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CAPSTONE PROJECT

**"A Comparative Study of Risk and Return in FMCG and
Consumer Durables Sectors"**

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ABSTRACT

The Fast-Moving Consumer Goods (FMCG) sector is a critical component of the global economy, contributing significantly to economic growth and employment. This project aims to analyze the risk and return characteristics of selected FMCG companies in India by evaluating their financial performance, stock market trends, and investment potential. The study explores the historical development, market dynamics, and future prospects of the FMCG industry, highlighting key trends such as sustainability, digitalization, and evolving consumer preferences.

Through a comparative analysis of FMCG stocks, this research examines financial indicators, stock price volatility, and sectoral performance in relation to broader economic conditions. By leveraging statistical tools and financial models, including risk-return calculations and market indices, the study provides valuable insights for investors seeking to optimize portfolio diversification within the FMCG sector.

The findings of this research will assist investors, financial analysts, and policymakers in understanding the investment viability of FMCG stocks and identifying opportunities for long-term financial growth. Additionally, the study underscores the strategic significance of innovation, brand positioning, and consumer behavior in shaping the competitive landscape of the FMCG industry.

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CHAPTER 1

INTRODUCTION

A financial market acts as a marketplace for people and businesses to purchase and sell different kinds of financial assets, including stocks, bonds, currencies, and derivatives. These markets are crucial for managing risk, allocating capital, and determining asset values. While derivatives markets deal with contracts based on underlying assets, commodity markets deal with resources like gold and oil. Long-term security trading is made possible by capital markets, whereas short-term borrowing and lending are made possible by money markets. New securities are created on the main market, while used securities are traded on the secondary market.

Stock Market

Shares of publicly traded corporations are purchased and sold on the stock market. It offers a platform for investors to purchase stock in businesses and take part in their growth. An essential component of the world economy, the stock market is a vibrant financial marketplace where ownership shares in publicly listed corporations are purchased and sold. Both main and secondary markets are used for its operation, with the former seeing initial public offerings (IPOs) when corporations issue new shares to the public. These exchanges offer regulated forums where buyers and sellers may interact, promoting openness and listing criteria observance. Individuals who invest in stocks can become shareholders and get the potential benefits of dividends and capital growth.

Stock Market Index

A group of equities that are selected based on specific criteria make up an index. These criteria may include things like company size, industrial sectors, or other elements that identify a certain market segment. By selecting specific companies based on parameters like industrial sector or size, indexes are constructed. The index value shows the overall performance of these equities, showing whether their average prices have increased or decreased. While some indices regard all firms equally, certain indexes give larger companies greater weight. These indices are used as indicators to evaluate market movements and as benchmarks for assessing investment performance.

1.1 INDUSTRY PROFILE FMCG Industry Profile

The Fast-Moving Consumer Goods (FMCG) industry, often referred to as the consumer packaged goods (CPG) industry, encompasses a wide range of frequently purchased products that are consumed quickly and at relatively low costs. As these products are essential for daily life the industry has a significant role to play in the world economy. Food, drink, personal care, home goods, and over-the-counter medicines are examples of FMCG goods. These commodities are consumed often and are necessary, thus their turnover is quick. The FMCG product group is an important contributor to the economy. The food & beverages segment was the leading segment that generated highest revenue in the overall market.

Fast-moving consumer goods (FMCG) is the fourth-largest industry in India and have been growing steadily over the years as a consequence of rising disposable income, an ageing population of young people, and increased brand awareness among customers. Due to the fact that household and personal care make about 50% of FMCG sales in India, the sector is a significant contributor to the country's GDP.

Urbanization is an international trend that has a big impact on a lot of things, such food, water, health care, home care, and other things. To satisfy the demands of the growing urban population, market participants must increase their output.

History of FMCG Industry

First off, between 1950 and 1980, there was minimal investment in the FMCG industry. People favored inexpensive, basic items over luxury ones because of the local population's lesser purchasing capacity. While the Indian government favored the shops and merchants in the vicinity. The government's preference for small-scale companies and the lower buying power of Indians also contributed to the lack of growth in this sector between the 1950s and the 1980s. HUL and Amul, however, were among the few companies who survived and became major competitors in the industry.

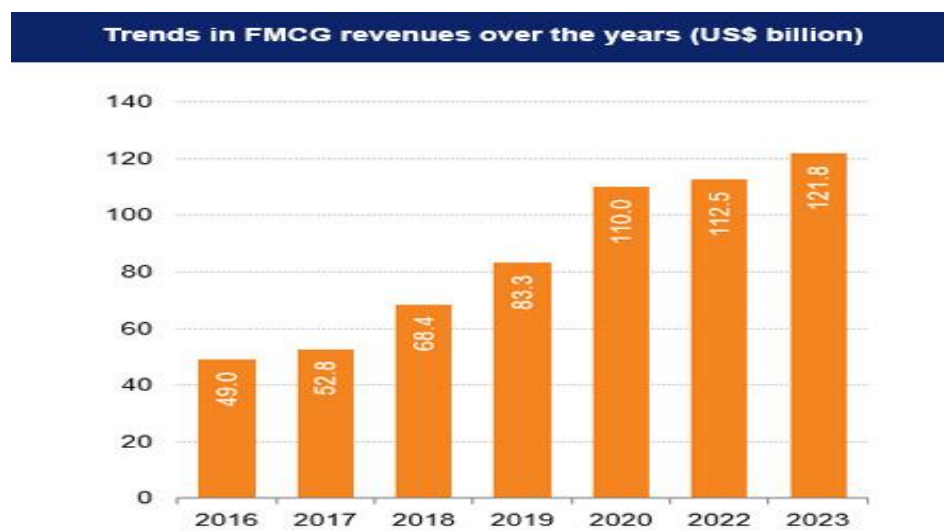
Between 1980 and 1990, people's need for a wider range of products led FMCG businesses to increase the number of products they offered. More companies started to enter the FMCG sector as it grew. The demand on new firms to make a profit intensified at the same time that India's media industry saw growth.

Prior to 1991, when India underwent globalisation and liberalisation, local shoppers were unable to buy foreign frozen foods or western apparel. The general people also didn't know much about brand recognition. Multinational businesses thus began to have an impact on the

FMCG industry after 1991, and this allowed the government to intervene in order to lure international FMCG companies to set up shop in India. The 1991 economic changes also boosted the number of domestic and international possibilities. Trade restrictions were so reduced to lure MNCs to India. As a result of improving living conditions and the growing purchasing power of rural India, businesses started offering products geared at both the rural and urban markets. Companies started investing in new product lines, distribution systems, and improved products at the same period.

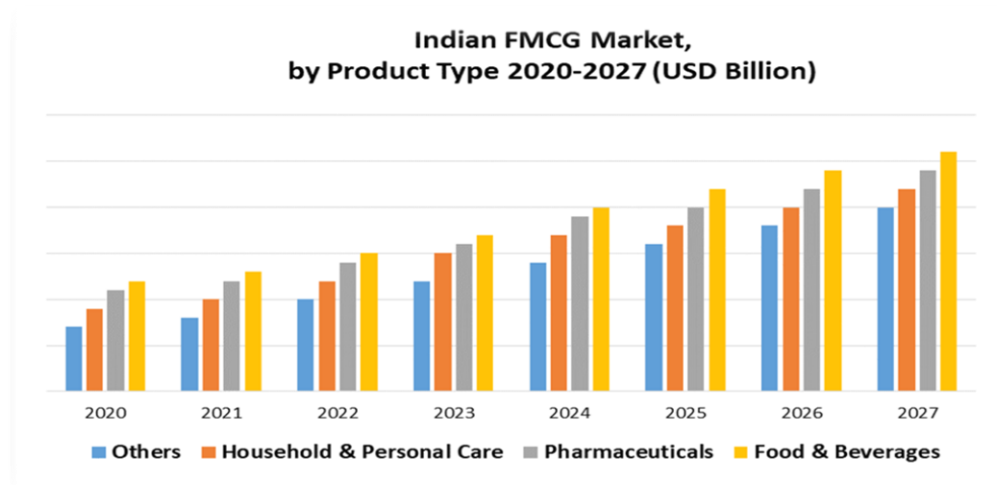
Current Scenario

The global economy experienced inflation in 2021, which had an effect on consumer spending growth and product price increases that consumers had to pay. According to a report, the FMCG sector is well positioned to grow by \$310.5 billion between 2022 and 2026, mostly due to consumers' increased use of ready-to-eat food items. In fact, it is predicted that by 2025, consumer expenditure on food would equal 8.85 trillion dollars. The FMCG sector is profiting from shifts in conventional lifestyles and culture. Urban populations are moving away from basics and towards high-end items as middle-class incomes rise. Additionally, customer willingness to pay premium pricing has compelled FMCG businesses to reevaluate their business strategies.



Future of FMCG Sector :

The FMCG industry is anticipated to expand to a market size of over US\$ 220 billion by 2025, with a growth rate of 14.7%. The FMCG industry is also undergoing transformation as a result of the abrupt shift in the corporate workplace, where many people now work from home. By 2025, it's anticipated that online transactions would account for 40% of all FMCG spending in India. The worldwide FMCG industry is anticipated to reach \$15.5 trillion by 2027, rising at a CAGR of 5.3% from 2020 to 2027, per market research.



The worldwide FMCG industry is anticipated to reach \$15.5 trillion by 2027, rising at a CAGR of 5.3% from 2020 to 2027, per market research. Product innovation is being driven by concerns about health and wellbeing, as 76% of customers worldwide are increasingly choosing healthier foods and 52% are prepared to pay extra for sustainable products. With 80% of consumers more inclined to make a purchase when firms provide personalized experiences, personalization is also gaining popularity. Sustainability is also a major factor, with 73% of customers saying they would alter their purchase patterns to lessen their impact on the environment. Convenience is still king, and from 2020 to 2027, the convenience store category is expected to expand at a CAGR of 4.2%.

Types of FMCG



Food and Beverages includes:

- Processed food, such as bread, pasta and potato chips.
- Ready to eat food, such as packets of nuts or crisps.
- Beverages, such as bottled water, coffee cups and cans of soda.

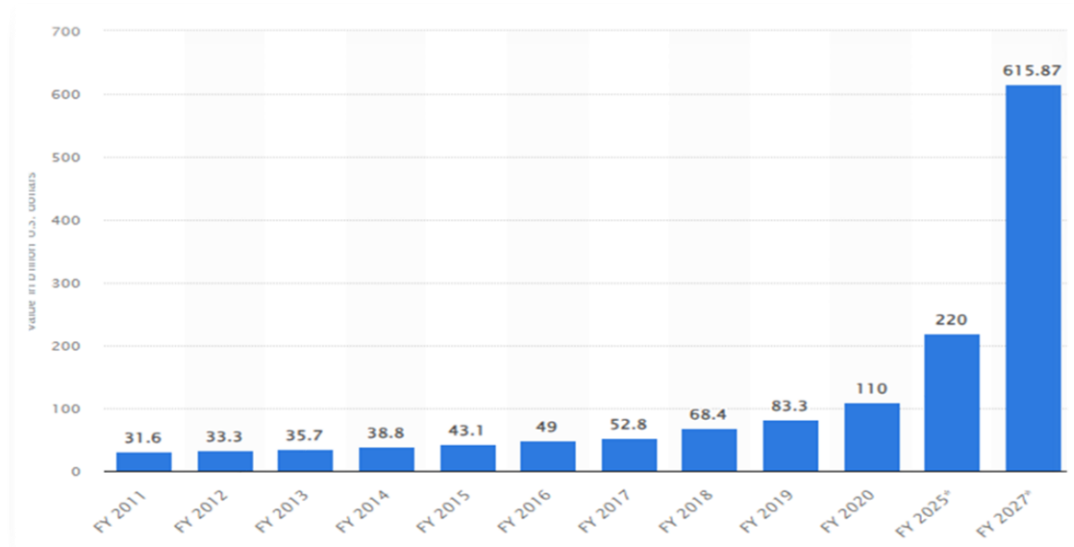
Personal Care Products includes:

Lotions, hair color, lipsticks, cosmetics, deodorants, bath soap, and other oral care items are examples of these.

Health Care Products includes pharmaceutical products like plasters, bandages, syringes, medicines etc.

Home care products includes products like cleaning agents, laundry products, air freshners, kitchen towels etc.

Market Overview



The FMCG industry in India was estimated to be worth 110 billion dollars in 2020. The size of the fast-moving consumer products sector had quadrupled since 2012. The market was anticipated to reach a value of over 615 billion dollars by 2027. In 2020, the value of the global FMCG market was estimated to be \$10.67 trillion. By 2025, it was anticipated to grow at a Compound Annual Growth Rate (CAGR) of roughly 7.7%, eventually reaching \$15.47 trillion.

