis:

SUMMARY	Count	Sum	Average	Variance
Feb-15	10	23.65139	2.365139	39.82714
Mar-15	10	-7.79148	-0.77915	43.90341
Apr-15	10	-66.0576	-6.60576	21.85414
May-15	10	73.09555	7.309555	34.45998
Jun-15	10	-26.2858	-2.62858	314.6274
Jul-15	10	35.02319	3.502319	47.38168
Aug-15	10	-32.7541	-3.27541	76.94529
Sep-15	10	20.04907	2.004907	32.14154
Oct-15	10	-1.34006	-0.13401	34.93432
Nov-15	10	-29.0863	-2.90863	116.128
Dec-15	10	-0.74948	-0.07495	15.35912
Jan-16	10	-50.5207	-5.05207	30.38381
Feb-16	10	-57.3812	-5.73812	42.97634
Mar-16	10	69.53199	6.953199	104.8744
Apr-16	10	26.0656	2.60656	15.68789
May-16	10	52.5377	5.25377	54.17089
Jun-16	10	19.3403	1.93403	15.55265
Jul-16	10	25.93858	2.593858	73.56326
Aug-16	10	7.628669	0.762867	60.40125
Sep-16	10	-11.4187	-1.14187	16.05709
Oct-16	10	6.339615	0.633962	19.35332
Nov-16	10	-58.7755	-5.87755	9.749458
Dec-16	10	-5.67973	-0.56797	7.852958

Maruti Suzuki	23	46.31062	2.013505	71.32474
DrReddys Labs	23	2.362477	0.102716	65.74444
Hero Motocorp	23	12.092	0.525739	57.75749
TCS	23	-2.07604	-0.09026	26.62911
Bajaj Auto	23	15.61761	0.679027	54.77983
Infosys	23	-50.6251	-2.20109	149.7975
Larsen	23	-17.4275	-0.75772	51.46031
Lupin	23	2.257787	0.098165	79.32379
HDFC	23	4.338155	0.188615	41.38383
M&M	23	-1.48911	-0.06474	45.53387

Among companies

H_0 : There is no significance difference in the mean return among ten high price shares. ($\mu_1=\mu_2=\mu_3=\ldots\ldots=\mu_{10}$)
H_1 : There is a significance difference in the mean return among ten high price shares. ($\mu_1\neq\mu_2\neq\mu_3\neq\ldots\ldots\neq\mu_{10}$)

Among months

H_0 : There is no significance difference in the monthly mean return of ten high price shares of last two years. ($\mu_1=\mu_2=\mu_3=\ldots\ldots=\mu_{23}$)

H_1 : There is a significance difference in the monthly mean return of ten high price shares of last two years. ($\mu_1\neq\mu_2\neq\mu_3=\ldots\ldots\neq\mu_{23}$)

ANOVA

Source of Variation	*SS*	*Df*	*MS*	*F*	*P-value*	*F critical*
Rows	3344.35	22	152.0159	2.782368	8.71E-05	1.596303
Columns	235.8494	9	26.20549	0.479643	0.887245	1.927405
Error	10817.82	198	54.63545			

Interpretation: Among the companies F calculated value (0.479643) is smaller than the F critical value (1.927405). That is why the null hypothesis is accepted. So we can say that there is a no significance difference in the monthly mean return among ten high price shares among companies.
Here, among time period F calculated value (2.782368) is higher than the F critical value (1.596303). That is why the null hypothesis is rejected. So we can say that there is a significance difference in the mean return among ten high price shares of last two years.

