

Financial Performance Analysis of ETFs in the Indian Market

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Abstract: This study explores and analyses the risks associated with Exchange Traded Funds (ETFs), an increasingly popular investment instrument in the Indian stock market. The key objective is to evaluate the financial performance, measure fluctuations, and assess the risk behaviour of selected ETFs in comparison with broader National Stock Exchange (NSE) indices. The study utilises secondary data obtained from the official NSE database, covering the period from 1st April 2020 to 31st March 2025. To fulfil the research objectives, several performance evaluation tools - such as Sharpe's Index, Alpha, Beta, and Standard Deviation CAGR have been applied. The findings are expected to provide meaningful insights for investors, portfolio managers, and market analysts in identifying optimal investment opportunities within the ETF segment.

Keywords: ETFs, Sharpe Index, Alpha, Beta

JEL Classification Number: G11, G12

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