A Study on Corporate Action: Analysis of Market Reaction Around the Bonus Issue in India

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Abstract

Indian stock markets, one of the oldest in Asia has its history dating back to nearly 200 years ago. It is one of the fastest growing emerging markets of the world. At present there are total 23 recognized stock exchanges across the country. India has the second largest number of listed securities after USA.

The present research paper, "A study on Corporate Action: Analysis of Market Reaction around the Bonus Issue in India", has been undertaken with three objectives. Study works with 239 sample companies announcing Bonus Issues during January, 2013 to December 2017. Data pertaining to samples are collected from secondary sources. Data are analyzed using functions of packages like SPSS Evolution Version 18 and Microsoft Excel. The study examines price and liquidity effect associated with Bonus Issues surrounding its announcement and execution date by using standard Event Study methodology, which measures significance of abnormal returns and changes in liquidity associated with an event. The study has also narrated the results and plausible recommendations.

Key Word:

Market Reaction to Bonus Issue   s: Average Abnormal Returns around the Bonus Issue   Announcements and Average Abnormal Returns around the Bonus Issue Date,

Effect of Liquidity: Effect on Trading Volume and Effect on Daily Turnover

Introduction:

Companies low on cash may issue bonus shares rather than cash dividends as a method of providing income to shareholders. Because issuing bonus shares increases the issued share capital of the company, the company is perceived as being bigger than it really is, making it more attractive to investors. The balance sheet items remain same except that the capital and total number of outstanding shares of the company increases proportionately to the ratio of Bonus Issue. Bonus Issue   can occur at any ratio. The most commonly used ratios are 2:1, 3:2, 5:4, 4:3 etc. After a two for one (2:1) Bonus Issue, each shareholder has twice as many shares but each represents a claim on only half as much of the corporation's

assets and earnings. Also they can happen in reverse, e.g. 10:1 which are called reverse Bonus Issue. The announcement of a reverse Bonus Issue has been found to elicit a negative stock market response (Wooldridge and Chamber, 1983). A notable difference between Bonus Issue and reverse Bonus Issue is that, while regular Bonus Issues may be ends in themselves as vehicles to correct stock undervaluation, reverse Bonus Issue s do not aim at signaling the firm value but moving share prices to a more attractive trading range. The information quality of reverse Bonus Issue is likely inadvertent, and only a by-product of their original purpose (Nikos Vafeas, 2001). Reverse Bonus Issue is not common among Indian companies.

In a Bonus Issue, the company announcing a Bonus Issue notifies the stock exchange, the record date, after completing the legal and procedural formalities. The stock exchange accordingly fixes the ex-dates, which generally comes few days earlier the record date. On the ex-date and thereafter, the only market is in the post Bonus Issue shares. Section 94(1)(d) of the Companies Act, 1956 allows every limited company to subdivide all or any of its shares into shares of smaller amount than is fixed by the memorandum. The Ministry of Finance, vide Circular No. 1/7/SE/81 dated January 22, 1983 had restricted to change the face value at a denomination lower than Rs. 10 keeping them fixed at Rs. 10 or Rs. 100. This concept of fixed par value was abolished by the SEBI vide Circular No. SMDRP/Policy/Cir-16/99 dated June 14, 1999 that provided companies freedom to issue shares in any denomination to be determined by them as long as it is not fractional by amending their Memorandum and Articles of Associations. Thereafter, it was observed that several companies were resorting to frequent Bonus Issue ting and consolidation within a short span of time. To fill the existing loopholes, the Secondary Market Advisory Committee (SMAC) has been set by SEBI as a standing committee to advice on maters related to secondary market. The committee was reconstituted under the chairmanship of Dr. R.H. Patil. The SMAC in its meeting held on October 9, 2003 discussed with many other things, the issue of frequent changes in face value by listed companies.