Trends in FMCG Industry

- **Sustainability:** In response to rising customer demand for products that respect the environment, FMCG firms are rapidly embracing eco-friendly practices, such as utilizing biodegradable packaging and applying sustainable sourcing techniques.
- **Customer Experience:** As organizations work to increase customer loyalty and engagement, elevating the consumer journey through personalized interactions, seamless online-offline integration, and responsive customer service remains crucial.
- **Digitalization:** In order to simplify supply chains, make data-driven decisions, and conduct targeted marketing campaigns, the sector is adopting digital technology. This is revolutionizing how goods are created, delivered, and sold.
- **FMCG e-commerce:** The FMCG industry is changing quickly as a result of the explosive growth of online shopping for everyday necessities. Businesses are increasing their e-commerce presence and improving last-mile delivery options to cater to changing customer demands.
- **Health and Wellness Focused:** In order to appeal to changing lifestyle preferences, FMCG businesses are reformulating their product lineups and stressing health advantages as health-conscious customers seek for organic, useful, and nutritional items.

CONSUMER DURABLE INDUSTRY PROFILE

The development, sale, and distribution of goods intended for prolonged use and practicality by consumers are together referred to as the consumer durable industry. These items are typically viewed as bigger investments and are predicted to be useful and relevant for a long time. Consumer durables have a longer life cycle and are bought less frequently than fast-moving consumer goods (FMCG), which are swiftly and frequently used. Appliances (such

refrigerators, washing machines, and ovens), electronics (including TVs, audio systems, and computers), furniture, and vehicles are a few examples of consumer durables. The dynamics of the sector are driven by things like technology advancement, shifting customer tastes, prevailing economic situations, and sustainability concerns.

With the rising needs of India's large and diversified customer base, the consumer durables sector is flourishing. In 2020, this industry is anticipated to generate US\$20.86 billion. Additionally, it will rank fifth globally by 2025. Both the urban and rural economies support this sector's expansion, albeit the former provides the lion's share of the funding. The urban and semi-urban sectors use consumer durables, which include electrical devices, appliances, home goods, cleaning supplies, fans, etc. With the spread of technology, they are also utilized to some extent in rural regions.

History of Consumer Durable Industry

The Industrial Revolution of the late 18th century cleared the door for mechanisation and mass manufacturing methods. Sewing machines and simple appliances were among the earliest consumer durables to appear. By the turn of the century, more people had access to washing machines, which cut down on the time and labour needed for laundry. By the 1920s, some 20 million vacuum cleaners had been marketed in the United States. Electronics became more prevalent in the late 20th century, and personal computers started to appear in households in the 1980s. Due to economic changes implemented in the 1990s, the Indian market is now open to global trade and investment, increasing competitiveness and product diversity.

As family earnings increased, so did demand for consumer durables like televisions, refrigerators, and washing machines. The consumer electronics industry in India increased from over \$1.2 billion in 2000 to over \$10 billion in 2010, according to the Consumer Electronics and Appliances Manufacturers Association (CEAMA).

A sizable portion of the electronics sector, the worldwide smartphone market, saw exponential growth. 300 million cellphones were delivered worldwide in 2010. That number has increased to nearly 1.3 billion by 2020. An emphasis on sustainability and energy efficiency emerged in the twenty-first century. The market for smart appliances worldwide was estimated to be worth \$22 billion in 2019. By 2025, it is anticipated to exceed \$92 billion.

With forecasts of up to 75 billion linked devices by 2025, the Internet of Things has completely transformed consumer durables. In 2019, there were 26.66 billion connected devices.

Classification of Consumer Durables



- Large home appliances known as "white goods" are frequently coated in white enamel. They often provide convenience and comfort and are necessary for daily living. Durable products utilized for many home needs fall under this category. Several instances include: Refrigerators, Washing machines, Air conditioners, Dishwashers, Freezers, Microwave ovens etc.
- Consumer electronics items that previously came in brown or wooden casings are referred to as "brown goods," sometimes known as "home electronics" or "entertainment electronics." These products, which are made for personal use, offer enjoyment and information. Some instances are: Televisions, radios, DVD players, home theaters etc.
- Grey goods, often known as consumer electronics or non-durable goods, are a broad category of commodities that frequently lie between white and brown goods. Typically, they are technological gadgets for personal usage and communication. Some instances are: Smartphones, Laptops, Tablets etc.

Current Scenario

The Indian consumer durable market, which was valued at US\$9.85 billion in 2021, is anticipated to grow to US\$21.2 billion in only four years. The manufacturing of hardware for electronics in 2021, however, was valued at US\$63.39 billion. Because more people are investing in their homes owing to the growth of multiple income groups, which leads to an increase in fast-paced lifestyles and multitasking couples, the demand for consumer durables is rising. According to estimates from 2021, India's markets for refrigerators, washing machines, and air conditioners were worth US\$ 3.82 billion, US\$ 48.43 billion, and US\$ 3.84 billion, respectively. By 2025, there will be 16.5 million air conditioners on the market, up from 7.0 million in 2021, while there will be 27.5 million freezers, up from around 15 million in 2021. Several forecasts claim that India's consumer durable sector would see revenue growth of 16% to over INR 1 trillion for the FY 2023, supported by volume growth of 12%.

Trends in Consumer Durable Industry

- Focus on Environment friendly Products: Companies are taking all measure possible to guarantee that their goods support environmentally friendly activities, from introducingenergy-efficient devices to decreasing e-waste and boosting recycling. More firms will introduce environmentally friendly items as more state governments give incentives foreco-friendly products and customer awareness rises.
- Increased Affordability of products: Buyers may be confident that there will be a widevariety of new items on the market as big companies like Micromax, Hindustan Unilever, and even Voltas have announced their growth intentions to enter the consumer durables business. Hindustan Unilever is not far behind Micromax, which has previously stated it will invest \$89.25 million to transform into a consumerelectronics firm.
- Rental and Subscription Model: Some businesses have offered rental and subscription services for consumer durables in an effort to lower up-front prices and encourage sustainability. The furniture and electronics industries are the two that are most notablyexhibiting this tendency.
- Expansion in new segment: Buyers may be confident that there will be a wide variety of new items on the market as big companies like Micromax, Hindustan Unilever, andeven Voltas have announced their growth intentions to enter the consumer durables business. Hindustan Unilever isn't too far behind Micromax, which has already declaredit will invest \$89.25 million to reposition itself as a consumer electronics firm. It will introduce a whole new line of skincare products to India this year with a focus on the younger market.

1.2 THEORETICAL BACKGROUND OF THE STUDY

Introduction to Risk and Return in Financial Markets

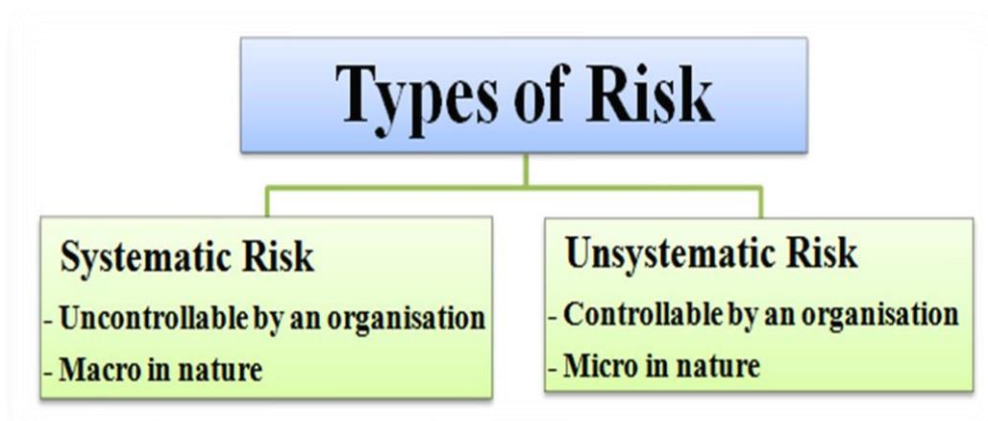
The ideas of risk and return act as basic foundations in the world of financial markets, directing investment choices, forming portfolio strategies, and affecting the dynamics of total wealth growth. A fundamental concept in modern finance, the interaction between risk and return captures the trade-offs that investors must make in order to maximize their investment returns. The idea of risk and return refers to the potential for financial gain or loss while investing in



securities. A return on an investor's investment is the profit they made. On the other hand, risk refers to the likelihood that an investment would experience a financial loss. The potential return is frequently limited when an investor selects a low-risk item to invest in. A high-risk investment, on the other hand, has a better chance of making more gains. Investments with higher levels of risk often produce higher financial returns than those with lower levels of risk.

Risk: The return's phase variability and the word "risk" are interchangeable terms. Because minimizing risk and maximizing the rate of return are two connected goals in investment management, assessing an investment's risk is equally crucial as doing so when determining its predicted rate of return. Every investor seeks to lower the risk associated with his investment by properly combining several assets. Every investment has this inherent risk, which is influenced by anything from geopolitical events to market mood to cyclical changes in the economy. Market risk, interest rate risk, credit risk, liquidity risk, and other forms of risk that investors face all add to the total unpredictability of investment results.

Types of risk



Systematic Risk (market risk): Systematic risks are those that have the potential to impact the whole economic market, or at the very least a sizeable piece of it. They are the risks of losing money as a result of different macroeconomic or political hazards that have an influence on the by variables including economic data, changes in interest rates, and geopolitical events. overall performance of the market. There are several varieties of systematic hazards, some of which include:

- **Market Risk:** The most basic kind of systematic risk is market risk. It alludes to the widespread price swings that affect securities as a result of broad market changes. Market risk may be influenced

- **Political Risk:** Political unrest in a country or region is a major cause of political risk. For instance, businesses operating in a country that is at war are seen as dangerous and unsafe.
- **Exchange Rate Risk:** Because currency value swings are unpredictable, this kind of risk exists. It therefore has an effect on businesses that engage in foreign exchange activities, such as export and import companies or businesses that operate abroad.
- **Interest Rates:** As interest rates rise, the value of current fixed-income investments, such as bonds, may decline. This risk is especially important for bondholders and financial institutions. Interest rate risk results from changes in interest rates imposed by central banks.

Unsystematic Risk: Refers to the risk elements that are exclusive to a certain business, sector, or asset and are unrelated to general market trends. Unsystematic risk cannot be removed or minimized via diversification, in contrast to systematic risk. By maintaining a diverse portfolio of different assets, this risk can be reduced. Unsystematic risk can take many different forms, such as a change in management, a product safety recall, a law change that can hurt business sales, or a new competitor in the market. Some of the types of unsystematic risk are as follows:

- **Business Risk:** This is the risk connected to a company's management, operations, and market circumstances. Performance of a corporation can be impacted by elements such as shifting consumer tastes, competitive pressures, technical improvements, and poor management.
- **Management Risk:** The management of a company's decisions and actions are to blame for this danger. Management risk may be influenced by bad strategy choices, inadequate leadership, and problems with corporate governance.
- **Financial Risk:** Financial risk is related to a company's financial setup and capacity to fulfil its financial commitments. This covers variables including debt loads, fluctuating interest rates, and credit risk. If interest rates rise, it might put a corporation with a lot of debt at danger since greater interest costs could result

Return: The term "return" in the context of financial markets describes the gain or loss produced by an investment over a certain amount of time. It may be stated as a percentage of the initial investment amount and is a technique to gauge how well an investment has performed. Returns are used to evaluate various assets or investment strategies and are a major aspect in determining how appealing different investment possibilities are. Realized return and anticipated return are the two forms of returns that are most frequently discussed.

Types of Returns

- **Realized:** Realized returns refer to an investor's real gains or losses on an investment during a predetermined holding time. They are determined using the discrepancy between the asset's selling price and its original acquisition price, accounting for any income earned over the holding period. Realized returns provide investors a look back at an investment's past performance. Realized returns can be subcategorized as:

- ✓ Total Return
- ✓ Capital Gain
- ✓ Dividend Yield
- ✓ Interest Income

Expected Returns: Expected returns are the projected future earnings that a shareholder estimates for a certain investment based on a variety of variables, including market circumstances, past performance, economic indicators, and personal risk tolerance. Expected returns are prospective and are employed in portfolio creation, risk assessment, and investment decision-making.

Types of expected returns:

- ✓ Equity Expected returns
- ✓ Fixed income expected returns
- ✓ Real estate expected returns
- ✓ Risk-Free Risk
- ✓ Commodity Expected Returns

Risk and Return Relationship

Increasing investing risk is the only way to increase profits. This, however, does not apply in every situation. As an illustration, diversification a portfolio of investment assets may frequently yield a comparable return with lower risk than an undiversified investment portfolio. The efficiency of diversity does, however, reach a limit as a portfolio gets bigger.

Importance

Investment Decision-Making: In order to manage their capital wisely, investors employ the trade-off between risk and return. Different people or organizations have different risk preferences, and knowing the possible return in relation to the risk it entails makes it easier for them to choose investments that fit their financial objectives and risk tolerance.

Portfolio Construction: Risk and return measures are used by portfolio managers and individual investors to build portfolios that balance prospective rewards with risk exposure. A typical tactic to reduce total portfolio risk is diversification, or spreading assets across many asset classes with various risk-return profiles.

Risk Management: Financial experts can control and reduce possible losses by evaluating the risk involved with various investments. Hedging, diversification, and picking assets that fit an investor's risk tolerance are all components of effective risk management techniques.

Performance Evaluation: Evaluating an investment's performance involves comparing the realized return to the predicted return and benchmark indexes. Investors and fund managers can determine if the investment has lived up to their expectations using this evaluation.

