**Abstract**

Leverage is the ratio of debt and equity of the company. Debt includes long term borrowings, stock are some of the equities. When money is borrowed for financial purpose and used for the business then it is called as leveraged. Financial leverage, Operating leverage and combined leverage are the examples of leverage. To analyze the financial statements of a firm with the concept of leverage the above three types are used as a tool to calculate and interpret the findings. These financial statements are used as management tool by the investors and executives of the company. Financial statement analysis is undergone to find the company’s performance and efficiency. It provides useful information about the company to the executives and investors to make credits. There are many ways in which financialstatements can be analyzed but from all those leverage is different and best method to use as a tool. And interpretation of financial statements helps in ascertaining the company’s profitability, liquidity position, long term and short term solvency of the firm. Leverage analysis determines whether the company is progressing well or declining in the previous financial years. The objective of the study is to analyze and evaluate various financial statements of Amul Dairy. Amul is an Indian cooperative dairy company with the headquarters situated in Anand, Gujarat. The products sold are Fast Moving Consumer Goods. The secondary data obtained from the financial statements, books and journals have been used for the study. This study is to find the company’s financial performance for the period from 2014 to 2019 only.