Efficient Market Hypothesis (EMH) states that all relevant information is fully and immediately reflected in a security's market price, thereby assuming that an investor will obtain an equilibrium rate of return. In other words, an investor should not expect to earn an abnormal return. Fama (1970) identified three forms of market efficiency namely, the weak, semi-strong and strong form. The weak from of efficiency suggest that current share prices fully reflect any past information contained within past share prices. The semi-strong form extends the notion of efficiency a little further and describes the situation where any published information relating to a company will be reflected in its share price. The strong form describes the situation where all relevant information, whether it is within the public domain or outside the public domain, will be reflected in the price of a share. Subsequently, Fama (1991) changed the categories and coverage of informational efficiency. According to him, the first category (weak form) now covers the more general area of test for return predictability, including work in forecasting returns with variables like dividend yields and interest rates. Further seasonality in returns and volatilities of security prices are to be considered under the theory of return predictability. He further continued that semi-strong tests will now be called event studies and strong form tests will be called tests for private information. In event studies, it is measured how rapidly security prices respond to different items of news, such as an earnings or Bonus Issue s announcement, news of a takeover, or macroeconomic news. The study on stock price reaction for Bonus Issue s is thus based on test of semi-strong form of market efficiency.

The EMH of near perfect capital markets that renders only fleeting and non-systematic gain and loss opportunities to investors has been criticized in recent years by the behavioral finance literature. Because according to the behavioral finance, stock transactions are often executed (in relation to known events such as stock issues, Bonus Issue , share buy-back) at price levels that imply predictably high or low risk adjusted return. If these findings are factually correct, they pose a challenge to the EMH, which predicts a lack of capital market profit or loss opportunities due to the ability of investors rapidly and unbiasedly to

interpret information according to correct assessments of the underlying economic process. The behavioral literature attributes its findings to various investors' biases. Supporters of efficient market argue that risk adjustment methods in behavioral finance are imperfect, data mining may have occurred. According to them all the behavioral anomalies taken together suggest an unbiased market at work and they asked for behavioral models that explain a broader range of evidence (see Fama, 1998). On the other hand, Haugen (1999-2002) responds from the behavioral camp by pointing out the superior powers of capital market phenomena like momentum to predict and explain returns.

Although Bonus Issue , unlike most capital structure changes do not directly affect the corporate cash flows, a large number of studies in Finance give evidence on positive stock price reactions in response to such announcements. Still, very little is known about the exact explanation for the positive announcement effect.

Literature Review

Lakonishok and Lev (1987), have postulated the signaling hypothesis as a plausible explanation for Bonus Issue. It is argued that Bonus Issues are resorted to by managements to reveal information about future earnings to the market. On the other hand, Copeland (1979), suggested the 'trading range hypothesis' as a plausible explanation for Bonus Issues. Accordingly, it is suggested that firms may prefer their shares to be traded within a particular price range when the stock prices are not much volatile. The neglected firm hypothesis is proposed by Arbel and Swanson (1993). It states that if there is little that is known about a firm, its shares could trade at a discount. Thus, firms may use Bonus Issues to draw the attention of investors and to ensure that information about the company is widely recognized than before. Fama *et al.,* (1969), observed that Bonus Issue announcements are often accompanied by or closely followed by dividend announcements. In another study, Grinblatt *et al,,* (1984), reported an excess return of 3.4% during the three days surrounding Bonus Issue announcements during 1967 to 1976. Ohlson and Penman (1985), Lakonishok and Lev (1987) found that firms that Bonus Issue their stocks had better than average earnings growth following the Bonus Issue. Asquith *et al*., (1989), reported that the price response to Bonus Issue s was positively related to pre-Bonus Issue but not post-Bonus Issue earnings changes. In another study, McNichols and David (1990), found that analysts' one-year-ahead earnings forecasts errors were positively correlated with announcement abnormal returns. Maloney and Mulherin (1992), and Conrad and Conroy (1994), associate the ex-day price reaction to market microstructure phenomena. Ikenberry et al., (1996), find that the post-Bonus Issue stock returns for firms that Bonus Issue their stocks are higher than those of a control sample of firms that do not Bonus Issue their stock.

