Scics PG
Science Publishing Group

The Relationship Between ROA, ROE, ROCE and EPS Ratios with Break-up Values of Shares of Karachi-Pakistan Fuel and Energy Listed Companies

Muhammad Aamir Ali[1], Usama Kalim[2], Hasnain Raza[1], Hafiz Amir Ali[1], Mohsin Rehman[1], Muhammad Ismat Ullah[1]

[1]School of Accounting and Finance, University of Central Punjab, Lahore, Pakistan

[2]Deparament of Management Sciences, Comsats Institute of Information Technology, Islamabad, Pakistan

Email address:
gmamir@hotmail.com (M. A. Ali)

Abstract: The purpose of this study is to examine the relationship among ROA, ROE, ROCE and EPS ratios together and separately with Break-up Values of Shares Karachi-Pakistan fuel and energy listed companies during the period (2006-2011). Because the fundamental view says that the market prices of shares follow the intrinsic values of shares. The empirical results suggest that collectively these ratios except ROE show significant positive relationship with break-up values of shares and separately ROA, ROCE and EPS show significant positive relationship with break-up values of shares whereas ROE shows insignificant positive relationship with break-up values of shares separately.

Keywords: ROA, ROE, ROCE and EPS

1. Introduction

During the study of financial statement the basic assumption that is kept underlying by all stakeholders in their decision making process is going concern. Going concern deposits that the business can continue for the foreseeable future. The foreseeable future means at least for the following twelve months. The break-up value of shares explains that the business is able to continue in the near future or not. It is for sure that the market value of shares should be higher than the break-up values. These days the break-up value is very important to be displayed in the financial analysis. Most of the companies show this value on their web sites along with Earning per share (EPS), Price Earning ratio. Such as PICIC Insurance and NAGINA Group show these values in their web sites.

It has become need of time to see the relationship among the break-up value of shares with performance measures representatives such as Return on Assets (ROA), Return on Equity (ROE), Return on Capital Employed (ROCE) and Earning per Share (EPS). Book value per share is not to be

confused with "break-up value," that attempts to determine what the parts of a company may be worth if sold off. This figure is much harder to pinpoint but is considered by many analysts more realistic. It is also usually higher than book value[1]. Because the break-up value represents only assets of the business.

Brian KELLY, Wicklow (2013) said valuable words "When picking stocks in Which to invest, many small investors follow their instincts and market commentators". This statement has encouraged us to innovate a new regression analysis that opens a new window for researchers. Many researchers have gone through a study of exploring the relationship among the market price of shares with accounting values such as earnings per share (EPS), return on equity (ROE) and return on assets (ROA) as well.

J. G. Agrawal1, Dr. V. S. Course, Dr. A. K. Mittra (2013) said stock markets are affected by many uncertainties and interrelated economic and political factors at both local and global levels. The key to successful stock market forecasting is achieving the best resultswith minimum required input data. To determine the set of relevant factors for making

accurate predictions is a complicated task and so regular stock market analysis is very essential. More specifically, the stock market's movements are analyzed and predicted in order to retrieve knowledge that could guide investors on when to buy and sell.

2. Relevant Scholarships

J. G. Agrawal1, Dr. V. S. Course, Dr. A. K. Mittra (2013) They saidthe assumption of fundamental analysis in their paper is stock price (current and future) depends on its intrinsic value and can anticipatereturning on investment. Ms. Panda Shradhanjali (2013) said that the valuation is the first step towards intelligent investing. Fundamental analysts believe that the market value of each share follows its intrinsic value. The intrinsic value is basically the realization of the future cash flows in the form of capital appreciation and dividend. That study checked whether the share is overpriced or under priced by comparing the calculated fundamental value with that of market value. That study focused on Indian Pharmaceutical sector taking "A" category shares into consideration.

Bihari, Suresh Chandra; Charde, Sumit Kumar (2014) said that researchers perform fundamental analysis of companies to find out their intrinsic values and estimate their current business performances for identification of potential stocks for investment. "Intrinsic values are the fundamental values of securities".