Asset Pricing Models: Different asset pricing models, including the Capital Asset Pricing Model (CAPM), employ risk and return connections to calculate the expected return of an asset based on its systematic risk (beta) relative to the market.

Formula for Calculation of Risk and Return

Return Calculation

Calculation of Expected Returns (with probability): $E^*(R)$

Calculation of Expected Returns (Without probability): $[R-E(r)]^2$

Risk Calculation

Calculation of Risk (with probability): $P*[R-E(r)]^2$

Calculation of Risk (without probability): $\sqrt{\sum [R-E(r)]^2/n-1}$

1.3 IMPORTANCE OF THE TOPIC

In the world of finance and investments, the comparative examination of risk and return of a few chosen stocks from the FMCG (Fast-Moving Consumer Goods) and consumer durables industries is extremely important. By offering insightful information on the possible benefits and related dangers of investing in companies within certain sectors, this study plays a crucial

role in helping investors make investment decisions. Investors may make well-informed decisions that are in line with their financial objectives and risk tolerance by looking at the risk-return profiles of consumer durables and FMCG stocks.

In order to disperse risk among different industries, investors might use diversification methods made possible by this comparative study. It provides a view into industry trends and makes forecasts regarding performance based on past performance. By comparing stock performance across sectors, this research also aids risk management initiatives, directs asset allocation choices, and helps strategic planning. Additionally, it contributes to the body of financial research, which is advantageous for academics, professionals, and students alike. In the end, this topic clarifies how risk and return interact within certain sectors, providing crucial insights for navigating the challenging environment of investment options.

CHAPTER-2

REVIEW OF LITERATURE AND RESEARCH METHODOLOGY

2.1 REVIEW OF LITERATURE

“RISK AND RETURN ANALYSIS OF SELECT FMCG COMPANIES”

DR.B.NAVANEETHA,P.BHUVANESWARI,T.K.DHAYA,W.FUNGSHI February

(2019), The current analysis compares the risk and return of several FMCG firms. The study's goal was to examine the risk-return relationships of a few chosen FMCG businesses listed on the Indian stock market. The fourth-largest sector of the Indian economy is fast-moving consumer goods (FMCG), and the stocks of these companies are regarded as secure since they are rarely affected by market fluctuations. This research uses data from 2013–2014 to 2017–2018 to assist potential investors in making educated and logical investment decisions. The goal of the study was to identify the risk return traits of certain FMCG businesses listed on the Indian stock market. The study's focus has been restricted to a small group of three FMCG equities.

“A Study on Risk and Return Analysis of Selected Stocks in India”

Dr. S. Krishnaprabha Mr.M.Vijayakumar (2015),), The study takes a diverse strategy that includes examining current market trends, historical stock performance, and important financial indicators. To ascertain the inherent risks of the selected equities, the study examines the market conditions, business financials, stock price volatility, and other factors. The analysis also considers potential returns that investors may receive from these stocks. Using a comparative approach, the study investigates the risk-return trade-offs presented by various stocks. By comparing the risk profiles and anticipated returns of various shares, the study gives investors a better understanding of how risk levels correspond to potential gains.

“A Study on Risk and Return Analysis of FMCG Companies in Indian Stock Market”

Mr. S. Sathish, Ms. A.. Nagarathinam, April (2021), the risk and return of the chosen firms on the Indian stock market are the focus of this essay. The goal of this study is to identify the best investment for investors to purchase in order to receive high returns with little risk. if the investors take on a high level of risk and receive a high rate of return. Through a careful examination of historical stock data, the study assesses the inherent risk levels associated with the chosen FMCG companies' stocks. financial indicators, market movements, and statistics.

By taking into consideration factors including stock price volatility, company-specific financial metrics, and overall market conditions, the research offers a full knowledge of the risk environment.

“A Comparative Analysis of Selective FMCG Companies in Indian Stock Market Using CAPM”

Kunj Balar, Juli Senjaliya, Yash Kothari, October (2020) To evaluate the link between systematic risk and predicted returns for these FMCG stocks, the study uses the Capital Asset Pricing Model (CAPM) as a foundational framework. Researchers may evaluate the performance of various FMCG firms in respect to their systematic risk exposure and anticipated returns thanks to the comparative analysis made possible by CAPM. With this strategy, it is possible to comprehend how market dynamics and company-specific factors affect the risk-return trade-offs in the FMCG industry.

“A Comparative Study on Risk & Return Analysis of Selected Stocks in India”

Santhapalii Gautami, May (2018), By providing them with relevant information on the viability of the shares as investments, the research aims to assist investors in making informed decisions. The researcher thoroughly examines historical data and financial indicators to determine the risk associated with particular businesses and their potential benefits. Market trends, corporate performance indicators, stock price volatility, and macroeconomic data are all factors included in the research. The research offers a comparative analysis of the risk-return trade-offs among several stocks from various industries. The study's findings may help investors diversify their holdings and make the best choices for their portfolios in the context of the Indian market. The study's findings improve our knowledge of the Indian stock market's dynamics while assisting investors in assessing the risk and return characteristics of diverse shares.

“A STUDY ON FINANCIAL PERFORMANCE OF FAST MOVING CONSUMER GOODS INDUSTRIES”

Dr. SRINIVASULU KOCHERLA, July-September (2017), The paper focuses on the financial performance of fast-moving consumer items. Fast-moving consumer items typically

have minimal profit margins and are hence sold in high volumes. The goal of the current study is to compare the profitability of the firms chosen by ratio analysis. The study's findings show that Colgate Palmolive, Dabur, and Marico's profitability is adequate in certain respects, but Britannia and Godrej's is not. Investigations show that these businesses confront difficulties with cost control, changing customer tastes, and fierce rivalry, all of which have an effect on their profit margins and stability. The literature on this topic emphasises the industry's adaptability even in trying economic times, making it a focus for scholars, decision-makers, and investors. Financial ratios, trend analysis, and benchmarking approaches are frequently used by academics to assess the financial health of FMCG companies.

“An Analysis of Capital Asset Pricing Model (CAPM) in the Indian Equity Market”

Debajit Rabha, (2018), In the context of the Indian stock market, the research study examines the Capital Asset Pricing Model's (CAPM) relevance and validity. The purpose of the study is to ascertain if the CAPM accurately anticipates anticipated returns and provides investors and portfolio managers with reliable guidance as they navigate the Indian investment market. The study paper's conclusions offer new information about the CAPM's efficiency in the Indian equities market. The study's underlying presumptions were that all investors, regardless of the amount they withdraw or lend, had the same unrestricted capacity to do so without risk. The investors allocate the same amounts to the prospective rates of return because they anticipate equal rewards from their investments. The model assumes that investors make their investments for the same amount of time. The data was collected over a period of 25 years, from April 1993 to March 2018.

“A Comparative Study On Risk & Return Analysis Of Selected Stocks In India”

Dr. S. Gautami and Dr. Nalla Bala Kalyan, May 7 (2018), Examining the fluctuations in share prices of a few Indian firms is the main objective of this essay. For previously issued securities that are listed on a stock exchange, the stock exchange acts as a market. Investors frequently acquire and sell these securities without the assistance of companies. Investigating the risk and return analysis of a few Indian stocks is the aim of the current study. Risk is the possibility for modifications to genuine return. Return is the increase in investment value. The research assesses the historical performance of the selected equities. Variables including price changes, volatility, and historical returns are taken into account when determining the level of

risk associated with each stock. Variables including price changes, volatility, and historical returns are taken into account when determining the level of risk associated with each stock.

The study's findings provide information on which stocks historically have produced greater profits in relation to their degrees of risk, and vice versa.

“A Study on Risk & Return Analysis of Selected Industries in India”

B. Vijayalaxmi, November (2017), The research Risk & Return Analysis of Selected Industries in India examines the link between risk and returns while delving into the financial performance of various sectors. It explores risk assessment approaches and empirical data, including elements affecting industry-specific hazards and their consequent effects on returns. This study seeks to shed light on the risk-return trade-off in various industries by examining previous studies. Both at the level of the individual security and the portfolio, this analysis found a statistically significant positive link between risk and returns, supporting both the theoretical hypotheses and empirical data on this topic in developed markets.

“ANALYSIS ON RETURN, RISK AND VOLATILITY OF SECTORAL INDICES AGAINST BSE”

M. Manimaran & Dr. N. Vijai Anand, January (2017), This study compares these sectors indexes to the BSE for the years 2007:01 to 2016:12 and analyses their returns, risks, and volatility. The study looked at a range of pertinent material that was already out there and a range of recent and older research projects. The study collected S&P BSE 500 monthly closing indexes and sector-specific monthly closing indexes for the years 2007:01 to 2016:12. To verify validity, the study made use of methods including Pearson correlation, standard deviation, beta, and linear regression. The study will help investors make judgements about which sectors to invest in based on risk, return, volatility, and market sensitivity. The study uses a descriptive research methodology. A population's or phenomenon's characteristics are described through descriptive research

“Exploring the impact of covid-19 on firm performance: evidence from Indian FMCG and Consumer durable sectors”

Sanjib Biswas, Gautam Bandyopadhyay and Jayanta Nath Mukhopadhyaya, (2020), The goal of the current paper is to describe the early effects of COVID-19 on a sample of fast-moving consumer goods (FMCG) and consumer durables (CD) firms in India. These effects include stock performance, dividend payout capability (DPC), sales and operational performance (SOP), financial stability (FS), and economic sustainability (ES). This study utilises real-world data analysis to determine the degree to which these sectors have been affected. It also provides insights into the crisis management and adjustment strategies used by businesses, thereby advancing knowledge of the pandemic's economic effects.

“A Comparison Study on Risk and Return Analysis of selected companies with Benchmark Index in NSE.”

Mrs. Rahul Moolbharathi and Mrs.Tukaram Sugandi, October (2021), The research aims to comprehend how the stocks move in relation to the market, research was done on comparing the risk and return of various stocks to their benchmark indexes. Any investor's only goal in the market is to maximize profit while minimizing risk. The article aids the investor in this respect by providing an overview of the numerous statistical methods that can be used to evaluate the risk and return of the stocks. The study concentrated on gathering daily data from the stock market, such as the closing price of stocks over the last five years, or from the years 2017 to 2021. For three major sectors automobile, banking, finance, FMCG, and information technology that directly reflect the nation's economic health, the daily return of the stock is computed and the standard deviation is recorded.

To understand how the risk and return are different for each sector and to identify which sector is suited for investment in terms of risk and return, the study compared index performance to benchmark index using a variety of statistical methodologies.

“Comparative Risk Return Analysis of Bombay Stock Exchange with Selected Banking Stocks in India.”

Dr. Ravi.B and Dr S.K.PATIL, April (2018), The study looks at the relationship between risk and return for the BSE 30 (Sensex) banking stocks. Bombay Stock Exchange (BSE), one of the best stock exchanges in India. This study compares the risk-return trade-off of the Sensex with those of HDFC Bank, ICICI Bank, Axis Bank, and SBI using several Sensex and banking stock indexes. The research is supported by secondary data. The research used data from the BSE website that was collected over a 15-year period, from January 1, 2001, to December 31, 2015. Different techniques, including correlation, regression, descriptive statistics, and the t test, have been used in this research to assess if there is a risk-return trade-off in the Indian equities markets and to test hypotheses. For investors evaluating the prospects of investing in banking companies, this research offers significant insights into whether these firms display greater or lower performance than the entire market represented by the BSE index.

“A Study on Comparative Analysis of Risk and Return of Selected Stocks with Special Reference to Cnx BankNifty”

S. Santhosh and K. G. Rajan, (2019), This study examines the risk and return of the banking industry using the Bank Nifty Index as a benchmark. In the National Stock Exchange, the research examines the performance of 10 chosen banks. In order to determine the rate of risk and return of stocks in relation to special risk components now prevalent in the market and other financial considerations, this study analyses the performance of banking shares in particular. Investors interested in learning how these specific stocks perform in the context of the specialised banking index will benefit most from this study's insight into their investing potential. This research sheds light on whether these companies perform better or worse than the CNX BankNifty index, which measures the performance of the banking industry.

“COMPARATIVE ANALYSIS OF RISK AND RETURN ON COMMON STOCK INVESTMENT OF NSBIL, NABIL AND HBL”

Sumitra Sharma, September(2019), The goal of the study is to identify these stocks' distinctive risk-return characteristics. Investing in common stocks of NSBIL, NABIL, or HBL

may offer better or worse risk-return outcomes, according to the research. This comparison analysis provides investors with a greater understanding of the risk and return profiles of these particular firms, which is helpful for those investors looking to analyze the possibilities of investing in their equities. The essay essentially emphasizes the significance of assessing risk and return indicators while thinking about investments in common stocks across NSBIL, NABIL, and HBL. The research' findings give a sophisticated view of the possible benefits and dangers of investing in the common stocks of each firm. The study tries to reveal the distinctive risk-return profiles displayed by these stocks by looking at historical data.

Research Gap

The research gap lies in the absence of thorough and current research that assess the risk and return profiles of businesses within these two different industries side by side. Despite the fact that the FMCG and Consumer Durables sectors both significantly influence the economy and stock market, there doesn't seem to be any research that systematically examines how the risk and return characteristics of businesses in these sectors differ and may interact.