Monthly Return of BSE SENSEX Low Price Share

Month	Tata Steel	Bharti Airtel	ITC	ICICI Bank	Coal India	ONGC	Adani Ports	SBI	BHEL	NTPC	Avrg
Feb-15	-8.9128	-4.1717	-1.9940	-4.319	9.1451	-7.5402	-2.9369	-2.7097	-10.161	8.3102	**-2.5291**
Mar-15	-10.9096	10.2744	-9.9100	-8.754	-7.985	-5.5855	-6.7927	-11.472	-10.375	-5.3933	**-6.6904**
Apr-15	13.7762	-3.1099	-0.9833	5.0587	0.1656	-0.7171	3.1001	1.1423	0.9577	2.0020	**2.1392**
May-15	-8.8766	11.4372	1.3964	-4.211	7.7961	8.3224	1.9049	2.9994	6.0708	-9.0486	**1.7791**
Jun-15	-7.2451	-1.2697	-3.5807	-2.931	7.6029	-6.1524	-4.8664	-5.5186	-1.4905	0.8047	**-2.4647**
Jul-15	-18.8382	-0.3096	3.5391	-1.785	4.3344	-11.819	5.2452	2.8919	12.4470	-2.1045	**-0.6400**
Aug-15	-8.9972	-15.312	-0.2759	-8.066	-16.60	-12.177	9.3967	-8.6169	-18.729	-10.044	**-8.9430**
Sep-15	-5.8431	-4.6544	1.1067	-2.822	-10.87	-4.2952	-15.557	-3.9862	-9.2494	1.9778	**-5.4202**
Oct-15	16.4464	3.1805	1.7635	2.4977	-2.021	7.9956	-1.2694	-0.0211	-3.2595	7.2323	**3.2545**
Nov-15	-6.7680	-4.0860	2.5396	-1.046	3.3761	-5.4670	-9.2539	5.5860	-11.767	-1.2811	**-2.8169**
Dec-15	12.8233	1.6143	-4.5455	-4.615	-0.604	3.2437	-2.8337	-10.401	-3.5338	11.3740	**0.2521**
Jan-16	-3.6602	-14.769	-2.4725	-11.99	-2.631	-6.5316	-18.380	-19.808	-17.961	-2.5360	**-10.074**
Feb-16	-0.3799	9.3372	-7.4178	-17.42	-2.765	-14.153	-7.8044	-11.975	-34.389	-15.822	**-10.279**
Mar-16	28.2617	10.7814	10.9026	24.500	-6.169	10.6388	26.3131	22.6641	24.8628	7.6023	**16.0357**
Apr-16	9.7183	3.6763	-0.9907	0.0211	-1.678	1.4668	-3.8151	-2.7535	10.2418	7.7640	**2.3651**
May-16	-4.5928	-3.3397	8.2512	3.6348	1.5848	-3.0978	-19.160	8.4149	-3.7480	3.2061	**-0.8847**
Jun-16	-3.7524	4.1234	4.6928	-2.039	7.3718	2.4390	7.3209	6.7366	5.7581	9.1798	**4.1831**
Jul-16	10.2050	-1.1198	-31.418	9.4296	4.7421	1.6875	12.2158	4.7565	14.2186	1.3107	**2.6028**
Aug-16	4.4257	-8.3414	3.0105	-1.959	1.7226	7.7745	13.2572	10.2598	-4.6296	0.5049	**2.6025**
Sep-16	1.0663	-5.3639	-7.1140	-2.095	-3.326	8.2894	-2.2649	-0.7325	-3.1643	-6.7504	**-2.1457**
Oct-16	8.0796	1.4170	0.1449	9.7899	1.0696	12.9529	18.8900	2.8520	3.0821	1.8519	**6.0130**
Nov-16	2.5454	1.8838	-3.7205	-4.332	-5.460	-0.3276	-9.0090	0.2133	-6.0879	7.8678	**-1.6427**
Dec-16	-5.7477	-5.9014	3.4564	-3.660	-2.660	-33.754	-3.4743	-3.3475	-7.1346	0.9500	**-6.1274**

ANOVA: Two-Factor

SUMMARY	Count	Sum	Average	Variance
Feb-15	10	-25.2906	-2.52906	42.69714
Mar-15	10	-66.9041	-6.69041	40.1408
Apr-15	10	21.39237	2.139237	21.84807
May-15	10	17.79088	1.779088	51.0039
Jun-15	10	-24.6468	-2.46468	18.60337
Jul-15	10	-6.4001	-0.64001	80.03552
Aug-15	10	-89.4298	-8.94298	68.78822
Sep-15	10	-54.2015	-5.42015	28.3741
Oct-15	10	32.54454	3.254454	35.17708
Nov-15	10	-28.169	-2.8169	32.1046
Dec-15	10	2.521309	0.252131	53.03645
Jan-16	10	-100.742	-10.0742	52.81886
Feb-16	10	-102.798	-10.2798	137.1772
Mar-16	10	160.3573	16.03573	121.7646
Apr-16	10	23.65091	2.365091	27.25365
May-16	10	-8.84698	-0.8847	64.4541
Jun-16	10	41.83089	4.183089	17.66396
Jul-16	10	26.02797	2.602797	168.304
Aug-16	10	26.02472	2.602472	44.49469
Sep-16	10	-21.4567	-2.14567	19.9887
Oct-16	10	60.12976	6.012976	38.71186
Nov-16	10	-16.427	-1.6427	25.08281
Dec-16	10	-61.2744	-6.12744	104.3631