Chandrapala Pathirawasam & Guneratne Wickremasinghe (2011) found that earnings per share (EPS) and returns on equity (ROE) have a significant impact on the market price of shares. Dr. Majed Abdel Majid Kabajeh, Dr. Said Mukhled Ahmed AL Nu'aimat & Dr. Firas Naim Dahmash (2012) examined the relationship between the ROA, ROE and ROI ratios together and separately with Jordanian insurance public companies share prices during the period (2002-2007).

The results based on empirical study showed a positive relationship between the ROA, ROE and ROI ratios together with Jordanian insurance public companies' share prices. They also discovered a positive but low relationship between each of ROA ratio separately and ROI ratio separately with Jordanian insurance public companies share prices. However, the results showed no relationship between the ROE ratio separately with Jordanian insurance public companymarket share prices. They applied to pool regression testing in their study.

MD. Reiazul Haque, Rony Kumar Datta, Rajib Dey & Md. Mostafizur Rahman (2013) revealed that cash flow per share, price earningsratio and return on assets have significant impact on price of shares and are the best metrics to explain price movements in capital market and suggest investors to use these in predicting future changes and taking an investment decision thereafter. They applied correlation coefficient, coefficient of determination and testing the formulated hypotheses through student's 't' test. They took Reneta Pharmaceuticals Limited (RPL), Bangladesh as a case, for the periods 2004 to 2011.

Dr. Ong Tze San & Teh Boon Heng (2011) investigated the relationship of capital structure and corporate performance of firm before and during the crisis (2007). Their study focused on construction companies which are listed on the Main Board of Bursa Malaysia from 2005 to 2008. All the 49 construction companies are divided into big, medium and small sizes, based on the paid-up capital. Their result shows that there is relationship between capital structure and corporate performance and there is also evidence shows that no relationship between the variables investigated. They considered for companies, ROC and EPS as corporate performance variables.

Acme Hidayu Dol & Abdul Wahid (2013) They considered indicator variables like return on equity, earnings per share, return on assets and market to book value of equity as the underlying constructs for improvement in the operating performance of the buyback companies. Frankel and Lee (1998) explored relationships between share prices and accounting variables using data from 20 countries including US, Australia, South Korea, and Japan. They used to reportearnings, reported book value and earnings forecasts to estimate the value relevance of accounting information. Their dependent variable is share prices. The explanatory power of the model is high, 88% for US and 72% in other countries combined.

Abdol Hossein Talebi Najaf Abadi, Mostafa Zangi Abadi, Narjes Kamali Kermani, Shiva Safarian, Mohammad Kaveh Nobandegani, Roholah Talebi Najaf Abadi, morteza adlzadeh & Farshad mohammad pour (2013) The main purpose of that study was to find out if there is any relationship between accounting information and company value and how accounting information affects value relevance. According to the progresses in all fields because of new technology, that study examined the influences of new information technology adoption on the value relevance of accounting information. The assumptions of that study were supported by evidences from Tehran Stock Exchange. That study investigated the relationship between accounting information and value relevance of the company value.

Holloway, Pedro Rochman, Ricardo Laes & Marco (2013) they identified some of the factors that influence the decisions of value investing managers to maintain an asset in their portfolios. The results point out that the variables that influence portfolio managers to maintain a stock in their assets under management are greater stability in earnings per share, high ROA (Return on Assets), high gross margin, company size, and liquidity of the shares. Their empirical study based on the economy of Brazil.

Vijitha P. and Nimalathasan B (2014) provided empirical evidence concerning the value relevance of accounting information such as Earning per Share (EPS), Net Assets Value Per Share (NAVPS), and Return On Equity (ROE) and Price Earnings Ratio (P/R) to Share Prices (SP) of manufacturing companies in the Colombo Stock Exchange (CSE). The findings of that research revealed that the value relevance of accounting information has the significant impact on the share price and value relevance of accounting information is significantly correlated with share price.

Timothy P. Kelley & Judith A. Hora (2008) demonstrated why EPS comparisons across companies are meaningless. An example is provided showing how a company with a higher ROE than another company may have a lower EPS simply from having a lower book value per share (and more shares outstanding) than the comparison company.

