

TESTING CAPM MODEL IN INFORMATION TECHNOLOGY SECTOR OF INDIAN STOCK MARKET (NSE) – AN EMPIRICAL STUDY

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ABSTRACT

This research study tests the CAPM (Capital Asset Pricing Model) in IT Sector in India's stock market, National Stock Exchange (NSE). Capital Asset Pricing Model explains the links present between risk and return in efficient markets. Thus the current study has focused on the analysis of IT Companies registered on NSE, and actual and expected returns have been compared. The research paper is an attempt to conclude that CAPM model can in any way impact in financial decision making by investors.

KEYWORD: (1) CAPM; (2) NSE; (3) Financial decision.
