



CORPORATE GOVERNANCE IMPACT ON CAPITAL STRUCTURE

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BY

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RECOMMENDATION FOR ORAL EXAMINATION

This Project/thesis here to attached, entitled, "**CORPORATE GOVERNANCE IMPACT ON CAPITAL STRUCTURE**" prepared and submitted by **MONAZZA RAUF**, in partial fulfillment of the requirements for the degree Master in Business Administration, is hereby recommended for appropriate action.

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ABSTRACT

The aim of this research is to analyze the impact of corporate governance on capital structure of Pakistani firms. The sample include in this research consist of 30 companies. Ordinary least square method of regression is used to determine the relationship between corporate governance attributes and capital structure of organizations. The analysis shows that although the corporate governance structure of Pakistani companies is not very well developed, but corporate governance variable impact the capital structure of Pakistani companies to some extent. The result achieved suggests that board composition, CEO duality, ownership concentration, and profitability are negatively related to debt ratio and is statistically significant. This shows if we increase any of these variables the debt ratio decreases. Board size shows positive and significant relationship with the debt ratio, director remuneration shows positive and insignificant relationship with the debt ratio. Tangibility of assets and size of firm shows positive insignificant relationship with the debt ratio.

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CHAPTER # 1

Introduction