Pilotte and Manuel (1996), have found that, when firms Bonus Issue their stock multiple times the abnormal return at the announcement of the second Bonus Issue is directly proportional to the earnings surprise following the first Bonus Issue . Muscarella and Vetsuypens (1996), show that liquidity after the Bonus Issue improves, accompanied by wealth gains to investors. Desai and Jam (1997), have found excess returns in the years following a Bonus Issue announcement. Brennan and Copeland's (1988), signaling model suggests that managers may communicate their positive information to the market by means of a Bonus Issue . Koski (1998), provides enough evidence that in the US, Bonus Issue s are associated with positive abnormal returns around the announcement and the execution day. They found excess returns of 3.4% on the announcement date.

These findings are not confined to the US alone: Wu and Chan (1996), found excess returns on the Hong Kong stock exchange on examination of 67 Bonus Issue s during the period 1986 to 1992. They found an excess return of 18.2% around the three days surrounding a Bonus Issue announcement. Very few studies appear to have been conducted for the Indian stock market till date.

Budhraja *et* al., (2003) Taking a sample of 20 Bonus Issue s, found an excess return of 5.1 and 4.5% on the announcement day and Bonus Issue date respectively.

Objectives of the Study

To check Presence of any abnormal returns on or surrounding Bonus Issue announcement and execution.

To check effect of Bonus Issue on liquidity. (Liquidity is measured in terms of Trading Volume and Daily Turnover in Rupees.)

To found whether the 'trading range' and the 'neglected firm hypothesis' could be plausible reasons for Bonus Issue s in India.

Research Methodology

Sampling

Target Population of the study is the Bonus Issue s on recognized stock exchanges i.e. Bombay stock Exchange (BSE) and National Stock Exchange (NSE), during period of October 2009 to December 2011

The study had the target population of 154 Bonus Issue s by the companies listed on these two exchanges.

Population Parameters of Interest for the study is the Bonus Issue s taking place at National Stock Exchange (NSE) during the period of study i.e. October 2009 to December 2011. This consists of total of 110 Bonus Issue s during above period at NSE.

Sampling Frame is from where the information on the sample is gathered. The study generates required information on sample from two secondary sources, namely www.moneycontrol.com and www.nseindia.com. All information about sample is drawn from these two sources only.

Sampling Method represents the method of selecting samples for study; it may be probability or non probability. My study used Non-Probability Convenience Sampling method to select the sample out of population of interest.

Sample Size is the total number of sample used in the study. In my study, out of the total available list of 110 companies which went for Bonus Issue during the study period 57 companies are selected as the eligible sample for the study based on the certain criteria stated in sample selection method. Annexure 1 shows the sample size finally used for study and annexure 2 list the names of sample companies along with their face values after and before Bonus Issue as well as the announcement and Bonus Issue dates.

Sample Selection Method used in the study is self defined and stated here. In the process of sample selection, Out of the total available list of 110 companies which went for Bonus Issue during the study period, following companies are omitted from the list of sample.

The companies for which data on announcement date is not available with accuracy, at both sources.

The companies for which trading data over the period from 225 days before to 30 days after the announcement date and Bonus Issue date are not available from the selected sources.

The companies going for reverse Bonus Issue s.

This process produces the sample of 57 companies Bonus Issue ting their share. And the same is selected as sample for the study.

Data Collection Method and Sources of data:

The data required for the study are collected from the two secondary web sources, names of which are www.moneycontrol.com and www.nseindia.com. Bonus Issue announcement and execution dates of Indian publicly listed companies for the period from October 2009 to December 2011 were collected using these two data sources. First, the Moneyconrol.com was used to identify Indian public companies that

Bonus Issue s stock during the period covering October 2009 to December 2011. Second, the announcement dates for Bonus Issue s were extracted from the Moneycontrol.com and the same is verified with the corporate announcements of each company at NSE website. Similarly, all other data pertaining to the daily price of sample companies and of Nifty index are taken from NSE website.

Data Analysis

Data are analysed using statistical functions of packages like SPSS Evaluation version 18 and Microsoft Excel.