Existing literature frequently isolates certain industries to provide insights into their operating results and investment prospects. However, it is difficult for investors, analysts, and policymakers to comprehend the relative risk levels and possible returns associated with both businesses because there isn't a direct comparison between the FMCG and Consumer Durables industries.

2.1 NEED FOR THE STUDY

The inherent complexity of investment decision-making drives the necessity for this study. Investors are constantly seeking ways to diversify their portfolios while maximizing returns. Consumer Durables and FMCG are two sectors that appeal to different investment preferences. While FMCG firms are renowned for their stability and durability even during economic downturns, consumer durables are often linked with cyclicalities and susceptibility to economic situations. Investors may make wise judgements that are in line with their risk tolerance and financial objectives by being aware of the risk-return trade-offs in these industries.

2.2 STATEMENT OF THE PROBLEM

The challenge at hand is to undertake a thorough comparative examination of the risk and return characteristics of a few equities within the FMCG and Consumer Durables sectors. This analysis aims to shed light on the varying risk profiles and return potentials associated with these sectors, ultimately assisting investors in making more informed investment choices. A clear knowledge of how risk and return dynamics differ between Consumer Durables and FMCG stocks is hampered by the absence of a systematic comparison analysis, despite the fact that several studies have separately evaluated the financial performance and investment potential of companies within both categories.

2.3 SCOPE OF THE STUDY

Designed to provide a comprehensive exploration of the risk and return dynamics inherent in the Consumer Durables and Fast-Moving Consumer Goods (FMCG) sectors.

2.4 OBJECTIVES OF THE STUDY

- Compare historical returns of chosen Consumer Durables and FMCG stocks over a specific time period.
- Evaluate the risk levels associated with selected stocks using standard deviation and beta.
- Identify any significant differences in return patterns between Consumer Durables and FMCG stocks.
- Assess if there is a consistent relationship between risk and return within each sector.

2.5 RESEARCH METHODS Sampling Type: Convenience Sampling

Sample Size: 10 companies from 2 industries (FMCG and Consumer Durables) would be analyzed.

The sample will ideally include companies of varying sizes, geographical locations, and market positions to ensure diversity. Sample will involve selecting a representative sample of stocks from both the Consumer Durables and FMCG sectors.

2.6 TOOLS FOR DATA COLLECTION

- Data for this study will be collected from financial databases [yahoo finance, screener, money control], industry reports, and regulatory filings.
- Research Findings

2.7 LIMITATIONS OF THE STUDY

- The quality and availability of historical financial data for the chosen companies has a significant impact on the analysis' accuracy and dependability. Results may be skewed by inaccurate or lacking data.
- Macroeconomic variables, geopolitical developments, and industry-specific trends can all have a quick impact on market conditions and stock performance. These dynamic elements might not be fully captured by historical data.
- Risk and return may be influenced by certain characteristics that are specific to the FMCG and consumer durables sectors. The study's application may be constrained if certain industry-specific characteristics are not taken into consideration.

CHAPTER 3

PROFILE OF THE SELECTED ORGANIZATION / RESPONDENTS

FMCG COMPANIES

Britannia Industries LTD



One of the top FMCG firms in India is Britannia Industries Ltd. The product line offered by Britannia comprises cookies, rusk, cakes and dairy items including cheese, drinks, milk and yoghurt. Among its brand names are Tiger, Marie Gold, Good Day, 50-50, and Treat. BIA is present in more than 60 different nations. The corporation has a foothold in the Middle East thanks to domestic production in the UAE and Oman. It also dominates the market in Nepal. Currently, it manufactures and sells a variety of food goods. The business was set up as a public limited company on March 21st, 1918. The organization has facilities in Uttarakhand, Delhi, Chennai, Mumbai, Kolkata, and Chennai.

A group of British merchants founded the corporation in 1892 with a \$295 initial investment. In the beginning, biscuits were made in a modest home in the heart of Kolkata.. Britannia is renowned for its dedication to sustainability, innovation, and high-quality products. Britannia continues to be a dependable and well-liked brand in the packaged food industry, with a sizable market share in India and an expanding global reach.

Mission Statement

"To improve the financial health of our members and customers by satisfying their evolving borrowing, investment and housing needs."

Market Facilities

More than 1,000 distributors and 4,000 Stuckists make up Britannia's extensive distribution network in India. With a presence in more than 10,000 modern retail locations, Britannia's products are prominently displayed in significant modern retail chains. The business produces a wide variety of items at 15 cutting-edge production sites. As one of India's top brands and the

leading food brand in the nation, Britannia stormed into the 21st century. The Britannia 50-50 Maska-Chaska, India's most popular product launch, and the Lagaan Match, India's most popular promotional activity of 2001, were both praised for their unique approaches to products and marketing. Britannia makes considerable marketing investments, spending more over INR 400 crore (\$55 million) on advertising annually to increase customer demand and brand identification.

History

A group of British merchants established Britannia Industries in 1892 in Kolkata (then Calcutta), India, under the founding name "The Britannia Biscuit Company Limited." The production of bread, cakes, and biscuits was the company's main priority. Britannia's reputation for high quality was further bolstered in 1918 when it was granted the Royal Warrant to provide biscuits to the British Royal Family. In the years following India's 1947 declaration of independence, Britannia kept growing its product line and market share. In 1955, Britannia launched the "Britannia Marie Gold" brand of classic biscuits, and in 1986, the "Britannia Good Day" brand.

Britannia undertook a brand makeover in the 1990s to improve the consumer appeal of its goods, which included a new logo and package style. Britannia started selling its goods overseas, not just to the Indian diaspora but also to local customers who acquired a taste for Indian baked goods and snacks.

Products of Britannia

The Britannia products consists of 4 sectors: Biscuit Sectors, Bakery items, Gift sector and Dairy products

- **The Biscuit sector** is classified into Kids Nutrition (Tiger Biscuits, Milk Bikis),
 - Treat or Luxury sector (50-50, Good day Biscuits, Treats, Jim Jam)
 - Snacking Sector (Little Hearts, 50-50, Bourbon)
- **Adult Health Sector** (Britannia Marie Biscuits, Britannia Nutri Choice Biscuits)
- **The Bakery Items** sector consists of - Britannia Bread, Britannia Toasted Rusk, Bar cakes, Chunk Cakes.
- **The Gifts sector includes** - Premium Assorted Cookies, Cookie Delight, Meetha Namkeen 2, Healthy Gifts, Royale Special, Choco Delight 2, Veggie Delight, Meetha

Namkeen 1, Choco Delight 1, Assorted Biscuits, etc. are included in this package.

- **Dairy Products Sector includes** – Cheese, Butter, Ghee, Milk, Gourmet Cheese, Dahi, Dairy Whitener, Actimind, TigerZor Choco Milk and Badam Milk.

Nestle India



One of the biggest and best-known global food and beverage firms in the world is Nestlé. Henri Nestlé established it in Vevey, Switzerland, in 1866. Nestlé has developed into a multinational corporation throughout the years, operating in a variety of food and beverage sectors in addition to other industries. With activities in almost every nation on earth, Nestlé is a worldwide company. It has approximately 2,000 brands in its portfolio and operates in over 180 countries. A wide variety of food and beverage products may be found in Nestlé's product line. Among many others, some of its most well-known brands are Nestlé, Nescafé, KitKat, Maggi, Purina, and Nesquik. In addition to dairy, coffee, pet care, confectionary, bottled water, and nutrition, the firm also works in these fields. The shares of Nestlé are publicly traded, and they are listed on a number of stock markets, including the SIX Swiss Exchange and the Swiss Stock Exchange. By revenue, Nestlé routinely ranks among the biggest food and beverage firms in the world. Investors and experts keep a careful eye on its financial results. The world headquarters of Nestlé are located in Vevey, Switzerland. However, the business has locations and regional offices all over the world.

Marker Facilities

NESTLÉ India now has 8 production sites and 4 branch offices spread all across the country. The first manufacturing facility for NESTLÉ India was established in Moga, Punjab, in 1961. This was followed by facilities in Choladi, Tamil Nadu, in 1967; Nanjangud, Karnataka; Samalkha, Haryana; Ponda, Goa; Bicholim, Goa; and Pantnagar, Uttarakhand. Nestlé India built its eighth manufacturing plant in Tahliwal, Himachal Pradesh, in 2012. The sales and marketing efforts are facilitated by the four branch offices, which are situated in Delhi, Mumbai, Chennai, and Kolkata. The main office of NESTLÉ India is situated in Gurgaon, Haryana.

History Of Nestle India

Nestlé originally opened its first manufacturing plant at Moga, Punjab, in 1912, marking the start of its presence in India. At first, the business concentrated on importing and marketing goods like condensed milk and baby food made from milk. When Maggi noodles were introduced in India in the early 1980s, they swiftly rose to become one of Nestlé India's most recognizable and adored goods. In India, Maggi grew to be regarded as the standard for instant noodles. Over the years, Nestlé India has had its fair share of difficulties and controversies. The Food Safety and Standards Authority of India (FSSAI) temporarily outlawed the sale of Maggi noodles in 2015 owing to worries about lead levels, which is one of the most famous occurrences. After the problem was fixed, Maggi went back to the market.

Customer Focus of Nestle India

- Quality and safety are very important to Nestlé India while developing new products. To make certain that its food and beverage products meet the highest standards, it makes significant investments in strict quality control and safety precautions.
- Consumer input is regularly sought for and valued by Nestlé India. The business encourages customers to submit their opinions, worries, and recommendations through a variety of channels, including customer hotlines, websites, and social media platforms.

The supply chain's effects on the environment and society are taken into consideration by Nestlé India. The business strives for ethically sound raw material procurement since it improves the environment and many customers' ethical concerns.

Products of Nestle India

- **Maggie Noodles:** One of Nestlé India's most recognizable and well-liked products is Maggi noodles. They have been a mainstay of Indian families for decades and come in a variety of flavors.
- **Nescafe Coffee:** Nescafé instant coffee products from Nestlé include ready-to-drink coffee drinks and coffee powder.
- **Dairy Products:** Under the names Nestlé A+ Milk, Nestlé Dahi (yoghurt), and Nescafé Cold Coffee, Nestlé India manufactures a range of dairy products, including milk, yoghurt, and drinks containing dairy.

- **Breakfast Cereals:** In order to meet customer demand, the corporation sells morning cereals such :
 - ✓ Nestlé Corn Flakes
 - ✓ Nestlé Chocos
- **Chocolate and Confectionery:** Nestlé creates confectionery and chocolate products under the labels:
 - ✓ KitKat (Chocolate Wafer)
 - ✓ Munch (Chocolate-Covered Wafer)
 - ✓ MilkyBar (White Chocolate)
 - ✓ Bar-One (Chocolate Bar)
- **Health and Wellness Products:** The company offers health and wellness products such as:
 - ✓ Nestlé NAN Pro (Infant Formula)
 - ✓ Nestlé Resource (Medical Nutrition)
 - ✓ Nestlé Opti fast (Weight Management)
- **Culinary Products:** Nestlé India produces culinary products, including:
 - ✓ Maggi Hot and Sweet Tomato Chili Sauce
 - ✓ Maggi Masala Ae-Magic (Spice Mix)
 - ✓ Maggi Pasta (Pasta)

Financial Information

Income Statement

Title	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Total Revenue	23,238	23,238	24,511	24,511
Gross Profit	10,652	10,652	10,955	10,955
Operating Income	3,905	3,905	4,062	4,062
Net Income	2,824.50	2,824.50	2,011.50	2,011.50

Godrej Consumer Products LTD



An Indian manufacturer of consumer products with its headquarters in Mumbai is called Godrej Consumer Products Limited (GCPL). Soap, hair colourants, toiletries, and liquid detergents are among GCPL's offerings. A well-known Indian manufacturer of consumer products, Godrej Consumer Products Ltd. (GCPL) is strongly established in the history of the Godrej Group, a conglomerate that dates back to 1897. GCPL was founded in 2001 as a solo company and has since developed into a diverse participant in the consumer products industry. Products from its product line include soaps, toiletries, cosmetics, hair care, air care, health and hygiene, home insecticides, and fabric care items. It also sells personal care items. The business sells aerosol kinds of home pesticides. Cinthol, Saniter, Godrej No. 1, Ezee, Stella, Good Knight, TCB Naturals, Darling, Bblunt, HIT, Inecto, and Nupur are just a few of the names that GCPL sells these goods under. The corporation has production plants in Africa, Latin America, India, Indonesia, and the US. Mumbai, Maharashtra, India serves as the headquarters of GCPL.

Market Facilities

maintains a strong domestic presence, functioning through a vast distribution network in more than 20,000 Indian cities and villages. Approximately 8 million retail locations carry its products. GCPL conducts business in more than 50 nations and exports its goods to meet the needs of a large customer base. Godrej has a significant presence in Africa, with its goods accessible in 21 nations there. The geographic reach of the organization includes 16 Asian nations, including Bangladesh, Sri Lanka, Nepal, and Indonesia.

