"A STUDY ON CONSTRUCTION OF OPTIMAL PORTFOLIO USING SIGLE INDEX MODEL"

SUBMITTED BY

M SATVIK HEBBAR

USN: 4AL18MBA37

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	**EXTERNAL GUIDE**
MRS.MAITHRI,	**MR. SRINATH**
SENIOR LECTURER	**ASSISTANT MANGER**
AIET, MIJAR	**VENTURA SECURITIES**

MASTER OF BUSINESS ADMINISTRATION

ALVAS INSTITUTE OF ENGENEERING AND TECHNOLOGY

SHOBHAVANA CAMPUS MIJAR, MOODBIDRI. 2019-2020

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This is to certify that **Mr. M SATVIK HEBBAR** bearing **USN – 4AL18MBA37** bonafide student doing his MBA at **ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY, MOODBIDRI**, has undergone a project on **"A STUDY ON CONSTRUCTION OF OPTIMAL PORTFOLIO USING SINGLE INDEX MODEL"** in our organization from 1st January 2020 to 15th February 2020.

His character and Conduct is uniformly good. He deserves all the encouragement.

Authorized Signatory

Priyak Cate

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CERTIFICATE

This is to certify that **M SATVIK HEBBAR** bearing USN **4AL18MBA37**, is a bonafide student of PG Department of Business Administration of Alva's Institute of Engineering and Technology, Mijar, affiliated to Visvesvaraya Technological University, Belagavi. The project report on **"A STUDY ON CONSTRUCTION OF OPTIMAL PORTFOLIO USING SINGLE INDEX MODEL"** is prepared by him under the guidance of Mrs. Maithri, Senior Lecture, PG Department of Business Administration in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belagavi, Karnataka.

Mrs. Maithri Signature of Internal Guide	Dr. Claret Mendonca Signature of HOD DEAN Dept. of Business Administration Alva's Institute of Engg. & Technology MIJAR – 574 225	Dr. Peter Fernandes Signature of Principal PRINCIPAL Alva's Institute of Engg. & Technology, Mijar, MOODBIDRI - 574 225, D.K.

DECLARATION

I, **M SATVIK HEBBAR** USN No**: 4AL18MBA37** hereby declare that the project report entitled " **A Study of the Construction of Optimal Portfolio Using Single Index Model"** with reference to "**VENTURA SECURITIES**" Bangalore prepared by me under the guidance of Mrs. Maithri senior faculty of M.B.A Department ,AIET and external assistance by Mr.Srinath .I also declare that this project work is towards the partial fulfilment of the university

Regulation for the award of degree of M.B.A by Visvesvaraya Technological college, Belgaum. I have undergone a summer project for period of Six weeks. I further declare 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.

Satvik

Place : Mijar

Signature of the Student

Date: 15/06/2020

ACKNOWLEDGEMENT

I**, M SATVIK HEBBAR,** student of Alva's Institute of Engineering and Technology, Mijar studying Master of Business Administration hereby taking this opportunity to express my sincere gratitude to my guide **Mrs. Maithri,** Senior Lecturer, MBA Department, Alva's Institute of Engineering and Technology, for her ideal guidance and encouragement throughout the course.

I take this opportunity to thank to all staff and management of **VENTURA SECURITIES**, Manger for the valuable help in successfully completing this project. I wish to thank all faculty members of **AIET, VTU** and who provide the expert guidance throughout the project. remaining however not the listing I thank my pals every and every person who directly or circuitously helped me in making my challenge correctly.

I am extremely thankful to my principal **Dr. Peter Fernandes** for providing me a chance to carry up this project.

I also express my sincere gratitude to **Dr. Claret Mendonca**, Head of Department, MBA Department, Alva's Institute of Engineering and Technology, Mijar for her guidance and support in carrying out this project.

I thank everyone who helped me directly or indirectly in completing my project. Last but not the least I would like to thank my parents and friends for their continuous encouragement for my work.

Thank you

M SATVIK HEBBAR

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The project titled as "**A study on Construction of optimal portfolio using Sharpe's single index mode**" respect toward BSE which was carried out at Ventura securities Pvt ltd.

It was disclosing that in present study that there are so many equities, bonds, derivatives and mutual funds which were traded on major stock exchange. Choosing and constructing of optimal portfolio which is very hard task to achieve. All the investment decisions are taken by the investor based on stockbrokers, magazines and research paper etc.

"Portfolio selection through security evaluation", "Markowitz model", "Sharpe's model" etc. are the different techniques to overwhelm the problems mentioned the above. In those precise document Sharpe's single index model become used to assemble top-quality portfolio. The above objective of the observe is to construct top-rated portfolio and to evaluation the returns in an effort to calculate the performance of the stocks within the portfolio.

The focus on study is to construct portfolio from 15 companies from 3 sectors. In order to meet the investment aim of return, risk and beta are considered. This study gives an important information about construct an optimal portfolio to reduce risk.