Methods used for Data Analysis is generally those used in past by many other researchers. For analysing data, researcher has used various methods and the same are discussed here.

To find Effects of Bonus Issue s

The approach used to achieve above mentioned objective is known as "event study" which is a standard approach in the area of financial economics ever since it has been published by Fama et al (1969). An event study is designed to examine market reaction of any event under observation using abnormal return criteria.

In short, the study used event study methodology to examine the market reaction to Bonus Issue s on share prices by using daily adjusted prices for sample stocks for 225 days before and 30 days after the board meeting date (event or announcement date). Similarly, the market reaction around the Bonus Issue date is also analyzed. The respective board meeting dates for announcement of Bonus Issue s and the Bonus Issue dates are obtained from www.moneycontrol.com and the same is cross checked with the dates on NSE website. The necessary share price data and the values of the S&P CNX Nifty are obtained from NSE website.

In order to carry out the event study, the event date, event window, and estimation window should be determined. Regression analysis is used to estimate the relationship between a firm's returns (dependent variable) and stock returns of a benchmark group such as a portfolio of similar firms, returns across an industry, or some estimate of market returns. The event dates in the study are the date of announcement of Bonus Issue s by the sample firms and the Bonus Issue date. The event window is taken as t= -30 to t= +30 relative to the event day t= 0 (announcement or Bonus Issue date) and S&P CNX Nifty Index is used as a proxy for the market portfolio. The estimation window is taken from t= -225 to t= -31 relative to event date t= 0. The procedure for using event study is discussed analysis part.

To find Effect on Liquidity

The study follows the approach of several studies of the US-market to examine the changes in liquidity around the Bonus Issue date. Accordingly, two measures of trading activity are used—(a) trading volume which is the daily number of shares traded, (b) daily turnover. The study also used Paired Sample T test to find the effect of liquidity due to Bonus Issue s.

To test 'Trading Range Hypothesis' and 'Neglected Firm Hypothesis'.

There is no specific test to be used so as to find the validity of these two hypotheses. Thus, the study uses the results and interprets the significance of these two hypotheses in India. Further details of all these methods are given with the analysis part on so as to have more clarity in understanding the results.

Hypotheses Tested

The study tests the following hypotheses:

There are no significant abnormal returns around Bonus Issue *s announcement date.*

There is no Bonus Issue day effect on Bonus Issue s in India.

Bonus Issue s do not increase liquidity of Indian stocks.

Trading range hypothesis does not hold for Bonus Issue s in India.

Neglected firm hypothesis does not hold for Bonus Issue s in the Indian context.

Findings from the Data Analysis

Findings of the study are summarised in respective headings of the study and are as follows.

Market Reaction to Bonus Issue s

Average Abnormal Returns Around the Bonus Issue Announcements

It was found that Bonus Issue s announcements in India have a significant impact on share price of the companies. On the announcement day there is a significant positive AAR (Average Abnormal Return) of 1.2 % which is high.

The study finds clear run up in the prices before the announcement of Bonus Issue s. The run up in AARs was generated on -1, -2, -3, -5, and -6 days before the announcement of Bonus Issue s which is 0.3%, 0.5%, 0.7%, 0.3% and 0.3% respectively. On t -7, t-14, and t-22, a high positive AAR of 1.1%, 1.1% and 0.8% respectively was found. The results are significant with test statistics (Z values) too.

On days t+3, t+17, t+25, t+28, t+29, and t+30 a significant negative AAR was found as observed Z values have exceeded the critical values. There are no significant positive returns run up after the announcement date except for day t+1 and t+2 which are also not significant.

CAARs for various periods before the announcement are found to be statistically significant. CAARs for two days (-1, -2) is 0.78% with a statistically significant Z value of 1.9594; for (-1, -6) it is 2.14% which is also significant at 1%; for (-1, -10) it is 3.58% with Z=3.49 and for (-1, -30) days it is 8.20% with statistically significant Z value of 4.13.

