Implied Volatility (commonly referred to as IV) is a way of estimating the future fluctuations of a security's worth depending on certain predictive factors. It is obtained by the current price of options on a particular stock.If demand goes up, implied volatility increases. In the reverse scenario, if the market expectations decrease or demand drops, then the implied volatility goes down.

In our project, we consider the European call options and we find the implied volatility through Brenner & Subrahmanyam approximation and the actual implied volatility and difference between them with the help of statistical data obtained for different time interval from NSE (National Stock Exchange).