

KEY DETERMINANTS OF CAPITAL STRUCTURE:

BANKING SECTOR OF PAKISTAN

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Supervisor – Student Meeting Record

S#	Date	Place of Meeting	Topic Discussed	Signature of Student
1	01 Dec, 2019	Cubical	TEST RUN DISCUSSION	HASSAN
2	08 Dec, 2019	Cubical	CHAPTER: 05 DISCUSSION	HASSAN
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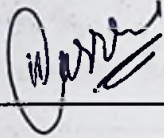
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Student's Signature: _____

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Dedication

I dedicated my dissertation work to my parents and family members. A special feeling of gratitude to my caring parents who's always support and show words of encouragement & motivation that push me to fulfill my dreams.

I also dedicate this dissertation to my family member who have supported me throughout the process. I will appreciate all they have done especially to develop my research skill.

Acknowledgement

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Abstract

Purpose

The purpose of conducting this research paper is to measure the determining factor that effect the Capital structure of banking industry of Pakistan for the period of 2011-2018. This research paper also provide the examination of the model derived from the term structure of capital decision of the Pakistani banking sector over the period 2011-2018.

Methodology/Approach & Design

Different theoretical aspect of Capital structure has been reviewed in several different research papers in order to draw testable conclusion concern using the key factor of the Capital structure of the Banking sector of Pakistan. This study is done by using the secondary data of listed banks (Conventional banks, specialized banks, Islamic banks and foreign banks) on State bank of Pakistan websites during 2011-2018. While, correlation and regression analysis is used in the study in estimating the relationship between the variables.

Findings

The result of the research paper suggested Tangibility of Assets, Deposits and Growth are positive relationship and highly correlated with Capital structure. Whereas, profitability and Non debt taxes have significant and positive relationship with dependent variable. The finding of the studies are supported with prediction of the several theories discuss by past researchers. Capital structure model provides for understanding the financial behavior of the Pakistan banking industry for the year 2011-2018.

Practical Implication

This research had set up some basis ground study to explore the key determinant of the term structure of capital of Pakistani firm through which more detail result need to be evaluate. Furthermore, these empirical outcomes should help corporate bank manager to make key decision making by concerning with the portfolio design of their Capital structure for their banks.

Recommendations

Hypothesized of the paper could be tested in other countries of the world and could be adding of any new dependent variables like, capital investments and financial leverages etc. Moreover, organizations could take the wise and timely decisions to improve the financial resource management follows to get the better result in the organization/ banking sector and for the investor as well.

Keywords

Capital structure, Non-debt Taxes, Profitability, Tangibility of Assets, Deposits, Growth.

Paper Type

Research Paper

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