The build up in CAARs over a period of one month before the Bonus Issue announcement was found. The presence of the insider trading in Indian Capital Market was also found. CAARs for various periods after the announcement are found to be negative and insignificant. For (0, 1) it is 1.65% with Z value of 3.01 which is significant; for (1, 30) it is negative 12.52% which is significant at 1%. For rest of the intervals it is insignificant and negative.

Lastly, it was observed that the information on coming announcements was leaked before the formal announcements were made. And there does exist the significant positive abnormal returns around the Bonus Issue announcement date.

Average Abnormal Returns Around the Bonus Issue s Date

Results show a significant excess return of 1.08 % on the Bonus Issue day. It was observed that positive abnormal return is generated from day t-2 and is the highest at t=0, it continues to build up to two days after the Bonus Issue day, i.e., on days t+ 1 and t+2. Significant positive AARs are also reported on day t-4.

Significantly negative excess returns were observed on days t-13, t+6, t+7, t+8, t+9, t+13, t+14, t+15 and t+24. This leads to a conclusion that the Indian stock market reacts positively to Bonus Issue s and there appears pronounced existence of Bonus Issue effect on Bonus Issue s in India.

The run up in the price after and before the Bonus Issue date indicates that the markets was inefficient in it semi strong form of market efficiency.

CAAR for two days i.e., t=0 and t+1 was found to be 1.26% which is significant at 5% (Z=2.39) and CAAR for six days from t+1 to t+6 is -2.43% which is significant at 1% (Z=-2.74). CAAR for two days

after the Bonus Issue was also found to be positive indicating positive effect.

There appears to be a pronounced existence of an ex-day effect on Bonus Issue s in India.

Effect of Liquidity

1. Effect on Trading Volume

It was observed from the analysis that out of a sample of 57 Bonus Issue s, the average total trading volume increased in case of *55* companies in percentage terms after the Bonus Issue date, whereas in two cases it decreased. For most companies the change has been phenomenal.

Highest increase was of 63.13% for JM Financial and lowest of 3% for Gokaldas Exports ltd was observed in trading volume.

Paired t-test found that there is a significant difference between trading volume before and after Bonus Issue s (with t=3.104), thereby implying that trading volume increased significantly after Bonus Issue s.

Effect on Daily Turnover

Results show increase in average daily turnover in case of 23 companies after the Bonus Issue , whereas for 34 companies, it declined.

The increase in daily turnover after Bonus Issue s was found to be statistically insignificant as the observed t value was only 0.377 and the significance value is higher then 0.05. Thus, the result reflects that Bonus Issue s do not improve daily turnover and consequently the liquidity of stocks in India.

Trading Range Hypothesis

Market prices of Indian companies were found to be high and beyond the affordable range of investors. In fact, for most companies the market prices are too high.

It was found to be highest at Rs. 10,081 for Jindal steel & power ltd. Further, it was found that for total of 45 companies prices were above Rs. 400 (I here take the price up to Rs. 400 as affordable price by investors) on the announcement date.

10 companies were found in the price range of greater than Rs. 400 and equals to Rs. 600. The number was 20 in the price range of greater than Rs. 600 to Rs. 1000. And it was 15 for the companies having prices above Rs. 1000 on the day of announcement. 12 companies were having relatively low prices and thus can't justify the trading range hypothesis as a plausible reason for Bonus Issue.

The hypothesis holds good for the 45 high priced companies. Thus, a trading range hypothesis could be a possible reason of the stocks Bonus Issue s in India.

Neglected Firm Hypothesis

The price results suggest that this hypothesis appears to be invalid in the Indian stock market as the number of companies Bonus Issue ting shares at relatively low price is less i.e. only 12 companies.

Conclusion

Trading range hypothesis can be a possible explanation for Bonus Issue s in India as majority of shares which underwent Bonus Issue were trading at high market prices. 45 companies were having high market price on announcement date. It appears that reasons for a Bonus Issue by low priced companies could be the neglected firm hypothesis whereby little known companies use the Bonus Issue to draw attention to ensure that information about the company is widely recognized than before. This hypothesis, however, appears to be invalid for the Indian stock market as only 12 companies have gone for Bonus Issue at low price. Lastly, the trading range hypothesis appears to be the plausible reasons and valid for the Indian stock market.