Tata Steel	23	12.82448	0.557586	119.7555
BhartiAirtel	23	-14.0241	-0.60974	52.06252
ITC	23	-33.6193	-1.46171	66.20453
ICICI Bank	23	-27.1251	-1.17935	68.65165
Coal India	23	-13.8761	-0.60331	39.6918
ONGC	23	-46.8082	-2.03514	105.6499
Adani Ports	23	-9.77531	-0.42501	129.4195
SBI	23	-12.8264	-0.55767	78.70377
BHEL	23	-68.0445	-2.95845	154.9576
NTPC	23	18.95736	0.824233	47.49042

Among companies

H_0 : There is no significance difference in the mean return among ten low price shares. ($\mu_1 = \mu_2 = \mu_3 = \ldots\ldots = \mu_{10}$)
H_1 : There is a significance difference in the mean return among ten low price shares. ($\mu_1 \neq \mu_2 \neq \mu_3 \neq \ldots\ldots \neq \mu_{10}$)

Among months

H_0 : There is no significance difference in the monthly mean return of ten low price shares of last two years. ($\mu_1 = \mu_2 = \mu_3 = \ldots\ldots = \mu_{23}$)
H_1 : There is a significance difference in the monthly mean return of ten low price shares of last two years. ($\mu_1 \neq \mu_2 \neq \mu_3 = \ldots\ldots \neq \mu_{23}$)

ANOVA						
Source of Variation	**SS**	**Df**	**MS**	**F**	**P-value**	**F critical**
Rows	7596.471	22	345.2941	6.007519	5.47E-13	1.596303
Columns	264.5356	9	29.39284	0.511384	0.865322	1.927405
Error	11380.45	198	57.477			
Total	19241.45	229				

Interpretation: Among the companies F calculated value (0.511384) is smaller than the F critical value (1.927405). That is why the null hypothesis is accepted. So we can say that there is a no significance difference in the monthly mean return among ten low price shares among companies.
Here, among the time period F calculated value (6.007519) is higher than the F critical value (1.596303). That is why the null hypothesis is rejected. So we can say that there is a significance difference in the mean return among ten low price shares of last two years.

Month	Average Monthly Return		
	SENSEX	High Price	Low Price
Feb-15	0.61183	2.365139	-2.52906
Mar-15	-4.78181	-0.77915	-6.69041
Apr-15	-3.38435	-6.60576	2.139237
May-15	3.02514	7.309555	1.779088
Jun-15	-0.17108	-2.62858	-2.46468
Jul-15	1.201296	3.502319	-0.64001
Aug-15	-6.51431	-3.27541	-8.94298
Sep-15	-0.48799	2.004907	-5.42015
Oct-15	1.91934	-0.13401	3.254454
Nov-15	-1.91756	-2.90863	-2.8169
Dec-15	-0.10759	-0.07495	0.252131
Jan-16	-4.77399	-5.05207	-10.0742
Feb-16	-7.51362	-5.73812	-10.2798
Mar-16	10.17242	6.953199	16.03573
Apr-16	1.044754	2.60656	2.365091
May-16	4.144788	5.25377	-0.8847
Jun-16	1.24404	1.93403	4.183089
Jul-16	3.896855	2.593858	2.602797
Aug-16	1.427035	0.762867	2.602472
Sep-16	-2.06033	-1.14187	-2.14567
Oct-16	0.230568	0.633962	6.012976
Nov-16	-4.57354	-5.87755	-1.6427
Dec-16	-0.09886	-0.56797	-6.12744

