**Abstract**

Leverage is used to describe the firm's ability to use fixed cost securities to increase the return to its owners. The current study hasconcentrated on analysing thefinancial operations of the two sample companies, Videsh Limited (OVL) and Mangalore Refineryand Petrochemicals Limited (MRPL) based on their liquidity, profitability and leverage positions over a decade. The study is basedon secondary data collected from the financial reports published in the official websites of the two sample companies for a period often years from 2005-06 to 2014-15. The data have been analyzed using the financial and statistical tools namely Ratio Analysis,Mean, Standard Deviation,Coefficient of Variation and Correlation Analysis. It has been found that the operations of MangaloreRefinery and Petrochemicals Limited have to be reframed in order to assure sustainable business development and improved profitearnings in the future.