

# **“IMPACT OF BONUS ISSUE ANNOUNCEMENT ON SHARE PRICE OF THE COMPANIES”**

Submitted By

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Submitted to



**VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELGAUM**

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

**MASTER OF BUSSINESS ADMINISTRATION**

Under the guidance of

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**DEPARTMENT OF BUSINESS ADMINISTRATION**

**ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY**

**MAY – 2018**

This is to certify that **Mr. Chirag S** pursuing his MBA from Alva's Institute of Engineering & Technology, Moodbidri (Affiliated to Visvesvaraya Technological University, Belgaum), bearing USN No **4AL16MBA11** has completed his project work entitled "**IMPACT OF BONUS ISSUE ANNOUNCEMENT ON SHARE PRICE OF THE COPMANIES**" in our organization as partial fulfillment of Master degree from 15.01.2018 to 24.03.2018.

He has shown interest in learning and his conduct and character was good.

We wish good luck in his future endeavors.

Regards,

For Navadurga Financials (Sharekhan)

A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text "SHAREKHAN UNITED MANGALORE" around the perimeter and "MANGALORE" at the bottom.

Authorized signatory

Date: 22 May 2018

Place: Mangalore



## ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY

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### CERTIFICATE

It is hereby certified that **Mr. CHIRAG S** bearing **USN: 4AL16MBA11** is a bonafide student of the Master of Business Administration course of the Institute (2016-18), affiliated to Visvesvaraya Technological University, Belgaum.

The project report on the topic "**IMPACT OF BONUS ISSUE ANNOUNCEMENT ON SHARE PRICE OF THE COMPANIES**" is prepared by him under the guidance of **YOGESH DIXIT**, Assistant Professor, Department of MBA, in partial fulfillment of the requirements for the award of the degree of Master of Business Administration under Visvesvaraya Technological University, Belgaum, Karnataka.

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### DECLARATION

I, Chirag S hereby declare that the project report entitled "Impact of Bonus issue announcement on share price of the company" with reference to "Sharekhan Limited, Mangaluru" under the guidance of Prof. Yogesh Dixit, assistant professor, faculty of M.B.A Department, Alva's Institute of Engineering and Technology, Moodbidri and external assistance by Pradeep Rao, Manager, Sharekhan limited. I also declare that this project work is towards the partial fulfilment of the University Regulation for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum. I have undergone a summer project for a period twelve 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: 21/05/2018



CHIRAG S

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**CHIRAG S**

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## **EXECUTIVE SUMMARY**

The summer project title “Impact of Bonus issue announcement on share price of the Companies” was conducted at the branch of Sharekhan Limited, Mangalore. Sharekhan Ltd is a subsidiary of BNP Paribas and it was incorporated in 2000. It is headquartered at Mumbai. The company helped me to understand the basic concepts of stock trading, NSE, BSE, Demat Account, perception of the investors towards the different investment avenues and how the macro economic factors affect the stock market.

The study comprises of 30 individual stock listed in the Bombay Stock Exchange announced during the period from 2012-2017. The study makes an attempt to analyze the performance of various stocks. On the date of Bonus share announcement, during the past 30 days before the announcement and 30 days after the announcement. The concept of impact of Bonus share announcement and capital market reaction, the literature review, the research methodology used, results of hypothesis tested are explained in details.