

**PROJECT REPORT ON**  
**“FINANCIAL LEVERAGE AND ITS IMPACT ON STOCK RETURNS”**  
**A STUDY CONDUCTED AT PREMIER INVESTMENTS, UDUPI**

**Submitted by**  
**Ms. AKSHAYA**  
**USN: 4AL17MBA05**

**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**

**INTERNAL GUIDE**  
**Dr. Claret Mendonca**  
**Department of MBA**  
**AIET, Mijar**

**EXTERNAL GUIDE**  
**Mr. Harish B**  
**Premier Investments**  
**Udupi**



**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY**  
**SHOBHAVANA CAMPUS, MIJAR, MOODBIDRI**  
**APRIL 2019**

Premier investments  
Premier center  
Old post office road,  
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Udupi  
16-02-2019

### CERTIFICATE

This is to certify that, Ms. AKSHAYA (USN: 4AL17MBA05), student of MBA. At Alva's Institute of Engineering and Technology, Moodbidri, Karnataka – 5741225 has done a project work on **“FINANCIAL LEVERAGE AND ITS IMPACT ON STOCK RETURNS”** At premier investments, Udupi franchisee of Motilal Oswal securities ltd, Mumbai from 3<sup>rd</sup> January to 15<sup>th</sup> February 2019.

During this period, her conduct and performance were good.

For Premier investments

  
Harish B



## ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY

A Unit of Alva's Education Foundation (R)

( Affiliated to Visvesvaraya Technological University, Belagavi

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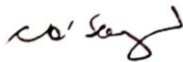
Email : principalaiet08@gmail.com, Web [www.aiet.org.in](http://www.aiet.org.in)

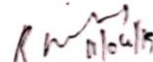
11<sup>th</sup> April 2019

### Certificate

This is to certify that **Ms. AKSHAYA** bearing USN 4AL17MBA05 is a bonafide student of Master of Business Administration program (2017-19) of the Institute affiliated to Visvesvaraya Technological University, Belagavi.

The project report titled "A STUDY ON FINANCIAL LEVERAGE AND ITS IMPACT ON STOCK RETURNS WITH SPECIAL REFERENCE TO PREMIER INVESTMENTS, UDUPI" is prepared by her under the guidance of Dr. Claret Mendonca, Associate Professor, Department of Business Administration, in partial fulfilment of the requirements for the award of the degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi, Karnataka.

  
**Dr. Claret Mendonca**  
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## **EXECUTIVE SUMMARY**

The project is undertaken at Premier Investment, Udupi. This is a broking company. They offer world class facilities for buying and selling of shares and mutual funds on NSE and BSE, Derivatives services.

The present research is conducted to study the financial leverage and its impact on stock returns. The research study covers top 38 BSE listed companies that are belonging to different sectors excluding banking companies. This study is made to find the relationship between the risk and return of the portfolio. The core objective of the study is to find out the impact on the stock returns. The study of financial leverage and its impact on stock return help the companies to make decision to select the best portfolio to minimize the risk. The study is based on the five years data. Both primary and secondary data has been used for the purpose of study.