ABSTRACT

Present study is devoted to examine the market concentration, its links to the performance of firms in the market and ultimately their relationship with stock market valuation in Indian industrial scene. Indian industry has experienced dramatic progress in stock market so far the number of listed companies and volume of transactions are concerned. Some firms are showing wonderful results in the stock market both in terms of value and transactions. In attempt to examine these relationships, the study has taken traditional market concentration-performance paradigm as its base. The study has gone one step ahead from traditional setup of taking basic performance parameters to add stock market performance indicators to its scope. The analysis is largely cross-sectional and temporal, attempting to highlight the differences between firms of each industry and the industries themselves. In addition, given the changed environment in recent years, foreign competition has also been taken into consideration along with domestic competition.