To sum up all the conclusions in short, it can be said that there exist a significant positive returns around the Bonus Issue s announcement in India. There is also significant effect of Bonus Issue date on the returns of the companies in India. The information leakage of Bonus Issue before formal announcements is there in India. Indian stock market is inefficient in the semi strong form of market efficiency. Trading volume does increase significantly after the Bonus Issue , but this increase alone is not sufficient to prove the improvement in liquidity after Bonus Issue s. Changes in daily turnover have to be taken into consideration for this purpose. When these changes are also taken into account the result appears that Bonus Issue does not improve liquidity after Bonus Issue date in India.

Recommendations

Based on the findings of the study, researcher comes to the following recommendations to investors and to the regulatory body of India.

As it is strongly evident from the results that the announcement of Bonus Issue s are followed by AAR of 1.2% on that day and on following day also there is a positive abnormal returns. Thus, it is recommended to the investors, in order to have profits in short time, to buy the shares of a Bonus Issue announcing companies on the day of announcement and sell them off on the 2nd day of the announcement. This will enable them to have an above average return of 2% in just 3 days holding in these shares.

It is also recommended to all those investors who have the holdings in the Bonus Issue announcing companies that they should sell off their holdings on the 2nd day of announcement because on the very next day of that a series of negative returns are observed which may reduce the wealth of the investors. So in order to save wealth it is advised to sell off the holding on the 1st or 2nd day of announcement.

The investors have another chance of getting abnormal returns on the Bonus Issue day too. This can be reap by buying the shares of these companies before three days of Bonus Issue execution i.e. Bonus Issue day and sell them off on the 2nd day of the Bonus Issue day they can have positive abnormal returns of about 2% in just five days only. Thus, it is recommended to take this low risky opportunity and have increased wealth.

The study has serious policy implications for the market regulators. It is quite evident from the results that there is an information leakage. The securities and exchange board of India (SEBI), the Indian capital market regulator, will have to strengthen its surveillance and monitoring system of securities transactions by insider, in order to enhance the effectiveness of its regulations on insider trading.

Annexure

Annexure 1 : Sample Size finally used for study	
Total companies announce Bonus Issue during study period	110
Data not found fully or partially	32
Announcement Date and other details not available.	14
Ignored due to reverse Bonus Issue	7
Sample used for the study	57