Selecting Fuel and Energy Sector from Karachi Stock Exchange

This sector has been facing lot of depression for 8 years in Pakistan. That is why this industry has appealed us to do research on this industry. Selecting from Karachi Stock Exchange is not representing the whole economy of Pakistan. This should be considered to be limitation of this study. Second limitation is about collecting data, so it was easy on the basis of availability of data from 2006-2011. We have selected 16 companies in our study and all those companies are ignored which were short of avalability of data.
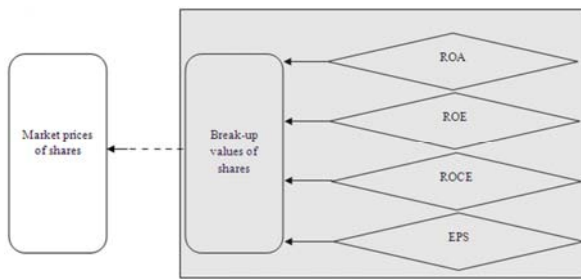
3. Research Design

Figure 1. Theoretical framework.

Graphical Presentation of Variables (All Observations)

Figure 2. Graph of BREAKUP VALUE, ROA, ROE , ROCE AND EPS.

- The names of the companies and relevant data of these companies are available at the end of this paper.

4. Explanation

Ms. Panda Shradhanjali (2013) said that the valuation is the first step towards intelligent investing. Fundamental analysts believe that the market value of each share follows its intrinsic value. Based on the all above literatures and as said by Ms. Panda Shradhanjali we can design our research study in the above diagram. And exploring the relationship between break-up values of shares and accounting

performance values will be highly backed by other scholarships especially by Bihari, Suresh Chandra; Charde, Sumit Kumar (2014).

Graphical Presentation of Variables (Means of observations)

Figure 3. Break-Up Values and ROA.

Figure 4. Break-Up Values and ROE.

Figure 5. Break-Up Values and ROCE.

Figure 6. Break-Up Values and EPS.

5. Hypothesis Statements

Based on all above literatures and especially as per Dr. Majed Abdel Majid Kabajeh, Dr. Said Mukhled Ahmed AL Nu'aimat & Dr. Firas Naim Dahmash (2012), Ms. Panda Shradhanjali (2013) And Bihari, Suresh Chandra; Charde, Sumit Kumar (2014) we can state our hypothesis and models as follows
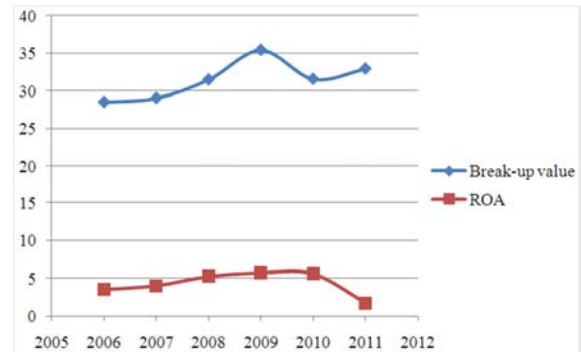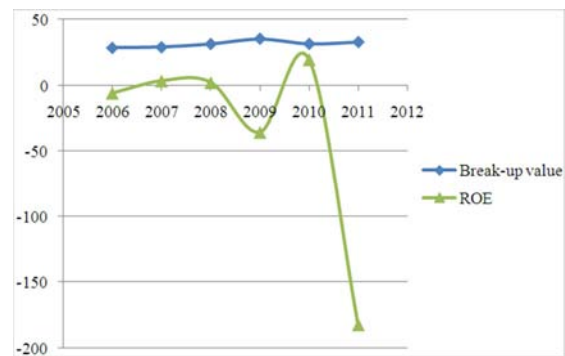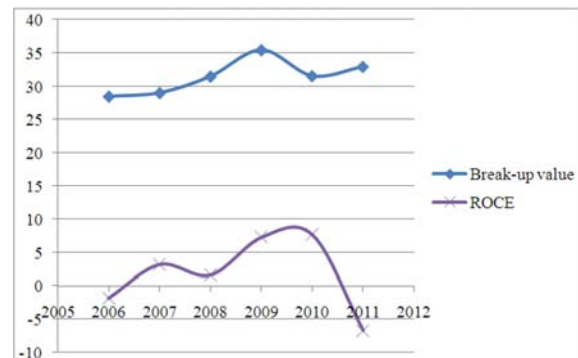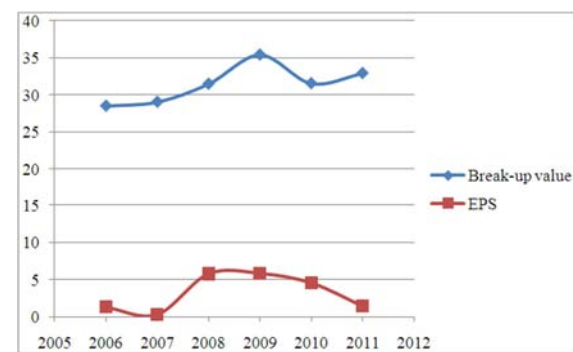
Table 1. Hypotheses of our study.

