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Internship Report on  
**"IMPACT OF RIGHTS ISSUE ON STOCK RETURNS"**  
**A STUDY CONDUCTED AT ADITYA BIRLA MONEY, BELTHANGADY**  
**BY**

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Submitted to  
**VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELGUM**

*In partial fulfillment of the requirements for the award of the degree of*

**MASTERS OF BUSINESS ADMINISTRATION**

*Under the guidance of*

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**Associate Professor**

**Department of MBA.**

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**EXTERNAL GUIDE**

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**Alva's Institute of Engineering and Technology**  
**Shobhavana Campus, Mijar, Moodbidri**

**2015-2017**

**ADITYA BIRLA**



**MONEY**

**WHOM SO IT MAY CONCERN**

15/03/2017

This is to certify that Mr. SANDEEP.D.S (USN: 4LV15MBA19) final year MBA student of ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY, Mijar, Moodbidri (Affiliated to Visvesvaraya Technological University, Belagum), has undergone Project on the topic "IMPACT OF RIGHTS ISSUE ON STOCK RETURNS" in our organization. His character and conduct is uniformly good. He deserves all the encouragement.

The duration of the project he has undergone is for 10 weeks from 02/01/2017 to 10/03/2017.

*Sandeep D.S*  
02/01/2017

Authorized Signatory

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**Date: 10-May-2017**


### **Certificate**

This is certified that Mr. Sandeep D S bearing USN 4LV15MBA19 is a bonafied student of Master of Business Administration course of the Institute (2015-17), affiliated to Vishveshwaraya Technological University, Belgaum.

The internship report on Impact of Rights Issue on Stock Returns: A Study Conducted at Aditya Birla Money Ltd, Belthangady is prepared by him under the guidance of Dr. Kushalappa S, Associate Professor, Department of MBA in partial fulfilment of the requirements for the award of the degree of Master of Business Administration of Vishveshwaraya Technological University, Belgaum, Karnataka.

  
Dr. Kushalappa S.  
Project Guide

  
Prof. P. Ramakrishna Chadaga  
Dean - MBA

  
Dr. Peter Fernandes  
Principal



## DECLARATION

I, Sandeep, hereby declare that the internship report entitled "Impact of Rights Issue on Stock Returns", A study conducted at Aditya Birla Money Ltd, Belthangady" prepared by me under the guidance of Dr. Kushalappa. S, Associate Professor, Department of Business Administration, Alva's Institute of Engineering and Technology and external assistance by Mr. Prashanth Kumar S, Stock Broker, Aditya Birla Money Ltd, Belthangady.

I also declare that this internship work is towards the partial fulfillment of the university regulation for the award of the degree of Masters of Business Administration by of Vishvesvaraya Technological University, Belgaum.

I have undergone a summer project for a period of 10 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

Date: 10/May/2017

Signature of the student.

## ACKNOWLEDGEMENT

Completion of a task by shaping and achieving the objective is often a result of valuable contribution from number of individuals, directly or indirectly.

Firstly I thank almighty God for showering his choicest blessing and keeping me in good health throughout the tenure of the project.

Hereby 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 am deeply indebted to my faculty guide **Dr. Kushalappa. S**, Associate Professor, Department of Business Administration, for his regular supervision and valuable suggestions. I am thankful to **Mr. Prashanth Kumar S**, Branch Manager, Aditya Birla Money, Belthangady and his staff for granting permission and providing requisite information regarding the project.

It's my privilege to thank our beloved principal **Dr. Peter Fernandes** for giving me the opportunity to take up this project. 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 extend my gratitude to my parents and friends for their constant co-operation, encouragement and support without which this work would not have completed successfully.

**Sandeep. D.S**

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## EXECUTIVE SUMMERY

The study has been undertaken at Aditya Birla Money Ltd, Belthangady. The study comprises the abnormal returns of Rights Issued Companies of ten years listed in the National Stock Exchange (NSE). The concept of Impact of Rights Issue on stock market, 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 rights issue announcement, during the past twenty days before the announcement and twenty days after the rights issue announcement. The study is undertaken 142 different companies under study during the year 2007 to 2016.

## CHAPTER I

## INTRODUCTION