	Annexure 2: List of Sample Companies Announcing Bonus Issue s				
S.No.	**Company**	**Face Value Before Bonus Issue**	**Face Value After Bonus Issue**	**Announcement date**	**Bonus Issue date**
1	ABB Ltd	10	2	16-02-2010	28-06-2010
2	ACE Ltd	10	2	25-10-2010	13-03-2011
3	AIA ENGINEERING Ltd	10	2	04-06-2011	13-10-2011
4	AMARA RAJA BATTERIES Ltd	10	2	22-06-2010	19-09-2010
5	ASIAN ELECTRONICS Ltd	10	5	05-07-2010	22-10-2010
6	B. L. KASHYAP AND SONS Ltd	10	5	30-07-2010	22-10-2010
7	CITY UNION BANK	10	1	28-04-2010	23-01-2011
8	CLASSIC DIAMONDS (INDIA) Ltd	10	2	9-11-2011	11-01-2011
9	DCH Ltd	10	2	19-01-2010	13-03-2010
10	EASTERN SILK INDUSTRIES Ltd	10	2	08-01-2010	27-06-2011
11	EASUN REYROLLE Ltd	10	2	30-05-2010	31-07-2010
12	ELECTROSTEEL CASTINGS Ltd	10	1	23-07-2010	17-09-2010
13	EMCO Ltd	10	2	17-01-2011	14-03-2011
14	EVEREST KANTO CYLINDER Ltd	10	2	22-05-2010	21-08-2010
15	EVINIX ACCESSORIES Ltd	10	1	10-03-2011	29-04-2011
16	FINOLEX CABLES Ltd	10	2	18-10-2009	08-01-2010
17	GEMINI COMMUNICATION Ltd	5	1	19-05-2011	17-09-2011
18	GLENMARK PHARMACEUTICALS	2	1	11-06-2010	10-09-2010
19	GOKALDAS EXPORTS Ltd	10	2	30-04-2010	08-11-2010
20	GUJARAT FLUOROCHEMICALS	10	5	28-10-2009	08-01-2010
22	GMDC Ltd	10	2	23-02-2010	15-05-2010
23	GVK	10	1	06-12-2010	08-02-2011
24	ICSA (INDIA) Ltd	10	2	30-08-2010	23-10-2010
25	INDIA INFOLINE Ltd	10	2	26-04-2011	08-08-2011
26	JAGRAN PRAKASHAN Ltd	10	2	29-10-2010	09-01-2011
27	JP ASSOCIATES Ltd	10	2	15-10-2010	17-12-2010
28	JINDAL DRILLING & INDUSTRIES	10	5	30-06-2011	06-11-2011
29	JINDAL STEEL & POWER Ltd	5	1	21-11-2010	21-01-2011
30	JM FINANCIAL Ltd	10	1	28-05-2011	08-09-2011
31	MADRAS CEMENTS Ltd	10	1	30-06-2011	01-10-2011
32	MAN INDUSTRIES (INDIA) Ltd	10	5	31-07-2010	09-10-2010
33	MARICO Ltd	10	1	12-01-2010	21-02-2010

34	MAX INDIA Ltd	10	2	24-01-2010	12-03-2010
35	MIC ELECTRONICS Ltd	10	2	19-05-2011	27-06-2011
36	NECTAR LIFESCIENCES Ltd	10	1	28-08-2011	12-11-2011
37	NIIT Ltd	10	2	05-06-2010	24-08-2010
38	NRB BEARING Ltd	10	2	31-01-2010	26-03-2010
39	ORIENT PAPER	10	1	14-11-2010	01-02-2011
40	PENINSULA LAND Ltd	10	2	27-07-2010	16-10-2010
41	PROVOGUE (INDIA) Ltd	10	2	13-08-2011	03-10-2011
42	PUNJ LLOYD Ltd	10	2	06-02-2010	29-03-2010
43	RAJESH EXPORTS Ltd	2	1	22-10-2010	29-01-2011
44	RATNAMANI METALS	10	2	19-06-2011	06-11-2011
45	RUCHI SOYA	10	2	14-06-2010	29-10-2010
46	SESA GOA Ltd	10	1	28-04-2011	08-08-2011
47	SHREE RENUKA SUGARS Ltd	10	1	23-01-2011	10-04-2011
48	SUN TV NETWORK Ltd	10	5	05-04-2010	23-07-2010
49	SUZLON ENERGY Ltd	10	2	23-10-2010	21-01-2011
50	TAKE SOLUTIONS Ltd	10	1	25-08-2011	18-09-2011
51	TANLA SOLUTIONS Ltd	2	1	17-03-2011	02-05-2011
52	MLCO	10	2	16-05-2011	17-07-2011
53	THE PAPER PRODUCTS Ltd	10	2	31-01-2010	25-05-2010
54	TIME TECHNOPLAST Ltd	10	1	27-06-2011	29-10-2011
55	TRICOM INDIA Ltd	10	2	04-05-2011	15-07-2011
56	USHA MARTIN Ltd	5	1	17-05-2010	29-08-2010
57	WEST COAST PAPER MILLS	10	2	26-07-2010	26-10-2010

Annexure: 3 related to other topics, which are presented in the separate copy and the index of it is given below.

Sr. No.	Content
1	Actual Returns of the companies
2	Expected returns of the companies
3	Abnormal Returns of the companies
4	Average Abnormal Returns of the Companies
5	Trading Volume of the companies
6	Daily Turnover of the companies

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