Alternate Hypotheses	
1	H_A: The Break-up/Intrinsic value of share is significantly explained by ROA, ROE, ROCE & EPS.
2	H_A: The Break-up/Intrinsic value of share is significantly explained by ROA.
3	H_A: The Break-up/Intrinsic value of share is significantly explained by ROE.
4	H_A: The Break-up/Intrinsic value of share is significantly explained by ROCE.
5	H_A: The Break-up/Intrinsic value of share is significantly explained by EPS.

6. Methods

6.1. Models, Definitions of Variables and Data Source

Table 2. Models of our study.

Model no		
1	Y_t =	$\beta_0+\beta_1ROA_t+\beta_2ROE_t+\beta_3ROCE_t+\beta_4EPS_t+e_t$
2	Y_t =	$\beta_0+\beta_1ROA_te_t$
3	Y_t =	$\beta_0+\beta_1ROE_t+e_t$
4	Y_t =	$\beta_0+\beta_1ROCE_t+e_t$
5	Y_t =	$\beta_0+\beta_1EPS_t+e_t$

Table 3. Variables and their definitions.

Where		1 These variables are defined and all values are taken from the given below source FINANCIAL STATEMENTS ANALYSIS OF COMPANIES (NON-FINANCIAL) LISTED AT KARACHI STOCK EXCHANGE (2006-2011) STATE BANK OF PAKISTAN STATISTICS & DWH DEPARTMENT
Y	Dependent variable	1 Break-up value of shares It is obtained by dividing the amount of shareholders equity by the number of ordinary shares. Break- up value shares (Rs. /share) = Shareholder's equity / Number of ordinary shares
β0 & e Co-efficients	Constant & unplanaid variance	$\beta_1,\beta_2,\beta_3,\beta_4,\beta_5,\beta_6$
ROA	Explanatory variables	1 ROA (return on assets) This is an indicator that reflects how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings. This is calculated by dividing a company's annual earnings by its total assets. The higher the ROA, the better, because the company earns more money on less investment. ROA = Net profit before taxes/ Average of
		(Non-Current Assets + Current Assets)
ROE		1 ROE (return on equity) It measures a firm's efficiency at generating profits from every unit of shareholders' equity. It shows how well a company uses its resources to generate earnings growth. The ROE is useful for comparing the profitability of a company to that of other firms in the same industry. ROE = Net profit before taxes/ Average of Shareholder's equity
ROCE		1 ROCE (return on capital employed) ROCE compares earnings with capital invested in the company. ROCE should always be higher than the rate at which the company borrows; otherwise any increase in borrowing will reduce shareholders' earnings. ROCE = Net profit before taxes/ Average of Total capital employed
EPS		1 EPS (earning per share) It is arrived at by dividing the net profit (after tax) by the number of ordinary shares. Earnings per share after tax (Rs.) = (Net profit before taxes - Tax provision) / Number of ordinary shares

7. Conclusion

In panel regression we applied fixed-effects and random effects tests of regression and by applying Hausman Specification test we come to know that Fixed-Effects test is suitable for our analysis. All tests are applied in Eviews (5).Well by taking all results into consideration we have statistical evidences that we may reach to a verdict that all alternate hypotheses are accepted except hypothesis number 3. Whereas diagnostic tests such as Adjusted R^2 and Durbin-watson Stat additionaly approve the strenght of our models

7.1. Interpretation of Table 1

When we applied fixed-effects regression test on the Model 1 then we get results in Table 1 which shows that the model is highly significant and all explanatory variables except ROE shows significant results and can be used to predict the break-up value of shares significantly.