History of Godrej

The Godrej Group, which was established in Bombay (now Mumbai), India, in 1897 by Ardeshir Godrej and Pirojsha Burjorji Godrej, has a significant influence on the history of GCPL. The Godrej Group began as a modest lock manufacturer and progressively expanded

into a range of markets, including consumer products, real estate, and industrial engineering. The Godrej Group strategically decided to establish separate businesses for each of its business sectors in the early 2000s so that they could concentrate on their respective industries. The Godrej Group has grown into a number of industries over the years, and in 2001, GCPL became a stand-alone business with an exclusive focus on consumer products

Products of Godrej Consumer Products Ltd

- **Personal Care:** Cinthol: Bath and personal care products, including soaps, shower gels, and deodorants. Godrej No.1: A popular soap brand offering a range of soap variants.
- FairGlow: Fairness soap and cream products.
- **Hair Care:** Godrej Expert: Hair colouring & colouring supplies. BBLUNT: High-end styling and hair care products.
- **Home Care:** Good Knight: Home insect repellents, such as sprays, liquid vaporizers, and mosquito coils. HIT: Pesticides for insects with wings and legs. Ezee: Delicate fabric liquid detergent. Dishwashing products, Xpert.
- **Hygiene:** Protekt: Hand hygiene and disinfectant products, including hand sanitizers and hand wash.
- **Feminine Hygiene:** Sofy: Items for feminine hygiene, such as sanitary pads.
- **Air Fresheners:** aer: Air freshener products, including room sprays and diffusers

Financial Information

Title	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Total Revenue	34,489.10	32,001.60	35,989.20	33,919.20
Gross Profit	18,534.40	16,928.10	18,408	16,238
Operating Income	6,055.40	5,962.20	7,101.70	5,209.30
Net Income		4,521.40	5,463.40	3,588.60

Hindustan Unilever



Hindustan Unilever Limited

Lever Brothers India Limited, the company that would later become HUL, was established in 1931 and has a long history. Later, the company changed its name to Hindustan Lever Limited and then to Hindustan Unilever Limited. Unilever entered the Indian market with the company's founding there, and it has since grown to be among the most recognizable and well-respected brands there. HUL provides a wide variety of consumer goods in a number of areas, such as sundries, personal care, home care, eats and drinks, and refreshments. Dove, Lux, Lifebuoy, Surf Excel, Rin, Knorr, Kissan, Brooke Bond, and Lipton are just a few of its well-known trademarks. HUL is a business unit of Unilever, a world leader in the consumer products sector. With operations in over 190 nations, Unilever has a huge brand portfolio.

Market Facilities

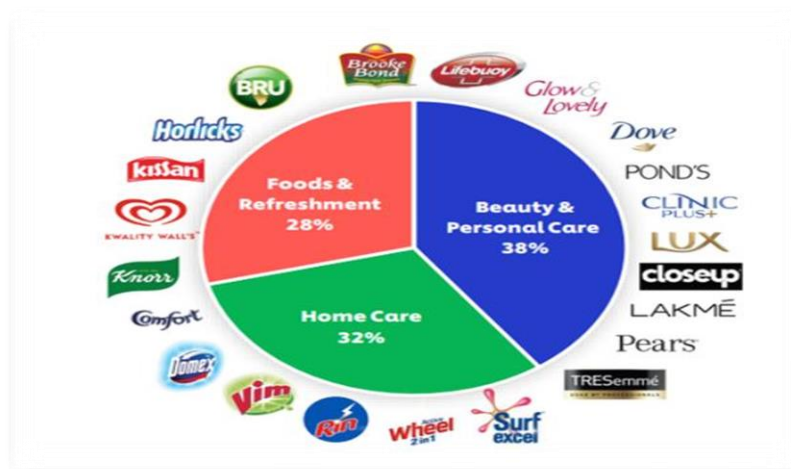
Products from HUL are sold in a variety of retail settings, including more than 8 million kirana shops, supermarkets, hypermarkets, and online shopping sites. More than 32,000 devoted salespeople are employed by HUL, and they collaborate with distributors and retailers. HUL routinely produces new goods and variations under its more than 50 brands to meet the diverse demands of its customers. Through projects in health, education, sanitation, and livelihoods, HUL actively engages in corporate social responsibility, having an influence on over 140 million people.

History of HUL

- HUL's beginnings may be found in the early 20th century, when the British soap company Lever Brothers wanted to expand into India. Lever Brothers India Limited was founded in India in 1931, officially starting the company's presence there.
- Lever Brothers India continues to develop and broaden their product selection after India attained independence in 1947.

- To better represent its Indian heritage, the business changed its name to Hindustan Lever Limited (HLL) in 1956.
- For the firm, the 1990s brought about considerable changes. It was renamed Hindustan Unilever Limited (HUL) in 1993 to reflect its position as a global consumer products juggernaut Unilever's affiliate.
- HUL introduced brands including Rin, Wheel, Surf Excel, and Fair & Lovely as part of its ongoing strategy to broaden its product line.
- The portfolio of HUL has grown to cover a variety of goods, including meals and drinks including Brooke Bond tea, Kissan, and Knorr.
- The business promotes sustainable sourcing and ethical packaging as part of its attempts to lessen its environmental impact.

Products of HUL



Personal Care and Hygiene

- ✓ **Dove:** Personal care products, including soaps, body washes, shampoos, and conditioners.
- ✓ **Lux:** Luxury bathing soaps and body washes.
- ✓ **Lifebuoy:** Hygiene and health-focused products, including soaps and hand wash.
- ✓ **Pears:** Gentle and pure bathing soaps.

- ✓ **Fair & Lovely:** Skincare products, including creams and face washes.
- ✓ **Vaseline:** Skincare products, including lotions and petroleum jelly.
- ✓ **Pond's:** Skincare products, including creams and facial cleansers.
- ✓ **TRESemmé:** Hair care products, including shampoos and conditioners.

Home Care and Laundry

- ✓ **Surf Excel:** Laundry detergents for clothes.
- ✓ **Rin:** Laundry detergents and fabric care products.
- ✓ **Wheel:** Laundry soaps and detergents.
- ✓ **Domex:** Household cleaning products, including toilet cleaners.
- ✓ **Cif:** Cleaning and household products.

Food and Beverages

- ✓ **Kissan:** Food products, including jams and ketchup.
- ✓ **Brooke Bond:** Tea brands, including Red Label and Taj Mahal.
- ✓ **Knorr:** Food products, including soups, sauces, and noodles.
- ✓ **Annapurna:** Branded staples such as wheat flour and salt.
- ✓ **Lipton:** Tea and iced tea products.
- ✓ **Kwality Wall's:** Ice creams and frozen desserts.

Income Statement

Title	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Total Revenue	154,960	152,150	155,970	151,440
Gross Profit	78,170	74,680	74,890	69,470
Operating Income	33,790	32,830	34,010	32,070
Net Income	25,540	26,000	24,740	26,650

Indian tobacco Company Limited



One of India's greatest diverse corporations is ITC Limited, previously the Indian Tobacco Company. ITC, which was established in 1910 and has its headquarters in Kolkata, West Bengal, has developed through the years to become a major force in a number of industries. Luxury hotels and resorts are owned and managed by the firm under the "ITC Hotels" brand. ITC has developed into one of the biggest and most reputable businesses in India. Fast-moving consumer goods (FMCG), agribusiness, hotels and hospitality, paperboards and specialty papers, packaging, information technology, and lifestyle retailing are among its many business divisions. Aashirvaad, Sunfeast, and Bingo! are just a few of the well-known household brands that can be found in the FMCG category, which sells items like stationery, food, and personal care.

Market Facilities

ITC's FMCG products are available in over 6 million retail outlets across India. Over 40,000 villages are covered by the company's e-choupal network, which reaches millions of farmers and offers them assistance and market knowledge. More than 100 hotels and resorts under the ITC "ITC Hotels" brand serve both business and leisure travellers across India. ITC is one of India's biggest producers of paper and paperboard goods, with cutting-edge production facilities.

History of ITC

- Imperial Tobacco Company of India Limited, the original name of ITC, was established in 1910 to operate in the tobacco industry. It belonged to the British Imperial Tobacco Company, which it was a subsidiary of.
- The business was renamed the Indian Tobacco Company (ITC) upon India's

independence in 1947. It continued to concentrate mostly on tobacco goods but started to expand into other industries.

- To lessen its reliance on tobacco, ITC started diversifying into other industries in the 1960s and 1970s, such as hotels and paperboards. This was the first step in its development into a diversified corporation.

ITC expanded the diversification of its portfolio in the 2000s and beyond by foraying into the fast-moving consumer goods (FMCG) market with brands including Aashirvaad, Sunfeast, Bingo!, and Classmate etc.

Products of ITC

➤ FMCG

- ✓ Cigarettes: ITC is known for its cigarette brands like Gold Flake, Classic, NavyCut, and more.
- ✓ Foods: ITC produces a wide range of food products, including snacks (Bingo), packaged foods (Aashirvaad, Sunfeast), biscuits, and confectionery (Mint-O).
- ✓ Personal Care: Products like soaps (Vivel, Fiama), shampoos (Fiama), and skincare products.

- **Agri-Business:** Wheat, rice, coffee, and spices are just a few of the agricultural products that ITC's Agri-Business business works with.
- **Hotels:** Under the ITC Hotels brand, ITC runs upscale hotels and resorts throughout India.
- **Packaging and paperboards:** ITC manufactures premium paper and packaging products.
- **Printing and packaging:** ITC provides printing services as well as packaging solutions.
- **Technology for information:** The business offers IT services and solutions through its subsidiary, ITC Infotech.
- **Retailing for a living:** Brands like Wills Lifestyle and John Players are part of ITC's lifestyle retailing segment, which sells apparel and accessories.
- **Gifting and stationery:** Under the "Classmate" brand, ITC sells stationery and gifts.
- Safety Matches:** ITC manufactures safety matches under the name "iKno."

Income Statement

Title	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Total Revenue	171,644.60	176,348.90	177,045.20	171,079.90
Gross Profit	106,148.10	100,061.30	108,089.80	103,198.20
Operating Income	62,276.10	61,673.60	62,575.90	57,967.20
Net Income	51,049.30	51,754.80	50,066.50	46,197.70

FMCG Sector

COMPANY	SCRIPT	MARKET CAPITALIZATION RS(Cr)
Britannia Industries LTD	BRITANNIA	1,09,130
Nestle India	NESTLEIND	2,11,066
Godrej	GODREJCP	4,59,680
Hindustan Unilever	HINDUNILVR	5,80,000
ITC	ITC	5,56,000

CONSUMER DURABLE COMPANIES

Havells



A well-known Indian multinational manufacturer of consumer products and electrical items is Havells India Limited. Since its founding in 1958, Havells has developed into one of the top organisations in the electrical and power distribution sector. Havells has grown its business internationally and has a strong brand presence in India. Products from the firm are often utilised in domestic, professional, and industrial contexts. Havells operates in several countries worldwide, including Europe, Africa, the Middle East, and the Asia-Pacific region.

History of Havells

- Qimat Rai Gupta established Havells in 1958 as a little electrical selling company in Delhi, India. Early on, the firm specialised on selling electrical items and supplies.
- Havells started broadening its product line and entering new sectors of the electrical industry in the 1980s and 1990s. Products including switches, wires, and cables were introduced by the firm.
- Havells completed their initial public offering (IPO) in 2000 and was thereafter listed on the Indian stock exchanges.
- Havells started an era of tremendous local and worldwide expansion. In order to increase its footprint in the international lighting market, the business bought Sylvania Lighting International in 2007

Products of Havells

- Electrical Switches and Wiring Accessories
- Cables and Wires
- Lighting Solutions (LED lights, lamps, etc.)
- Fans (ceiling fans, pedestal fans, exhaust fans)
- Home Appliances (geysers, air coolers, irons, etc.)

- Motors (industrial and domestic)
- Water Purifiers
- Personal Grooming Products (trimmers, shavers, hairdryers)
- Electrical Protection Devices (MCBs, RCCBs, etc.)
- Industrial Products (wiring devices, circuit protection, etc.)

Income statement

Title	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Total Revenue	48,338	48,592.10	41,275.70	36,794.90
Gross Profit	14,679.10	14,304.70	13,619.50	11,356
Operating Income	3,256.80	4,470.20	3,490.30	2,147.50
Net Income	2,870.70	3,580.40	2,835.20	1,870.10

Voltas

VOLTAS

The Tata Group includes the international corporation Voltas Limited, which is based in India. Although the company is well renowned for its skill in cooling and air conditioning technologies, it also has a wide range of other commercial ventures. Tata Sons and Volkart Brothers joined together to create Voltas in 1954. Initially, the business offered engineering and air conditioning services. Voltas is headquartered in Mumbai, Maharashtra, India. With a presence all over the world, Voltas has completed projects in several Middle Eastern, African, and Southeast Asian nations. The split air conditioner, window air conditioner, and commercial cooling solutions are just a few of Voltas' well-known air conditioning and cooling products. In India's air conditioning market, the corporation holds a sizable market share.

Market share

For Corridor 4 of Chennai Metro Phase 2, Voltas Ltd. was awarded an HVAC contract of US\$ 16.4 million (Rs. 135 crore). With a market share of 21.6% in FY23, Voltas is the market leader in this niche. By 2027–2028, the market for Indian room air conditioners is anticipated to reach \$5 billion with a CAGR of 10%.

