

“Analyzing Capital structure in cement industry in Pakistan and the effect of interest rate.”



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Table of Contents:

Acknowledgment:	iii
Abstract:	iv
CHAPTER (1)	1
1.1 Introduction:	1
Chapter (2):	2
2.1 Literature Review:	2
2.1.1 Capital structure and its Importance:	2
2.1.2 Factors affecting capital structure:	6
2.1.3 Interest rate/Cost of debt:	12
2.2 Discussion:	17
2.2.1 Lucky Cement:	18
2.2.2 D.G. Khan Cement:	19
2.2.3 Best way Cement:	20
2.2.4 Maple Leaf Cement:	20
2.2.5 Kohat Cement:	21
2.2.6 Lafarge Cement:	22
2.2.7 Pioneer Cement:	22
2.2.8 Fauji Cement:	23
2.3 Overall Discussion of Industry:	23
Chapter (3):	24
3.1 Research Problem:	24
3.2 Research Question:	24
3.3 Methodology:	25
3.3.1 Variables:	25
3.3.1.1 Reliant Variables:	25
3.3.1.2 Self-regulating Variable:	25
Chapter (4):	28
4.1 Theoretical framework:	28
4.2 Model:	29

4.3 Data Collection:.....	29
4.4 Data Sources:	30
4.5 Results:.....	30
4.6 Analysis of Results:.....	30
4.6.1 ROA:	31
4.6.2 Size:	31
4.6.3 Rate of Inflation:	31
4.6.4 Rate of Interest:	32
Chapter (5):	33
5.1 Limitations:	33
5.2 Recommendations:	33
5.3 Conclusion:.....	33
Bibliography:.....	35
Appendix:	41

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Abstract:

The succeeding exploration is carried out on the cement segment in Islamic Republic of Pakistan. The ambition of this study is to find out that the mutable tolls of interest and too much inflation prevailing in the country whether influences like these cause the organizations in the aforementioned sector to modify their structures of capital or to study that how organization hostage to fortune these stuffs. The study completed with upshots that there subsists affirmative relation in the middle of the degree of interest and the long stretch debt captivating of the organizations in the division this means that with the intensification in the degrees of interest the organizations fancy elongated maturities and with shrinkage in that the organizations go for the tiny period debt enchanting. On the other side degree of inflation has adverse relation with elongated maturities that is as the inflation upturns the organizations go for short dated mortgages and as it drops organization take longer prime of life in deciding for the structure of the capital in the sector aforesaid.