7.2. Interpretation of Table 2

When we applied fixed-effects regression test on the Model 2 then we get results in Table 2 which shows that the model is highly significant and explanatory variable ROA shows significant results and can be used to predict the break-up value of shares significantly.

7.3. Interpretation of Table 3

When we applied fixed-effects regression test on the Model 3 then we get results in Table 3 which shows that the model is highly insignificant and explanatory variable ROE shows insignificant results and can not be used to predict the break-up value of shares significantly.

7.4. Interpretation of Table 4

When we applied fixed-effects regression test on the Model 4 then we get results in Table 4 which shows that the model is highly significant and explanatory variable ROCE shows significant results and can be used to predict the break-up value of shares significantly.

7.5. Interpretation of Table 5

When we applied fixed-effects regression test on the Model 5 then we get results in Table 5 which shows that the model is highly significant and explanatory variable EPS shows significant results and can be used to predict the break-up value of shares significantly.

8. Results

Regression Results

Table 4. Regression analysis of model 1.

Dependent Variable: BV				
Method: Panel Least Squares				
Sample: 2006 2011				
Cross-sections included: 16				
Total panel (balanced) observations: 96				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	32.08544	1.949121	16.46149	0.0000
EPS	1.844826	0.253496	7.277544	0.0000
ROA	-1.772710	0.456530	-3.883010	0.0002
ROCE	0.418425	0.136003	3.076580	0.0029
ROE	-0.010631	0.006438	-1.651332	0.1028
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.886873	Mean dependent var		31.48073
Adjusted R-squared	0.858591	S.D. dependent var		34.30098
S.E. of regression	12.89866	Akaike info criterion		8.135176
Sum squared resid	12644.54	Schwarz criterion		8.669416
Log likelihood	-370.4885	F-statistic		31.35847
Durbin-Watson stat	1.368069	Prob(F-statistic)		0.000000

Regression analysis of model 1
Source: generated in Views 5

Table 5a. Regression analysis of model 2.

Dependent Variable: BV				
Method: Panel Least Squares				
Sample: 2006 2011				
Cross-sections included: 16				
Total panel (balanced) observations: 96				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	29.04329	2.019067	14.38451	0.0000
ROA	0.567163	0.254090	2.232136	0.0284
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.804301	Mean dependent var		31.48073
Adjusted R-squared	0.764665	S.D. dependent var		34.30098
S.E. of regression	16.63985	Akaike info criterion		8.620745
Sum squared resid	21873.89	Schwarz criterion		9.074848
Log likelihood	-396.7957	F-statistic		20.29252
Durbin-Watson stat	1.210056	Prob(F-statistic)		0.000000

Regression analysis of model 2
Source: generated in Views 5

Table 5b. Regression analysis of model 3.

Dependent Variable: BV				
Method: Panel Least Squares				
Sample: 2006 2011				
Cross-sections included: 16				
Total panel (balanced) observations: 96				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	31.78537	1.730896	18.36354	0.0000
ROE	0.009233	0.005553	1.662824	0.1003
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.798993	Mean dependent var		31.48073
Adjusted R-squared	0.758283	S.D. dependent var		34.30098
S.E. of regression	16.86398	Akaike info criterion		8.647503
Sum squared resid	22467.11	Schwarz criterion		9.101607
Log likelihood	-398.0802	F-statistic		19.62635
Durbin-Watson stat	1.275945	Prob(F-statistic)		0.000000

Regression analysis of model 3
Source: generated in Views 5

Table 5c. Regression analysis of model 4.

Dependent Variable: BV				
Method: Panel Least Squares				
Sample: 2006 2011				
Cross-sections included: 16				
Total panel (balanced) observations: 96				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	31.13943	1.687870	18.44895	0.0000
ROCE	0.181291	0.070799	2.560647	0.0124
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.807902	Mean dependent var		31.48073
Adjusted R-squared	0.768996	S.D. dependent var		34.30098
S.E. of regression	16.48603	Akaike info criterion		8.602171
Sum squared resid	21471.35	Schwarz criterion		9.056274
Log likelihood	-395.9042	F-statistic		20.76553
Durbin-Watson stat	1.243359	Prob(F-statistic)		0.000000

Regression analysis of model 4
Source: generated in Views 5

Table 6. Regression analysis of model 5.