History of Voltas

- As a joint venture between Volkart Brothers and Tata Sons, which is a division of the Tata Group, Voltas was founded in 1954. The firm was established with the intention of offering refrigeration and air conditioning solutions to Indian industry.
- Voltas increased operations and broadened its product line throughout the 1980s and 1990s. The business started making both home and commercial air conditioners.
- Voltas maintained its growth trajectory and increased its global footprint throughout the 2000s. The firm completed several high-profile projects around the globe, notably in the Middle East and Africa, in industries including HVAC&R and electro-mechanical projects.
- Voltas' position as a dominant force in the worldwide HVAC&R market was cemented by its competence in cooling technologies and technical services.

Products of Voltas

- Residential Air Conditioners
- Commercial Air Conditioners
- Industrial Chillers
- Commercial Refrigeration
- Air Coolers
- Mining Equipment
- Construction Equipment
- Textile Machinery
- Engineering Products and Services

- Water Dispensers
- Electro-Mechanical Consulting Services
- Wastewater Treatment Solutions
- Indoor Air Quality Solutions
- Sustainable and Energy-Efficient Products

Income Statement

Title	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Total Revenue	33,598.60	29,568	20,056.10	17,683.60
Gross Profit	7,094.90	6,237.30	4,824.30	4,308.30
Operating Income	1,740.90	2,342.90	653.20	911.40
Net Income		1,439.20	-1,103.80	-74.10

Blue Star



A worldwide corporation based in India, Blue Star Limited is principally engaged in the provision of engineering services, commercial refrigeration, and air conditioning. Since its founding in 1943, Blue Star has grown to become one of India's most reputable and well-known businesses in the engineering and HVAC (Heating, Ventilation, and Air Conditioning) sectors. Blue Star Limited was founded in 1943 by Mohan T. Advani. The company is headquartered in Mumbai, Maharashtra, India. For businesses, commercial buildings, and infrastructure projects, Blue Star takes on complete electromechanical projects, including HVAC systems, electrical systems, plumbing systems, and fire-fighting systems. Split air conditioners, window air conditioners, ducted split air conditioners, and precision cooling systems for data centres are just a few of the air conditioning equipment that Blue Star makes and sells.

History

- Mohan T. Advani, an Indian businessman with a passion for offering dependable and effective air conditioning solutions to companies and industries, created Blue Star Limited in 1943.
- Blue Star increased its manufacturing activities in the 1960s and 1970s and started making refrigeration and air conditioning equipment in India. The business expanded the range of goods it offered, producing commercial refrigeration and water coolers among other things.
- Blue Star kept expanding its footprint in India and beyond throughout the 2000s and beyond. With a large selection of energy-efficient equipment and solutions, the firm established itself as a major participant in the Indian HVAC and refrigeration sector. Blue Star entered foreign markets, including those in Southeast Asia and the Middle East, carrying out notable projects and broadening its presence internationally

Products of Blue Star

- Air Conditioning Systems
- Refrigeration Products
- Cold Storage Solutions
- Deep Freezers
- Precision Cooling Systems for Data Centers
- Commercial Refrigeration Equipment
- Water Coolers
- Air Purifiers
- Electrical and Plumbing Solutions for Industrial and Commercial Projects
- Integrated MEP (Mechanical, Electrical, Plumbing) Solutions
- Turnkey Electromechanical Projects
- Energy Management Systems
- Building Management Systems (BMS)

Income statement

Title	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
Total Revenue	0.08	0.08	-0.47	-0.47
Gross Profit	0.08	0.08	-0.47	-0.47
Operating Income	-0.06	-0.06	-0.52	-0.52
Net Income	-0.15	-0.15	-0.50	-0.50

Bajaj Consumer Care Ltd



Incorporated in 2008, Bajaj Consumer Care Ltd was originally known as Bajaj Corp Ltd. It was formerly a member of the Bajaj Sevashram group but subsequently emerged as a distinct organization. The brand's hair oil goods are its most well-known offerings. Under a variety of brand names, it promotes and offers hair oils, with "Bajaj Almond Drops" being one of its best-known and most recognizable goods. In addition to producing and selling hair oils, Bajaj Consumer Care also creates and sells skin creams and lotions. In the Indian market for consumer products, Bajaj Consumer Care is a big player, especially in the hair care industry. It contends with other well-known brands in the market.

Milestone

- **2008:** Saw the incorporation of Bajaj Consumer Care Ltd as a Bajaj Group subsidiary. With a concentration on personal care items, it signalled the company's debut into the consumer goods sector.
- **2009:** A product called "Bajaj Almond Drops," a hair oil, was introduced by the business and later became one of its signature products. This product's nutritious attributes helped it become well-liked.
- **2010s:** Bajaj Consumer Care maintained its market leadership in the personal care sector during the early 2010s. In order to meet a wide variety of consumer demands,

the firm extended its product line to include numerous skincare and hair care items.

- **2019:** Significant corporate reorganisation was carried out by Bajaj Consumer Care Ltd. Bajaj Consumer Care Ltd., which produces skincare and hair products, Bajaj Resources Ltd., which manages investments and other assets, and Bajaj Sevashram Ltd., which offers Ayurvedic goods and services, are the three businesses that the corporation split into distinct companies.
- **2020s:** In the personal care and beauty goods sector, Bajaj Consumer Care Ltd kept up its operations and marketing initiatives. The corporation probably had opportunities as well as difficulties as client tastes and market dynamics changed.

Products of Bajaj Consumer Care Ltd

- Bajaj Almond Drops Hair Oil
- Bajaj Brahmi Amla Hair Oil
- Bajaj Kailash Parbat Hair Oil
- No Marks Creams and Lotions (Skincare products)
- Bajaj Nomarks Face Wash
- Bajaj Nomarks Neem Soap
- Bajaj Nomarks Exfoliating Scrub

Income Statement

Title	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Total Revenue	2,701.67	2,494.16	2,295.64	2,324.52
Gross Profit	1,497.62	1,364.38	1,237.61	1,223.98
Operating Income	455.33	393.09	302.16	288.11
Net Income		404.63	332.03	316.59

IFB Industries Ltd



The headquarters of IFB Industries Ltd are located in Kolkata, West Bengal, India, and it was established in 1974. Initially, the business produced high-quality blanked components and sheet metal fabrications. Later, it expanded into the market for household appliances. IFB Industries has production sites around India, including ones in Verna, Goa, and Kolkata. These factories are set up to manufacture a variety of consumer electronics and household appliances. IFB Industries Ltd. is a publicly traded business with shares listed on India's National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Depending on the state of the market and consumer demand, it may experience varying financial performance from year to year.

Milestone

- **1974:** With its corporate headquarters in Kolkata, West Bengal, India, IFB Industries Ltd was established in 1974. It started out as a producer of high-quality blanked components and sheet metal fabrications.
- **1980s:** IFB started to diversify its commercial operations in the early 1980s. Its entry into the consumer electronics and home appliance industries signalled a fundamental shift in its concentration.
- **1990s:** IFB increased the variety of its products throughout this ten-year period, and its household appliances became well-known in the Indian market. It unveiled a number of cutting-edge and unique items.
- **2000s:** IFB kept improving its position in the Indian market for home appliances. Due to its high quality and functionalities, the company's washing machines, microwaves, and other appliances were well-liked by consumers.

Products

- Washing Machines
- Microwave Ovens

- Dishwashers
- Refrigerators
- Kitchen Chimneys
- Hobs (Gas and Induction)
- Built-in Ovens
- Air Conditioners (Split and Window)
- Water Purifiers
- Cloth Dryers
- Industrial Laundry Equipment

Income Statement

Title	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Total Revenue	10,859.10	10,101.50	9,991.60	11,182.80
Gross Profit	4,281.40	3,689.70	3,950.60	4,528.10
Operating Income	45.50	-37.60	-3.40	404.90
Net Income	-6.20	-99.40	-11.40	241.20

Consumer Durables sector

COMPANY	SCRIPT	MARKET CAPITALIZATION RS(CR)
HAVELLS	HAVELLS	9,00,000
VOLTAS	VOLTAS	29,92,000
BLUE STAR	BLUESTARCO	15,53,000
BAJAJ CONSUMER CARE LTD	BAJAJCON	3,45,000
IFB INDUSTRIES LTD	IFBIND	4,01,000

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

Returns Calculation of FMCG Sector

	Britannia Industries LTD	HUL	ITC	Nestle	Godrej
20-Jan-20	-0.143787505	0.123768383	0.812669	-0.14379	0.652145
20-Feb-20	-1.462908958	-1.91523242	0.362845	-1.46291	1.357212
20-Mar-20	7.81384572	11.60855138	8.433735	7.813846	3.322637
20-Apr-20	-2.008161946	-2.03144654	-3.93408	-2.00816	-2.7318
20-May-20	0.947970007	0.77446787	8.433735	0.94797	1.721752
20-Jun-20	0.28549505	0.384661331	0.516164	0.285495	1.922383
20-Jul-20	0.098955598	-0.15420531	-0.6957	0.098956	-0.27122
20-Aug-20	-0.8185614	-0.36013859	-1.33535	-0.81856	-0.20995
20-Sep-20	-4.079678996	-2.90179635	-1.87046	-4.07968	-3.70578
20-Oct-20	0.990483529	-0.21581412	-0.47548	0.990484	0.553049
20-Nov-20	3.107625715	-0.49278423	2.022352	3.107626	2.058695
20-Dec-20	-0.926604131	-1.1785125	-5.38462	-0.9266	-2.3188
20-Jan-21	-0.41341166	-0.30467808	-0.54832	-0.41341	1.824075
20-Feb-21	-1.710388119	-0.61895374	-4.12132	-1.71039	-1.44427
20-Mar-21	-0.939863089	1.7798058	1.36802	0.833999	3.249071
20-Apr-21	1.986784485	-1.60876613	-0.99708	0.033353	0.124181
20-May-21	4.770337232	-0.66108698	-0.36101	-0.93986	-0.74849
20-Jun-21	-0.12167068	1.266663982	-0.04889	-0.12167	-0.81751
20-Jul-21	0.583863072	1.0898221	-0.45728	0.583863	0.513771
20-Aug-21	3.491354238	5.363930733	-0.02393	3.491354	2.780541
20-Sep-21	0.72810361	2.868950317	1.124811	0.728104	-1.00403
20-Oct-21	-0.468803647	-2.67590702	0.264281	-0.4688	-1.53297
20-Nov-21	-0.820071167	-0.45219638	-2.77895	-2.11358	-0.85912
20-Dec-21	-1.03985136	1.74195718	-2.54646	-1.03985	-0.86207
20-Jan-22	-1.071447431	-2.08234123	-0.72612	-1.07145	-3.7118

20-Feb-22	0.537500069	-0.76755097	-1.75755	0.5375	-1.98692
20-Mar-22	-2.23006749	-2.4190671	-0.16333	-2.23007	-3.24849
20-Apr-22	1.986784485	2.456165259	-0.76467	1.986784	3.270757
20-May-22	4.770337232	2.711355457	1.578088	4.770337	-4.67572
20-Jun-22	1.951040715	4.048899524	0.303836	1.951041	4.646353
20-Jul-22	1.302665731	1.423314317	1.221996	1.302666	0.8777
20-Aug-22	0.058124881	-0.2979636	0.769231	0.058125	0.360604
20-Sep-22	-0.791889263	0.16671513	0.11919	-0.79189	2.605121
20-Oct-22	1.631280048	0.692992644	0.96723	1.63128	0.199601
20-Nov-22	-0.820071167	0.712646455	-1.12887	-0.82007	0.01192
20-Dec-22	0.26840424	-1.60222214	-0.10279	0.268404	-1.31274
20-Jan-23	-2.444223138	-3.81168035	0.737619	-2.44422	0.338983
20-Feb-23	-1.042252633	-0.16100179	0.169536	-1.04225	-1.5285
20-Mar-23	0.422628943	2.606848084	0.865397	0.422629	1.324608
20-Apr-23	-0.706155092	-1.54052773	0.388715	-0.70616	0.754249
20-May-23	-0.90063923	-0.12682428	1.167083	-0.90064	0.708096
20-Jun-23	0.704983801	-0.2664679	-0.16534	0.704984	0.482775
20-Jul-23	0.292054165	1.184683336	2.777488	0.292054	1.580611
20-Aug-23	0.936097114	0.313142186	1.392505	0.936097	1.076578
20-Sep-23	-0.609788163	-0.87597694	0.199093	-0.60979	-0.32216
Average Returns	0.313253854	0.306582201	0.124623	0.153626	0.121529

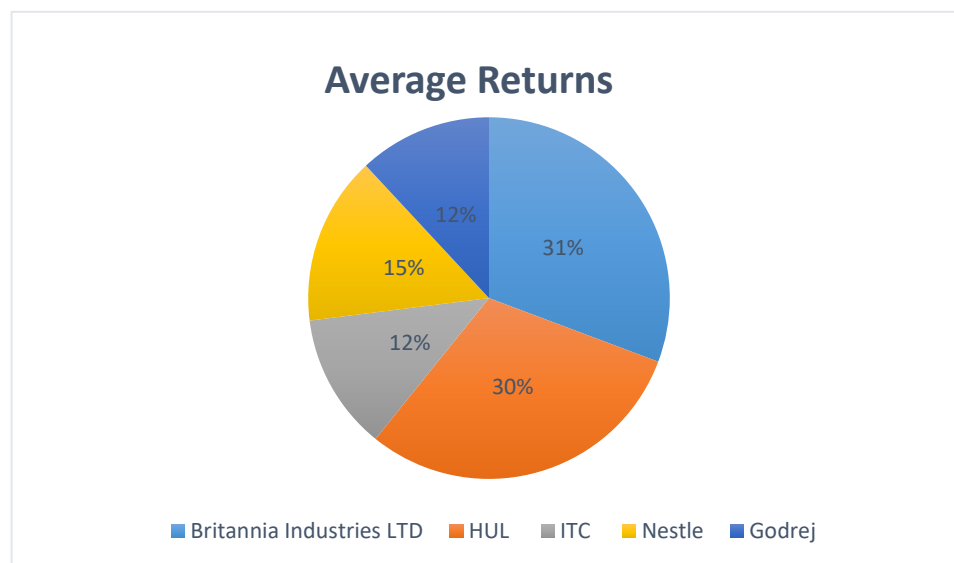
Interpretation

Nestle consistently exhibited one of the highest average returns (0.306582201), indicating strong performance and investor confidence. HUL also maintained a high average return (0.313253854), showcasing a steady and positive performance over the analyzed period. ITC, Britannia Industries LTD, and Godrej had slightly lower average returns (0.124623, 0.153626, and 0.121529, respectively), suggesting comparatively less consistent performance.