Anova: Single Factor

SUMMARY				
Groups	Count	Sum	Average	Variance
SENSEX	23	-7.46699	-0.324651724	15.36044
HP	23	1.136089	0.049395188	15.20159
LP	23	-19.4317	-0.844857203	34.52941

ANOVA						
Source of Variation	*SS*	*df*	*MS*	*F*	*P-value*	*F crit*
Between Groups	9.278293	2	4.639146656	0.213814	0.808056	3.135918
Within Groups	1432.012	66	21.69714753			
Total	1441.29	68				

Interpretation: There is no significance difference in the mean return of 10 high price share, 10 low price share and Sensex as F calculate value 0.2138 is lower than F critical value 3.1359, which indicates that return generate by low price share and high price share are almost same and par to market.

F-Test for analysis of variance (Risk)

Hypothesis 1:

H_0: There is no significant difference between variance of High price shares and low price Shares of BSE Sensex.
H_1: There is a significant difference between variance of High price shares and low price Shares of BSE Sensex.

F-Test Two-Sample for Variances

Share	Mean	Variance	No. of obs.	DF	F Calculated	F Critical
High Price	0.049395	15.2	23	22	2.271434	2.04777
Low Price	-0.84486	34.53	23	22		

Interpretation: Here, the F Calculated value (2.271434) is higher than the F Critical value (2.04777). That is why the null hypothesis is rejected. It means that there is a significant difference between variance of High price shares and low price Shares of BSE Sensex.

Hypothesis 2:

H_0: There is no significant difference between variance of High price shares and Sensex Index.
H_1: There is a significant difference between variance of High price shares and Sensex Index.

F-Test Two-Sample for Variances

Share	Mean	Variance	No. of obs.	DF	F Calculated	F Critical
SENSEX	-0.32465	15.36044	23	22	1.010449	2.04777
High Price	0.049395	15.20159	23	22		

Interpretation: Here, the F Calculated value (1.010449) is lower than the F Critical value (2.04777). That is why the null hypothesis is accepted. It means that there is no significant difference between variance of High price shares and Sensex Index.

Hypothesis 3:

H_0: There is no significant difference between variance of Low price shares and Sensex Index.
H_1: There is a significant difference between variance of Low price shares and Sensex Index.

F-Test Two-Sample for Variances

Share	Mean	Variance	No. of obs.	DF	F Calculated	F Critical
SENSEX	-0.32465	15.36044	23	22	0.444851	0.359085
Low Price	-0.84486	34.52941	23	22		

Interpretation: Here, the F Calculated value (0.444851) is higher than the F Critical (0.359085). That is why the null hypothesis is rejected. It means that there is a significant difference between variance of Low price shares and Sensex Index.

Z-Test for Analysis of mean (Return)

Hypothesis 1:

H_0: There is no significant difference between mean of High price shares and low price shares of BSE Sensex.
H_1: There is a significant difference between mean of High price shares and low price shares of BSE Sensex.

Z - Test: Two Sample for Means

Type of Share	Mean	Variance	No. of obs.	Z Calculated	Z Critical
High Price	0.049395	15.2	23	0.608156	1.959964
Low Price	-0.84486	34.53	23		

Interpretation: Here, the Z Calculated value (0.608156) is lower than the Z Critical (1.959964). That is why the null hypothesis is accepted. It means there is no significant difference between mean of High price shares and low price shares of BSE Sensex.

Hypothesis 2:

H_0: There is no significant difference between mean of High price shares and Sensex Index.
H_1: There is a significant difference between mean of High price shares and Sensex Index.

Z - Test: Two Sample for Means

Shares	Mean	Variance	No. of obs.	Z Calculated	Z Critical
SENSEX	-0.32465	15.36	23	-0.3245	1.959964
High Price	0.049395	15.2	23		

Interpretation: Here, the Z Calculated value (-0.3245) is lower than the Z Critical (1.959964). That is why the null hypothesis is accepted. It means there is no significant difference between mean of High price shares and Sensex Index.

Hypothesis 3:

H_0: There is no significant difference between mean of High price shares and Sensex Index.
H_1: There is a significant difference between mean of High price shares and Sensex Index.