Dependent Variable: BV				
Method: Panel Least Squares				
Sample: 2006 2011				
Cross-sections included: 16				
Total panel (balanced) observations: 96				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	27.44418	1.547490	17.73465	0.0000
EPS	1.267485	0.196023	6.466003	0.0000
Effects Specification				
Cross-section fixed (dummy variables)				
R-squared	0.863956	Mean dependent var		31.48073
Adjusted R-squared	0.836403	S.D. dependent var		34.30098
S.E. of regression	13.87375	Akaike info criterion		8.257140
Sum squared resid	15205.99	Schwarz criterion		8.711243
Log likelihood	-379.3427	F-statistic		31.35602
Durbin-Watson stat	1.180032	Prob(F-statistic)		0.000000

Regression analysis of model 5
Source: generated in Views 5

Table 7. *Data of our study.*

	company	year	Break-up value	ROA	ROE	ROCE	EPS
ALTERN ENERGY	1	2006	0.09	-21.05	-188.02	-127.41	-5.2
	1	2007	21.01	-0.51	-2.03	-0.64	-0.22
	1	2008	22.44	3.84	15.2	4.91	3.3
	1	2009	26.71	6.65	25.38	8.29	6.23
	1	2010	33.22	6.14	20.13	7.15	6.03
	1	2011	40.27	3.9	10.55	4.45	3.88
BURSHANE LPG	2	2006	87.45	2.24	7.57	7.57	0.52
	2	2007	58.02	-8.94	-38.14	-32.4	-27.32
	2	2008	9.99	-20.91	-88.29	-64.81	-8.32
	2	2009	13.18	7.87	26.14	12.76	3.03
	2	2010	15.4	10.25	25.62	12.06	3.39
	2	2011	17.62	11.08	21.37	13.43	2.84
IDEAL ENERGY	3	2006	27.7	-7.44	-8.52	-8.52	-2.49
	3	2007	26.6	-3.95	-4.06	-4.06	-1.1
	3	2008	24.6	-7.62	-7.81	-7.81	-2
	3	2009	22.33	-9.38	-9.7	-9.66	-2.28
	3	2010	21	-5.89	-6.14	-6.07	-1.33
	3	2011	19.48	-6.64	7.12	-7.03	-1.44
JAPAN POWER	4	2006	5.67	-4.01	-49.1	-4.75	-2.02
	4	2007	3.65	-3.06	-33.44	-3.73	-1.47
	4	2008	3.12	-2.3	-32.44	-2.91	-1.1
	4	2009	-0.85	-8.76	-361.07	-11.85	-3.8
	4	2010	-3.74	-6.35	126.1	-10.53	-2.9
	4	2011	-8.5	-18.37	157.27	-44.75	-9.64
KARACHI ELECTRIC	5	2006	2.54	-11.24	-20.94	-20.94	-0.63
	5	2007	4.7	-16.74	-46.93	-45.9	-2.64
	5	2008	1.5	-18.49	-110.15	-83.49	-3.47
	5	2009	-0.02	-13.73	-451.97	-35.69	-3.36
	5	2010	4.54	-8.68	-94.41	-15.86	-2.14
	5	2011	3.56	-4.53	-34.79	-8.75	-1.47
Kkohinoor	6	2006	32.43	15.15	19.83	18.19	5.98
	6	2007	37.35	12.12	14.27	13.91	4.94
	6	2008	38.72	9.07	10.24	10.18	3.86
	6	2009	39.56	12.87	13.85	13.84	5.34
	6	2010	41.61	9.81	10.28	10.28	4.06
	6	2011	42.83	7.72	8.97	8.97	3.71
KOHINOOR POWER	7	2006	22.42	-14.35	-31.45	-31.45	-8.43
	7	2007	26.78	-5.81	-12.47	-8.76	-3.07
	7	2008	28.78	4.71	6.89	5.01	1.91
	7	2009	30.45	9.59	10.5	10.34	3.04
	7	2010	32.46	5.88	6.4	6.22	2.01
	7	2011	32.87	1.16	1.26	1.22	0.41
KOT ADDU	8	2006	22.86	24.21	40.3	33.37	9.63
	8	2007	21.43	20.72	38.91	38.91	5.78
	8	2008	24.23	16.81	40.11	40.07	6.2
	8	2009	26.22	14.92	39.28	33.18	6.64
	8	2010	25.55	11.24	33.92	25.27	5.99
	8	2011	27.22	11.46	42.65	32.19	7.51
MARI GAS	9	2006	73	7.46	22.1	0.76	2.34
	9	2007	88.39	16.37	46.61	4.06	13.06
	9	2008	168.68	37.25	83.84	20.15	65.29
	9	2009	224.02	14.49	33.19	16.12	51.87
	9	2010	125.05	6.38	15.51	4.65	14.42
	9	2011	145.18	10.11	24.59	4.5	15.04
OGDC	10	2006	22.03	55.75	73.34	73.34	10.85
	10	2007	23.39	48.48	62.19	62.19	10.73
	10	2008	25.43	55.95	74.58	74.58	13.32
	10	2009	29.34	49.26	68.2	60.83	14.91
	10	2010	36.6	43.53	62.46	50.5	15.21
	10	2011	46.87	37.09	50.69	41.92	15.07
S G POWER	11	2006	17.76	-8.99	-10.28	-10.28	-1.93
	11	2007	16.95	-4.37	-4.65	-4.65	-0.81
	11	2008	15.84	-6.56	-6.81	-6.81	-1.12
	11	2009	15.43	-2.52	-2.62	-2.62	-0.41
	11	2010	15	-2.71	-2.84	-2.83	-0.43

