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Internship Report on

**“IMPACT OF BUYBACK OF SHARE ON STOCK PRICE OR STOCK  
RETURN”**

*Submitted By*

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**4AL15MBA46**

Submitted to



**VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELGAUM**

In partial fulfilment of the requirements for the award of the degree of

**MASTER OF BUSINESS ADMINISTRATION**

*Under the guidance of*

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**Assistant Professor**

**Department of MBA**

**AIET, Mijar.**

**EXTERNAL GUIDE:**

**Mr. Prasanth Kumar**

**Stock Broker**

**Aditya Birla Money ltd.**

**Belthangady.**



**Department of MBA**

**Alva's Institute of Engineering and Technology**

**Shobhavana campus, Mijar, Moodbidri, DK**

**2015-2017**

**ADITYA BIRLA**

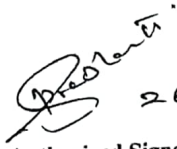


**MONEY**

**13 March 2017**

**"TO WHOM SO EVER IT MAY CONCERN"**

This is to certify that **Mr. NAVAL KUMAR V** bearing **USN-4AL15MBA46** bonafide student doing his MBA at **ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY, MOODBIDRI**, has undergone a project "**Impact of share buyback on Stock returns or stock price**" in our organization from 2<sup>nd</sup> January 2017 to 10<sup>th</sup> March 2017. His character and Conduct is uniformly good. He deserved all the Encouragement.

  
26/04/2017.

**Authorized Signatory**

**ADITYA BIRLA MONEY LTD.,**

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## ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY

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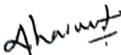
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Date: 15-May-2017


### Certificate

This is to certify that, Mr. Naval Kumar.V, bearing USN 4AL15MBA46, is a bonafide student of Master of Business Administration course of the Institute (2015-2017), affiliated to Visvesvaraya Technological University, Belgaum.

The internship report on A Study on "Impact of Buybacks Announcement on Stock Returns", A Study Conducted at Aditya Birla Money Ltd, Belthangady is prepared by him under the guidance of, Prof. Dharmanand Montadka, Assistant Professor, Department of MBA in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belgaum, Karnataka.

  
Prof. Dharmanand M  
Project Guide

  
Prof. P. Ramakrishna Chadaga  
Dean - MBA

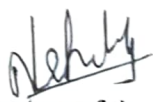
  
Dr. Peter Fernandes  
Principal

## DECLARATION

I, **Naval Kumar V**, hereby declare that the Internship report entitled "**IMPACT OF BUYBACK OF SHARE ON STOCK PRICE OR STOCK RETURN**" prepared by me under the guidance of **Prof. Dharmananda Montadka**, faculty of MBA Department, Alva's Institute of Engineering and Technology and external assistance by **Mr Prashanth, Stock Broker at Aditya Birla Money, Belthangady**. I also declare that this Internship work is towards the partial fulfilment of the university regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum.

I have undergone a summer project for a period of Ten weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University/Institution.

Place: Mijar

  
Signature of the student

Date: 16-05-2017

## ACKNOWLEDGEMENT

For the completion of any task in an efficient and effective way within the period of given time, the assistance and hard work of many people are complementary. There is a pleasure to acknowledge to those many people whose timely support went a long way in the completion of project report.

Here by I make a humble effort to place on record, my sense of gratitude and sincerity to all my well-wishers for the help I received for the successful completion of my project report.

I acknowledge my fullest gratitude to my internal guide **Prof. Dharmanad Mondadka**, Department of Business Administration, for her regular supervision and valuable suggestions.

I am deeply indebted to **Mr Prasanth Kumar, Stock Broker at Aditya Birla Money Ltd, Belthangady** for granting permission and providing requisite information regarding the project.

It's my privilege to thank our principle **Dr. Peter Fernandes** for giving me the opportunity to take up this project. At the outset I would like to acknowledge my gratitude to beloved **Mr. Ramakrishna Chadaga**, Dean of Department of Business Administration. My profound gratitude to all the faculty members of the department of Business Administration, Alva's Institute of Engineering and Technology, Mijar, Moodbidri.

Finally I extent my heart full of thanks to my parents, family members and friends for the continual encouragement and blessings and also for their support to finish my project successfully.

NAVAL KUMAR V

(4AL15MBA46)

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## **EXECUTIVE SUMMARY**

The study has been undertaken at Aditya Birla Money, Belthangady. The study comprises the abnormal returns of Companies which has announced the buyback of shares in the National stock Exchange (NSE). The concept of Impact of buyback announcement on stock returns or stock price, the literature review, the data sources involved, the research methodology used, result of abnormal return is explained in detail. The study makes an attempt to analyze the performance of various stocks on the event date of buyback announcement, during the past twenty days before the announcement and twenty days after the buyback announcement. The study is undertaken 100 different companies under study for the year 2007 to 2016.