

EFFECT OF FREE CASH FLOWS, CAPITAL LIQUIDITY & SIZE OF THE FIRM ON FIRM'S

By

SHAHZEB ARTANI
31382

A thesis presented to the Department of Management Sciences, Bahria University
Karachi Campus, in partial fulfillment of the requirements
of the MBA degree



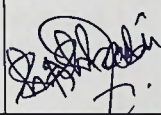


FALL, 2015

Bahria University Karachi Campus

MBA Thesis

2nd Half-semester Progress Report & Thesis Approval

Supervisor-Student Meeting Record

No.	Date	Place of Meeting	Topic Discussed	Signature of Student
5	5 TH OCTOBER, 2015	CUBICAL	Discussed about the how to sort and clean data for working on Eviews.	
6	25 TH OCTOBER, 2015	CUBICAL	Discussed about the how to working on Eviews.	
7	10 TH NOVEMBER, 2015	CUBICAL	Discussed about the how to interpret the acquired results	

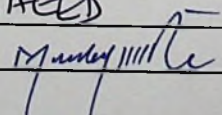
APPROVAL FOR EXAMINATION

Candidate's Name: SHAHZEB ARTANI Registration No. 31382
Thesis Title: "IMPACT OF FREE CASH FLOWS, CAPITAL LIQUIDITY AND SIZE OF THE FIRM IN SUGAR SECTOR OF PAKISTAN".

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at 19% that is within the permissible limit set by the HEC for the MBA thesis. I have also found the thesis in a format recognized by the Department of Management Sciences.

Supervisor's Signature:  Date: 09th of Feb, 2016

Name: M. AKBAR SAEED

Head of Department Signature:  Date: _____

ABSTRACT

Reason of the study:

The purpose of this study is to investigate the effect, impacts of the free cash flows, size of the firm and capital liquidity to the profitability of the firm in sugar sector of Pakistan. Firms under financing and invest sector were not considered. This research is based on the firms which comes under manufacturing sector.

Methodology:

This research is descriptive, where the secondary data is utilized, the data is extracted from the financial statement of the companies, and the year was from (2014-2009). Data was sorted clean and analysis from Eviews. The data is tested through regression analysis and checking the long term relationship between the dependent and independent variables; hence to test the impact of the independent variables firm size, Free Cash Flows, Capital Liquidity on the dependent variable profitability.

Findings:

The results of this research study clearly indicates through descriptive statistics that the dependent variable profitability and its independent variables Free Cash Flows, Capital Liquidity and Size of the firm have a strongly insignificant impact on the profitability of the firm.

TABLE OF CONTENTS

S.NO	CONTENTS	PAGE
1	Supervisor meeting record	i.
2	Declaration of Authentication	ii.
3	Plagiarism Test Report	iii.
4	Acknowledgement	iv.
5	Abstract	vi.
6	Table of Content	vii.
	Chapter 1: Introduction	01.
	1.1 Background of the study	01.
	1.2 Firms listed on the Karachi Stock Exchange	03.
	1.3 Research Problem	03.
	1.4 Research Objective/ Question	04.
	1.5 Value of the Research	04.
	1.6 Limitation of the study	04.
	1.7 Suggestion for further study	04.
	Chapter 2: Review Of Related literature & studies	05.
	2.1 Introduction	05.
	2.2 Literature Review	05.
	2.3 Determinant of Profitability	06.
	Chapter 3: Research Methodology	08.
	3.1 Introduction	08.
	3.2 Research Design	08.
	3.3 Population of Study	08.
	3.4 Sample Size	08.
	3.5 Data Collection	08.
	3.6 Data Analysis	09.
	3.7 Hypothesis	10.
	Chapter 4: Data Analysis, Interpretation, Finding	11.
	4.1 Introduction	11.
	4.2 Descriptive Statistics	11.
	4.3 Regression Analysis	12.
	4.4 Co-efficient Analysis	12.
	4.5 Summary of the Analysis	13.
	Chapter 5: Critical Debate	14.
	5.1 Critical Analysis	14.
	Chapter 6: Conclusions & Recommendations	15.

	6.1 Conclusion	15.
	6.2 Recommendation	15.
	References	16.
	Appendices	17.