	company	year	Break-up value	ROA	ROE	ROCE	EPS
	11	2011	14.62	-2.63	-2.76	-2.75	-0.41
	12	2006	50.68	0.38	0.76	0.71	0.37
	12	2007	50.74	0.06	0.16	0.1	0.06
SITARA	12	2008	55.3	3.03	9.22	4.69	4.87
	12	2009	56.33	2.01	6.4	3.28	3.5
	12	2010	61.79	4	12.61	6.99	7.44
	12	2011	64.62	2.63	7.63	5.15	4.77
	13	2006	18.11	0.49	1.52	0.7	0.27
	13	2007	15.95	-3.81	-12.68	-5.88	-2.16
SOUTHERN ELECTRIC	13	2008	13.77	-3.78	-14.66	-6.32	-2.18
	13	2009	14.84	1.71	7.51	2.98	1.07
	13	2010	15.23	1.18	5.92	2.56	0.89
	13	2011	-13.47	-35.29	-3264.57	-177.26	-28.67
	14	2006	30.27	7.19	26.85	23.51	7.22
	14	2007	29.67	5.28	27.07	24.99	5.72
SNGP	14	2008	31.21	4.39	23.82	21.6	6.11
	14	2009	29.41	1.57	10.4	3.85	3.15
	14	2010	34.06	2.96	22.27	5.25	5.47
	14	2011	34.11	1.21	9.02	2.03	1.3
	15	2006	16.76	4.06	15.32	8.97	1.94
	15	2007	14.51	2.45	12.73	6.33	1.44
SNGC	15	2008	15.37	3.56	23.75	9.9	2.93
	15	2009	14.43	0.48	4.17	1.22	0.62
	15	2010	20.97	6.64	59.05	16.17	9.54
	15	2011	33.41	4.4	26.22	10.32	5
	16	2006	25.91	6.14	8.98	6.82	2.39
	16	2007	25.11	6	8.99	6.93	2.29
HUB	16	2008	24.6	4.83	9.04	7.12	2.25
	16	2009	25.56	4.81	12.81	9.69	3.21
	16	2010	26.03	5.02	18.32	11.33	4.73
	16	2011	26.24	3.97	18.39	9.34	4.8

References

[1] http://www.picicinsurance.com/index.php/investor-information/earnings-per-share-pe-ratio-and-breakup-value.html

