

An Examination of Stock Price Reaction of BSE Greenex Listed Companies in India

S. VANITHA*
V.C. PRIYANGHA**

Abstract

The share market and its price react to various corporate announcements and one such significant announcement is the earnings announcement. Though the BSE GREENEX is for a social cause, one should bear in mind that it is a part of the stock market and it may cause some impact on their investments to the retail investors or the traders. The stock market is a market in which shares are issued and traded either through exchanges or over-the-counter markets. This study proposes to examine the difference in the stock prices between the Pre and Post Listing 110 day window periods for GREENEX on their listed companies, stock prices. The study identified that long term, energy efficient companies obtained better profits than other companies in India. An attempt has been made to the study the impact of event GREENEX market on the stock market performance of BSE listed companies in India.

I. Introduction

THE SHARE MARKET and its price react to various corporate announcements, and one such significant announcement is the earnings announcement. Though the BSE GREENEX is for a social cause, one should bear in mind that it is a part of the stock market and it may cause some impact on their investments to the retail investors or the traders. Hence this study proposes to analyse the impact of an event GREENEX introduction in BSE Market on the stock performance of listed companies. The stock market is a market in which shares are issued and traded either through exchanges or over-the-counter markets. It also provides popular avenues for investments in India. India has two major bourses the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) located in Mumbai. The issues of price changes have become increasingly important in recent

* Assistant Professor, Bharathidasan University, Department of Commerce and Financial Studies, Tiruchirapalli, Tamil Nadu 620024, INDIA.

* Research Scholar, Bharathidasan University, Department of Commerce and Financial Studies, Tiruchirapalli, Tamil Nadu 620024, INDIA.

Indian companies had not taken environmental management seriously in the past. Now, regulations have become more stringent. Moreover, many companies are looking at environmental management as a means to improve their image. The study will lead to the analysis of the environmental performance of other companies which would encourage them to enter into the GREENEX sector.

- It may guide investors to understand the green investment development in Indian market and encourage them to invest in green companies in Indian market.
- This study may extend their analysis to many other sectors in BSE Market and NSE Market in India and may do further deep analysis in particular companies also.

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