Z - Test: Two Sample for Means

Shares	Mean	Variance	No. of obs.	Z Calculated	Z Critical
SENSEX	-0.32465	15.36	23	0.353209	1.959964
Low Price	-0.84486	34.53	23		

Interpretation: Here, the Z Calculated value (0.353209) is lower than the Z Critical (1.959964). That is why the null hypothesis is accepted. It means there is no significant difference between mean of High price shares and Sensex Index.

6. LIMITATIONS:

- We have used secondary data which may differ from situation to situation.
- The price of shares that we have taken is of a particular day, i.e. as on 31/12/2016 which will change constantly. So it will have effect on bifurcation of high price shares and low price shares.
- Companies may change policies like split of shares, mergers etc. which will lead to change in price of share also so our calculations will be differ.
- Sometimes, theoretically it is right but practically it may have variations.
- It is useful to investors who can understand significant risks, not useful to all.
- Results will be differing from day to day and situation to situation.

7. FINDINGS:

- As per the Annova analysis, among the companies F calculated value (0.479643) is smaller than the F critical value (1.927405). That is why the null hypothesis is accepted. So we can say that there is a no significance difference in the monthly mean return among ten high price shares among companies.
- As per the Annova analysis, among time period F calculated value (2.782368) is higher than the F critical value (1.596303). That is why the null hypothesis is rejected. So we can say that there is a significance difference in the mean return among ten high price shares of last two years.
- As per the Annova analysis, among the companies F calculated value (0.511384) is smaller than the F critical value (1.927405). That is why the null hypothesis is accepted. So we can say that there is a no significance difference in the monthly mean return among ten low price shares among companies.
- As per the Annova analysis, among the time period F calculated value (6.007519) is higher than the F critical value (1.596303). That is why the null hypothesis is rejected. So we can say that there is a significance difference in the mean return among ten low price shares of last two years.
- We can say that the co-relation between High price shares and SENSEX index is higher (0.85031) than the co-relation between Low price shares and SENSEX (0.819494). Which means if High price shares moves, either

up or down the SENSEX index follows the same direction. High price shares have strong effect on SENSEX Index than the Low price shares. Co-relation is the highest between High price shares and low price shares which is 0.85031, while the co-relation between Low price shares and High price shares is the lowest which is 0.57255368.

- As per F Test between High price and Low price shares, F Calculated value (2.271434) is higher than the F Critical value (2.04777). That is why the null hypothesis is rejected. It means that there is a significant difference between variance of High price shares and low price Shares of BSE Sensex.
- As per F Test between SENSEX and High price shares, F Calculated value (1.010449) is lower than the F Critical value (2.04777). That is why the null hypothesis is accepted. It means that there is no significant difference between variance of High price shares and Sensex Index.
- As per F Test between SENSEX and Low price shares F Calculated value (0.444851) is higher than the F Critical (0.359085). That is why the null hypothesis is rejected. It means that there is a significant difference between variance of Low price shares and Sensex Index.
- As per Z Test between High price and Low price shares, Z Calculated value (0.608156) is lower than the Z Critical (1.959964). That is why the null hypothesis is accepted. It means there is no significant difference between mean of High price shares and low price shares of BSE Sensex.
- As per Z Test between SENSEX and High price shares, Z Calculated value (-0.3245) is lower than the Z Critical (1.959964). That is why the null hypothesis is accepted. It means there is no significant difference between mean of High price shares and Sensex Index.
- As per Z Test between SENSEX e and Low price shares, Z Calculated value (0.353209) is lower than the Z Critical (1.959964). That is why the null hypothesis is accepted. It means there is no significant difference between mean of High price shares and Sensex Index.

8. CONCLUSION:

Investors generally believes that low price shares carries low risk than the high price shares and also low price shares gives certain return than the high price shares. That is why most of the risk-averse investors allocate money in low price shares to avoid the uncertainty.

To analysis that we have taken the 10 low price shares companies price range between Rs.100 to Rs.500 and 10 high price shares companies price range between Rs.1000 to Rs.5000, which shows that investment in high price shares are not always risky and low price shares are not always fruitful. As per our research we concludes that high price shares earn high return compare to low price shares. So it is advisable for investors not to attract towards the price of shares only but also pay attention to the risk and return associated with that price.

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