Given the huge variations in its results from negative to positive, Godrej showed the most

volatility. This fluctuation in stock prices might be a sign of market sensitivity or company-specific reasons.

ITC also showed remarkable swings, including a dramatic decline in return in September 2020, which may have been caused by market volatility. HUL demonstrated highly stable returns despite its overall favorable trend, which points to more stable stock performance. Nestle has produced positive returns with minimal volatility, demonstrating a robust and steady market presence. With mild variations and a mix of positive and negative returns, Britannia Industries LTD's stock performance appeared to be reasonably consistent yet unstable. When compared to Godrej and ITC, Nestle and HUL regularly outperformed them with less volatility while Godrej and HUL had periods of great success. With variations, Britannia Industries LTD shown a fair amount of steadiness. To make wise judgements, investors should weigh this information together with their investing plan and risk tolerance.



Inference

Nestle's stock price fluctuations were resilient and regularly positive, reflecting strong performance and investor confidence in 2020. With changing stock prices, HUL and Godrej had uneven performances that reflected shifting market emotions and practical difficulties. ITC had difficulties as a result of generally unfavorable stock price swings that indicated investor unease. Britannia's stock price fluctuations were comparatively constant, indicating a steadier performance than the other firms featured throughout the time frame.

Correlation

	<i>Britannia Industries</i> <i>LTD</i>	<i>HUL</i>	<i>ITC</i>	<i>Nestle</i>	<i>Godrej</i>
Britannia Industries LTD	1				
HUL	0.724812151	1			
ITC	0.52455708	0.516428118	1		
Nestle	0.891026782	0.822065786	0.604375585	1	
Godrej	0.353808559	0.507412261	0.458163299	0.438743524	1

The range of the correlation coefficient is from -1 to 1, with 1 being the ideal positive correlation and -1 the ideal negative correlation. A high positive correlation (e.g., 0.891 between Nestle and Britannia) implies that when the stock prices of one company increase, the stock prices of the other tend to increase as well, showcasing a strong positive relationship. In contrast, a high negative correlation (e.g., 0.354 between Godrej and Britannia) indicates that there is a significant negative association and that when one company's stock price rises, the other company's stock price tends to fall. Values that are close to 0 (such as 0.507 between HUL and Godrej) show a poor correlation, indicating that there is no clear linear link between movements in the stock prices of the two companies.

Descriptive Statistics`

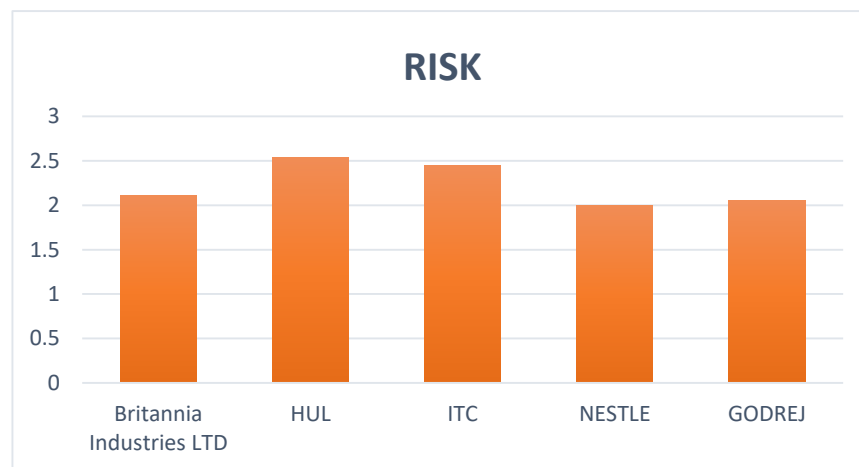
<i>Britannia Industries LTD</i>		<i>HUL</i>		<i>ITC</i>		<i>Nestle</i>		<i>Godrej</i>	
Mean	0.31325 3854	Mean	0.30658 2201	Mean	0.12462 2757	Mean	0.15362 5538	Mean	0.11188 4055
Standard Error	0.30407 7961	Standard Error	0.36682 0897	Standard Error	0.35228 0089	Standard Error	0.28870 9354	Standard Error	0.29638 3969
Median	0.07854 024	Median	- 0.15760 3548	Median	0.12190 6134	Median	0.04573 8908	Median	0.26929 1925
Mode	1.98678 4485	Mode	#N/A	Mode	8.43373 494	Mode	#N/A	Mode	#N/A
Standard Deviation	2.06235 7071	Standard Deviation	2.48790 0368	Standard Deviation	2.38927 9813	Standard Deviation	1.95812 2107	Standard Deviation	2.01017 3882
Sample Variance	4.25331 669	Sample Variance	6.18964 8242	Sample Variance	5.70865 8026	Sample Variance	3.83424 2185	Sample Variance	4.04079 9036
Kurtosis	3.38496 3723	Kurtosis	8.69926 7893	Kurtosis	5.58564 3237	Kurtosis	4.74841 5564	Kurtosis	0.04599 0378
Skewness	1.32551 263	Skewness	2.21859 646	Skewness	1.37496 3615	Skewness	1.47706 4798	Skewness	- 0.20410 2803
Range	11.8935 2472	Range	15.4202 3173	Range	13.8183 5033	Range	11.8935 2472	Range	9.32206 9673
Minimum	- 4.07967 8996	Minimum	- 3.81168 0347	Minimum	- 5.38461 5385	Minimum	- 4.07967 8996	Minimum	- 4.67571 644
Maximum	7.81384 572	Maximum	11.6085 5138	Maximum	8.43373 494	Maximum	7.81384 572	Maximum	4.64635 3233
Sum	14.4096 7727	Sum	14.1027 8125	Sum	5.73264 6806	Sum	7.06677 4749	Sum	5.14666 6536
Count	46	Count	46	Count	46	Count	46	Count	46

The descriptive data provide in-depth explanations of the monthly stock price fluctuations for five important firms (Britannia Industries LTD, HUL, ITC, Nestle, and Godrej) throughout the selected time. For Godrej to Britannia Industries LTD, the mean (average) monthly stock price change varied from around 0.11 to 0.31. HUL had the largest standard deviation, a measure of variability,

at about 2.49, followed by ITC, Nestle, Britannia, and Godrej. All firms had positive skewness, a measure of distribution asymmetry, ranging from around 1.33 (Britannia) to 2.22 (HUL). HUL (8.70) had the greatest kurtosis, a measurement of the tail's heaviness, followed by ITC, Nestle, Britannia, and Godrej.

Risk and variance

	RISK	Variance
Britannia Industries LTD	2.1097738	4.45115
HUL	2.545101	6.47754
ITC	2.444213	5.97418
NESTLE	2.0031423	4.01258
GODREJ	2.05639	4.22874



With a risk value of about 2.55, HUL stands out as having a higher level of uncertainty and possible return fluctuation. This implies that purchasing shares in HUL might have a greater level of risk, necessitating careful consideration of an investor's risk tolerance and the development of suitable investment plans. The risk value of ITC, which comes in second place and indicates a moderate to high degree of risk, is around 2.44. Godrej, Nestle, and Britannia Industries LTD all have risk scores between 2.11 and 2.06, which indicates a modest amount of risk connected with these equities.

Returns calculation consumer durables

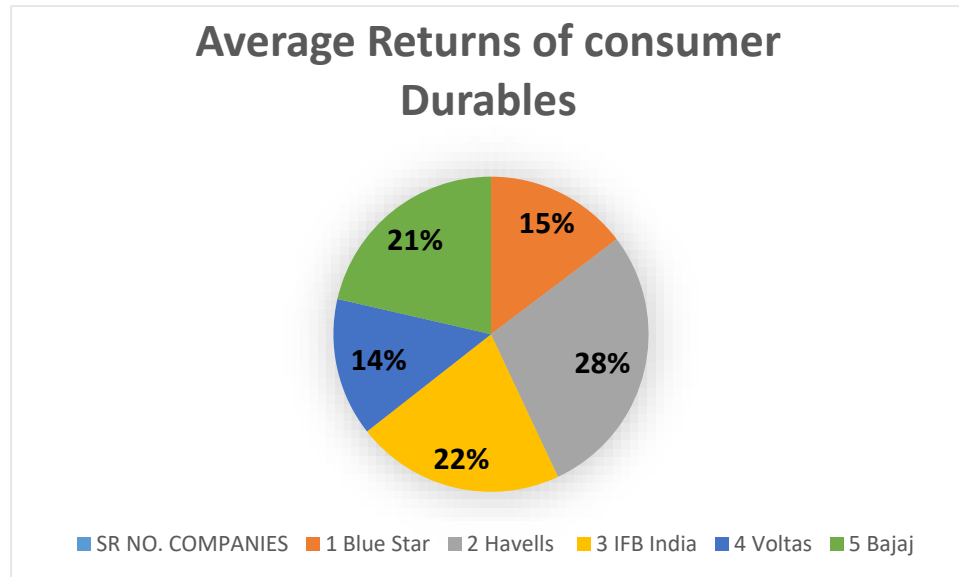
	Blue Star	Havells	IFB	Voltas	Bajaj
20-Jan-20	0.186425867	-2.098011586	0.361064034	0.321313816	0.361064034
20-Feb-20	1.665364035	0.679007356	0.358979334	-1.111641547	0.358979334
20-Mar-20	-3.09818057	0.485799701	-3.255231622	3.028091937	-3.25523162
20-Apr-20	3.977534297	-0.690503216	14.31842672	0.841430432	14.31842672
20-May-20	1.160646491	0.299017514	9.165687427	4.148521659	9.165687427
20-Jun-20	0.742059958	1.862805686	0.074211503	0.628758885	0.074211503
20-Jul-20	0.941561764	1.576137615	0.353172008	3.616024974	0.353172008
20-Aug-20	0.682935713	1.462174189	-0.673778776	3.063659457	-0.67377878
20-Sep-20	0.06323111	-0.918178452	-8.160037954	-1.324503311	-8.16003795
20-Oct-20	0.39332156	0.446175637	-0.45849586	1.394031801	-0.45849586
20-Nov-20	2.145010965	-0.338245953	0.013139741	1.394031801	0.013139741
20-Dec-20	0.167385566	-4.051775711	5.602618406	1.80519232	5.602618406
20-Jan-21	0.110482875	0.093210361	1.732849283	0.396017821	-1.21635611
20-Feb-21	-1.123388582	-0.948200176	-3.752671997	-1.063457986	-3.752672
20-Mar-21	-0.356109504	-0.646582691	0.846797742	1.979086968	-5.07253072
20-Apr-21	0.948984526	0.384634597	-2.569216887	-1.59393781	-2.56921689
20-May-21	-0.759775156	-0.162927102	-0.766456267	-1.088235294	-0.76645627
20-Jun-21	0.243724104	1.275638967	5.235197527	0.103027032	-1.85334408
20-Jul-21	-2.312005086	0.17420897	-0.977626459	2.186510835	-0.97762646
20-Aug-21	-0.61218243	-4.395679054	0.236718965	-1.10256929	-3.18196354
20-Sep-21	-1.222450779	-1.201011378	2.126217704	0.311194824	-1.89264019
20-Oct-21	-1.092956503	0.331403183	1.082140423	-4.435082344	-0.50442966
20-Nov-21	0.490644091	-2.288138804	0.313119302	1.763117935	0.313119302
20-Dec-21	-0.827382418	-2.288138804	0.811113601	0.815765746	-4.28497898
20-Jan-22	-0.43652959	0.11843362	1.126520162	-0.099605562	0.313119302
20-Feb-22	1.125202632	0.11843362	1.626873959	-0.706586826	0.811113601
20-Mar-22	-0.407021114	-0.86740476	-3.315942611	-0.593952484	1.126520162

