NAME: M-ZIA-UL-HAQ-ABBASI ENROLLMENT#01-120112-064

SUPERVISOR: SIR AJAB KHAN BURKI

SUBMITTED TO: BAHRIA UNIVERSITY RESEARCH CELL

MBA-7



ACKNOWLEDGMENT

First of all I would like to thank Almighty Allah who blessed me and made it possible for me to complete this thesis. I am very grateful to all teachers who supported me during the hard times I faced. I am extremely thankful to HOD of management sciences Dr. Ali Saeed and the Research cell of BAHRIA UNIVERSITY, for supporting me in this thesis. I am also thankful to my supervisor Sir AJAB KHAN BURKI to help me in completion of my thesis with his valuable suggestions and transfer of knowledge towards me. Finally I would like to acknowledge the ultimate support, care, encouragement and dedication of my parents who played the vital role in my life as well as in the completion of this thesis.

Muhammad-Zia-Ul-Haq-Abbasi

Table of Contents

HEADINGPAGE NO.		
AB	STRACT5	
Cha	pter 1:	
1.	Introduction5	
1.1	Aim of the research	
1.2	Objectives of the research	
1.3	Problem statement	
1.4	Research plan	
1.5	Research questions	
1.6	Measures of financial leverages	
1.7	Pakistani oil sector	
Cha	apter 2:	
2.	Literature Review	
Cha	apter 3:	
3.	Data and Methodology	
3.1	Research Approach	
3.2	Hypothesis30	
3.3	Variables of the research	
3.4	Theoretical framework	
3.5	Research assessment	
3.6	Collection of data	
3.7	Sample35	
3.8	Limitations and future research	
3.9	Analysis of data	

The effect of financial leverage on Pakistani oil firm

3.10	Statistical tools employed	
Chapter 4:		
4.	Results	
4.1	Correlation Analysis	
4.2	E-view (T Test analysis)42	
Chapter 5:		
5.1	Conclusion	
5.2	Recommendations	
Bibliography		
Websites Visited		
Appendix50		

ABSTRACT

Start with the summary of the thesis this thesis is mainly concentrated on the effect of financial leverage on Pakistani oil firms. The thesis starts with the introduction of the topic that what is the financial leverage and what might be its affect, which institutions give you financial leverage, what items of balance sheet is included in financial leverage. After introduction this thesis tells the objective of the thesis that what is the purpose to carry this thesis and why is necessary. The objectives clarify the picture that what u needs to find in the thesis. After clarifying the objective the researcher starts to review literature and the purpose for literature review is gain knowledge about the topic. The researcher read different articles and journals to see the different effects of financial leverage on the firms. The purpose of the literature review is support your findings with the pervious researches. After reviewing the literature the thesis tells about the methodology. Methodology includes the kind of research, the methods of data collection, sample size, variables, research limitations and future research. Methodology tells us about the reliability and validity of the research. It helps us identifying variables and then sees the affects of these variables by making hypothesis. After methodology then comes the main part of the thesis are findings which are measured by using different financial ratios. And then apply correlation test to check the relation between these variable and accept one of the hypothesis. Then in the end the researcher tells about the conclusion of the thesis and the recommendation which the researcher thinks are required.