RESEARCH METHODOLOGY:-
RESEARCH DESIGN

Research area:- Its part of Finance, where in Portfolio Management Shares & dividends and their relationship matters. Dividends may predict stock prices in long run.

Data Type & Sources:-
In this research, no primary data is required. All secondary data is required, which will be collected from companies’ annual reports, stock market magazines Capital Markets etc., newspapers like Business Standard and Economic Times etc., companies’ websites and B.S.E.’s websites and past research etc., also Kotaksecurities.com & rediff.com are going to be source for data collection & data cross-checking as well.

Sample Size:-
Researcher will select listed software companies on B.S.E. The total listed companies with Price / earnings ratio greater than a certain value can be selected. (This value will be decided at time of starting research) And sample size is 30% of the population will be taken.

Sampling Plan: - Disproportionate Stratified random sampling will be used. Stratified Variable is “Sales turnover of FY-2011”, may be selected and different strata will be formed. Disproportionate sampling will allow researcher to select more companies in a particular stratum if no. of companies in that stratum is more. Also, to minimizing sampling errors and to enhance accuracy will be kept in focus.

Research Design: -
In this research problem can be defined along with variables and try to answer if relationship exit between average share prices & dividends. This is descriptive research because problem can be defined and factors affecting are also known and considered.

**Statement of the Problem:-**

For the listed software companies in India on Bombay Stock Exchange with Price/Earnings ratio greater than a certain value (value will be decided at time of doing research, because it is always changing). And finding the dependency between dividend paid and average market price of the share, also finding correlation with ‘no. trades per year’ & ‘no. of shares transacted per year’.

**Analysis of Data:-**

Analysis will be made using correlation, regression, multiple regressions, tables, charts, Compounded Annual Growth Rate, Odd ratios, Z test etc. And factors like prices, dividends, Sales turnover, equity capital, no. of trades per year, no. of shares transacted per year etc. will be considered.