20-Apr-22	1.656685754	1.053818634	0.914811485	0.413505159	0.914811485
20-May-22	-1.747845454	1.1769063	1.357804499	3.141361257	-0.5834239
20-Jun-22	1.425571886	0.144907213	-0.401606426	3.641841535	-0.40160643
20-Jul-22	-2.9074589	-2.816397871	0.369062055	-2.203542765	0.369062055
20-Aug-22	3.815413892	-4.655555556	2.171615259	1.770454894	2.171615259
20-Sep-22	-1.051982741	0.460654053	0.340817963	1.212121212	0.340817963
20-Oct-22	1.282379005	-3.111360269	0.010709505	0.034650035	0.010709505
20-Nov-22	-1.215057179	1.068314846	-4.887044721	0.993888512	-4.88704472
20-Dec-22	-1.215057179	0.838709677	-0.860743929	-1.00442425	-0.86074393
20-Jan-23	-1.8753781	-4.30129827	0.062227754	-1.209473151	-0.45613245
20-Feb-23	0.08462325	-0.924982682	0.066077972	2.099169688	-0.26361512
20-Mar-23	0.486263068	-1.718069058	-0.522433927	-3.361535404	-0.52243393
20-Apr-23	1.252851258	-0.80207305	-0.873820343	1.927031314	-0.87382034
20-May-23	0.60927813	0.333452423	1.122148639	1.561618062	1.122148639
20-Jun-23	-48.19040126	0.736751561	0.9333663	-0.113902424	-0.04942543
20-Jul-23	-0.314920955	-1.169354839	0.390554588	-0.057851771	-0.4069176
20-Aug-23	-0.180565773	0.330443572	0.799239884	1.850133036	0.799239884
20-Sep-23	13.40541216	-0.890665545	0.048107761	-1.184538653	0.048107761
Average Returns	-0.708525674	-0.574078123	0.499917416	0.537482491	-0.21330333

Interpretation

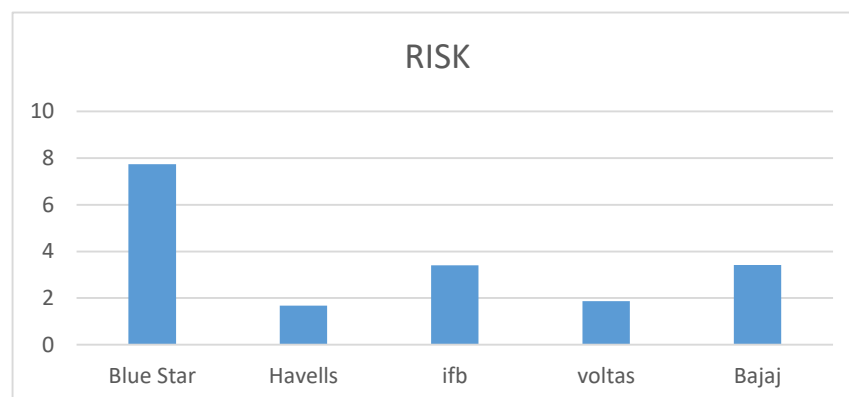
Blue Star had a comparatively consistent performance with regular, if modestly positive returns. Returns saw considerable increases in April and May 2020. Havells, on the other hand, had a mix of positive and negative returns, skewing slightly in the negative direction on average, indicating a difficult time for stock investors. IFB displayed exceptional volatility, veering between notable positive and negative returns, indicating a high degree of risk and the possibility of sizable profits or losses. Voltas' results showed a general upward trend, with April and May 2020 standing out in particular. Bajaj, on the other hand, had a lot of volatility, with both sizable positive and negative returns. Significantly profitable months for Bajaj in April and May 2020 signal a possibly favourable market reaction during that time. While Voltas and Bajaj had positive average returns,

showing a substantially more favourable investment environment in contrast, Blue Star and Havells displayed somewhat negative average returns, demonstrating a difficult investing environment for these equities. While Havells showed greater variation and somewhat lower average returns, Blue Star showed stability and a relatively good performance. IFB was extremely unpredictable and volatile, making it a higher risk investment.



Risk Calculation

	RISK	Variance
Blue Star	7.733903425	59.8132622
Havells	1.681084959	2.82604664
ifb	3.405121529	11.5948526
voltas	1.86426527	3.475485
Bajaj	3.413908189	11.6547691



With the largest variance, Blue Star stands out and highlights the returns' notable volatility and unpredictability. This shows that there is a significant amount of risk involved in buying Blue Star, needing caution and effective risk management techniques to limit possible losses. The moderate degree of variance presented by Havells and Voltas, on the other hand, indicates a moderate risk level, necessitating rigorous monitoring and risk diversification. IFB and Bajaj have moderate to high variation, which emphasises the necessity for proactive risk management and an in-depth comprehension of market dynamics on the part of investors in these organisations.

Correlation

	<i>Blue Star</i>	<i>Havells</i>	<i>ifb</i>	<i>voltas</i>	<i>Bajaj</i>
Blue Star	1				
Havells	-0.124209381	1			
ifb	0.057886477	-0.07390636	1		
voltas	0.047239036	0.224905217	0.221353644	1	
Bajaj	0.091444732	-0.05799596	0.84813285	0.22035616	1

Interpretation

A correlation coefficient has a range of -1 to 1, with -1 denoting a perfect negative connection, 0 denoting no association, and 1 denoting a perfect positive correlation.

Positive readings near to 1 (like Voltas and IFB at about 0.22) indicate a positive association, which means that when one company's stock price increases, the other generally does too, albeit not always.

Negative readings (such as Havells and Blue Star at about -0.12) indicate a negative association, which means that when one company's stock price rises, the other often falls—though not always.

Values that are close to 0 (like Blue Star and Havells at about -0.12) signify a weak correlation or the absence of a distinct linear link between the changes in the stock prices of the two firms.

Descriptive Statistics`of Consumer Durables

<i>Blue Star</i>		<i>Havells</i>		<i>ifb</i>		<i>voltas</i>		<i>Bajaj</i>	
Mean	- 0.70852 5674	Mean	- 0.57407 8123	Mean	0.49991 7416	Mean	0.53748 2491	Mean	- 0.20762 0482
Standard Error	1.11467 3816	Standard Error	0.24229 1801	Standard Error	0.49077 4141	Standard Error	0.26869 3255	Standard Error	0.50040 8646
Median	0.09755 3063	Median	- 0.03485 8371	Median	0.34699 4986	Median	0.47549 3825	Median	- 0.33261 0774
Mode	- 1.21505 7179	Mode	- 2.28813 8804	Mode	#N/A	Mode	1.39403 1801	Mode	0.31311 9302
Standard Deviation	7.56008 5646	Standard Deviation	1.64330 2944	Standard Deviation	3.32859 2171	Standard Deviation	1.82236 6318	Standard Deviation	3.39393 6564
Sample Variance	57.1548 9498	Sample Variance	2.70044 4567	Sample Variance	11.0795 2584	Sample Variance	3.32101 8999	Sample Variance	11.5188 054
Kurtosis	36.6187 3933	Kurtosis	0.43969 067	Kurtosis	7.25926 378	Kurtosis	0.24274 2053	Kurtosis	8.10213 9124
Skewness	- 5.58958 991	Skewness	- 1.00369 1273	Skewness	1.57925 5032	Skewness	- 0.28613 808	Skewness	- 1.89886 6067
Range	61.5958 1342	Range	6.51836 1242	Range	22.4784 6467	Range	8.58360 4003	Range	22.4784 6467
Minimum	- 48.1904 0126	Minimum	- 4.65555 5556	Minimum	- 8.16003 7954	Minimum	- 4.43508 2344	Minimum	- 8.16003 7954
Maximum	13.4054 1216	Maximum	1.86280 5686	Maximum	14.3184 2672	Maximum	4.14852 1659	Maximum	14.3184 2672
Sum	- 32.5921 8099	Sum	- 26.4075 9366	Sum	22.9962 0114	Sum	24.7241 9457	Sum	- 9.55054 2184
Count	46	Count	46	Count	46	Count	46	Count	46

Interpretation

The presented descriptive data give a thorough examination of the monthly stock price fluctuations for five well-known firms over a given time period: Blue Star, Havells, IFB, Voltas, and Bajaj. The average monthly change in stock price illustrates the normal amount and direction of changes for each firm. For instance, Blue Star had a negative mean change of around -0.71, which denotes an average decline in stock prices. Blue Star's standard deviation, which measures the degree of variability, was especially high at about 7.56, indicating substantial volatility in monthly stock price movements. The distributions' remarkable asymmetry and peakedness were exposed by their skewness and kurtosis, which highlighted the form and tail behaviour of the distributions. For instance, the distribution of changes in Blue Star's stock price showed severe negative changes and a peaked form, with a distribution that was highly skewed (skewness of about -5.59) and strongly tailed (kurtosis of about 36.62). The range, which shows the distance between the minimum and greatest changes, differed greatly, with Blue Star showing the largest range of about 61.60, demonstrating the vast variety of monthly stock price fluctuations. These data help stakeholders make informed decisions and analyse risk in the stock market by providing useful quantitative insights into the distribution, variability, and shape of stock price fluctuations for the mentioned firms.

CHAPTER 5

FINDINGS AND SUGGESTIONS

Findings:

Strong Market Growth:

The FMCG industry in India is the fourth-largest sector and is projected to reach US\$ 220 billion by 2025, growing at 14.7% CAGR. Globally, the industry is expected to grow at 5.3% CAGR, reaching \$15.5 trillion by 2027.

Consumer Behavior Trends:

Rising disposable income and urbanization are shifting consumer preferences from basic products to premium and branded goods. Health-conscious choices are increasing, with 76% of global consumers opting for healthier food and 52% willing to pay extra for sustainable products.

Digital and E-Commerce Impact:

Online FMCG sales are expected to reach 40% of total transactions in India by 2025.

Companies are investing heavily in digital transformation, personalized marketing, and last-mile delivery solutions.

Competitive Landscape:

Major players like HUL, ITC, Nestlé, Britannia, and Godrej Consumer Products dominate the market. These companies are focusing on product innovation, sustainability, and distribution network expansion.

Investment Risks & Returns:

FMCG stocks are considered low-risk investments due to their stable demand, even during economic downturns. Companies like Nestlé and HUL show consistent returns, while others like Godrej and Britannia show periodic fluctuations. Risk factors include raw material cost fluctuations, regulatory changes, and com

Suggestions:**Product Diversification & Innovation:**

Companies should focus on organic, functional, and plant-based products to meet rising health-conscious consumer demand. Investing in sustainable packaging and eco-friendly products will enhance brand reputation.

Digital Expansion & E-commerce Strategy:

Strengthening direct-to-consumer (D2C) sales channels and personalized marketing using AI will improve customer engagement. Companies should enhance their online presence and partnerships with platforms like Amazon, Flipkart, and Blinkit.

Strengthening Rural Penetration:

The rural market contributes significantly to FMCG sales; thus, expanding affordable, small-pack products can boost market share. Companies should focus on localized marketing strategies and efficient supply chain management to improve accessibility.

Sustainability Initiatives:

Adopting carbon-neutral manufacturing processes and waste reduction programs will align with global sustainability goals. Partnering with government initiatives for green energy and eco-friendly manufacturing can offer competitive advantages.

Investor Strategy:

Investors should diversify within the FMCG sector, investing in both large-cap stable companies (HUL, ITC, Nestlé) and high-growth mid-cap companies. Monitoring macroeconomic trends and inflation impact on consumer spending is essential for strategic investment decisions. Attention from local brands.

CHAPTER 6

CONCLUSION

The Fast-Moving Consumer Goods (FMCG) sector plays a crucial role in the global and Indian economy, offering essential products such as food, beverages, personal care, and household goods. This sector has witnessed significant growth due to rising disposable incomes, urbanization, and increasing brand awareness among consumers.

The historical analysis of the FMCG industry highlights its evolution from a slow-growing sector in the mid-20th century to a dynamic and competitive marketplace today. The liberalization of the Indian economy in 1991 was a turning point, attracting multinational corporations and enhancing competition. The sector has since been driven by product innovation, digitalization, and changing consumer preferences toward health-conscious and sustainable products.

Despite economic disruptions such as inflation and the COVID-19 pandemic, the FMCG sector has demonstrated resilience, with steady growth projections. The industry is expected to continue expanding, reaching a market size of over \$220 billion by 2025, driven by increased online transactions, shifting lifestyles, and a growing emphasis on convenience.

Financial market analysis within the FMCG sector highlights the risk-return trade-offs investors face when investing in FMCG stocks. Traditionally, FMCG stocks are considered stable investments due to their inelastic demand, making them less volatile than other sectors like consumer durables. However, variations in stock performance indicate the need for strategic portfolio diversification.

In conclusion, the FMCG industry remains a vital and evolving sector with substantial investment potential. Companies in this space must continue to innovate and adapt to consumer demands for sustainability, digital engagement, and premium product offerings. Investors looking for stable, long-term growth can benefit from the sector's resilience, while businesses must navigate challenges such as regulatory changes, inflation, and supply chain disruptions to sustain profitability.

CHAPTER 7

REFERENCES

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