[2] http://www.nagina.com/index.php?page=3.3.5.-Earning-Per-Share%2C-P%2FE-Ratio-and-Breakup-Value

[3] http://www.investhub.com/glossary/Book-ValueShare.htm

[4] Brian KELLY, WickloW (2013)," Pub. No.: US 2013/0275335 A1 Pub. Date: Oct. 17, 2013"

[5] J. G. Agrawal1, Dr. V. S. Chourasia, Dr. A. K. Mittra (2013)," State-of-the-Art in Stock Prediction Techniques" International Journal of Advanced Research in Electrical, Electronics and Instrumentation Engineering Vol. 2, Issue 4, April 2013.

[6] Ms. Panda Shradhanjali (2013)."Multiplier Approach Vs Constant Growth Model: Valuation of Selected Indian Pharma Stocks" Asiam Journal of Research in Business Economics and Management Vol: 3, Issue: 10 (pages 106-116).

[7] Bihari, Suresh Chandra; Charde, Sumit Kumar (2014),"Intrinsic value of stocks: Does Market Appreciat It? A study on Three Major Private Banks in India" Economy, Business and Management, issued 1/2014 page range 53-74.

[8] Chandrapala Pathirawasam & Guneratne Wickremasinghe (2011)," Impact of Information Technology Adoption on Value Relevance of Accounting Information: Evidence From the Colombo Stock Exchange" Journal of Modern Accounting and Auditing, ISSN 1548-6583 July 2011, Vol. 7, No. 7, 680-688.

[9] Dr. Majed Abdel Majid Kabajeh, Dr. Said Mukhled Ahmed AL Nu'aimat & Dr. Firas Naim Dahmash (2012)," The Relationship between the ROA, ROE and ROI Ratios with Jordanian Insurance Public Companies Market Share Prices" International Journal of Humanities and Social Science Vol. 2 No. 11; June 2012.

[10] Md. Reiazul Haque, Rony Kumar Datta, Rajib Dey & Md. Mostafizur Rahman (2013)," Financial Variables Having Significant Impact on Market Price of Shares" Research Journal of Finance and Accounting ISSN 2222-1697 (Paper) ISSN 2222-2847 (Online) Vol.4, No.15, 2013

[11] Dr. Ong Tze San & Teh Boon Heng (2011)," Capital Structure and Corporate Performance of Malaysian Construction Sector" International Journal of Humanities and Social Science Vol. 1 No. 2; February 2011

[12] Akma Hidayu Dol & Abdul Wahid (2013," Measuring the Motivating Factors for Share Buyback: Evidence from Malaysian Companies" ISSN 2277-0844; Volume 2, Issue 2, pp 35-50; February, 2013. Online Journal of Social Sciences Research

[13] Abdol Hossein Talebi Najaf Abadi, Mostafa Zangi Abadi, Narjes Kamali Kermani, Shiva Safarian, Mohammad Kaveh Nobandegani, Roholah Talebi Najaf Abadi, morteza adlzadeh & Farshad mohammad pour (2013)," Impact of New Technology on Market Value Price and Value Relevance of Accounting Information in the Tehran Stock Exchange" J. Basic. Appl. Sci. Res., 3(9)721-728, 2013.

[14] Frankel, R & Lee, C.M.C 1998, Accounting diversity and international valuation, Retrieved from SSRN: http://ssrn.com/abstract=2658.

[15] Holloway, Pedro Rochman, Ricardo Laes & Marco (2013)," Factors Influencing Brazilian Value Investing Portfolios" Journal of Economics, Finance & Administrative Science . Oct2013 Special Issue, Vol. 18, p18-22. 5p.

[16] Vijitha P. and Nimalathasan B (2014)," Value relevance of accounting information and share price: A study of listed manufacturing companies in Sri Lanka" Merit Research

Journal of Business and Management Vol. 2(1) pp. 001-006, January, 2014.

[17] Timothy P. Kelley & Judith A. Hora (2008),"The Folly Of Making EPS Comparisons Across Companies: Do Accounting Textbooks Send The Correct Message?" Journal of College Teaching & Learning – February 2008 Volume 5, Number 2.