Abstract:
Sin stocks are of increased interest since more and more investors and fund managers avoid them while integrating social screening with their investment decisions. As a reflection of social norms, socially responsible investing has become a niche of its own in determining investors' portfolio decisions in the past decade. The study adopted an explanatory research design with the population consisting of all firms listed in the NSE. The sample of the study involved the 20 firms that make up the NSE index. Secondary data used secondary data sources in gathering data for analysis which was done using the Statistical Package for Social Sciences (SPSS version 20) to generate the descriptive statistics and also to generate inferential results. T-Tests used to check whether the mean returns of Sin stock differ from the mean returns of non sin stocks. Regression analysis done showed that the type of firm that is either sinstock or non sinstock have a positive and significant relationship with return. T-test statistics indicate that capital gains for sinstocks were higher than that of non sinstocks. Dividends of nonsinstocks, were slightly lower than that of sinstocks. From the given results, it is evident to conclude that sinstocks have a higher capital gain, return and dividends than in nonsinstocks.