DETERMINANTS OF CAPITAL STRUCTURE FOR MULTINATIONAL AND DOMESTIC COMPANIES IN INDIA

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ABSTRACT

The capital structure of a firm represents a combination of debt and equity sources of funding that allows the company to finance its overall operations and growth. To examined that the determinants of capital structure for multinational and domestic companies in India. The sample consists of the S&P BSE Energy Index Constituents include sixteen multinational and nine domestic companies based on the availability of data in CMIE Prowess database thirteen multinational and eight domestic companies for the period of ten years from 1st April 2008 to 31st March 2017. The study found the variables namely are Non Debt Shield Tax, Business Risk, Bankruptcy Risk and Size has significant impact of select determinants on capital structure of Multinational and Domestic Companies in India.

Keywords: Capital Structure, Multinational, Domestic Companies and OLS Regression Model

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1) INTRODUCTION:

The capital structure of a firm represents a combination of debt and equity sources of funding that allows the company to finance its overall operations and growth. Capital structure is one of the most complex and important issues for company's decision making process. Since such decisions have strategic and long-term impact on company's survival, performance and profitability in the market. A firm taking advantage of raising funds from various financing channels is one of the crucial financing decisions that influence firm's survival, daily operations and future growth potential. Moreover, a firm's capital structure reflects firm's debt and equity obligations, which effectively present an overview of risk and cost of financing decisions. A firm's capital structure decision may be affected by overall changes in the business and economic environment. Therefore, firm managers have to make financing decisions by not only considering the firm's own circumstances, but also the factors of economic growth, government regulation, social trends, development of capital markets, industry dynamics etc. A firm is multinational when it operates in multiple countries and it has opportunity to obtain finances through domestic and international sources. Multinational corporations operate in perfectly correlated economies so they are high in diversification. They are diversified in terms of nature of business, customer base and labor etc. Multinational companies have usually low leverage ratio as compare to domestic firms. The possible explanation is high cost of capital due to agency problems, political risk, differences in applied taxes and exchange rate risk. This study aims to examine the determinants of capital structure for multinational and domestic companies in India.

2) REVIEW OF LITERATURE:

Raghuram G. Rajan and Luigi and Zingales (1995), investigate the determinants of capital structure choice by analyzing the financing decisions of public firms in the major industrialized countries. The result found that the positive correlation between leverage and profitability. **Alan A. Bevan and Jo Danbolt (2002)** investigated that the capital structure and its determinants in listed UK companies. They suggested that level of gearing in UK companies is positively related to size and tangibility, and negatively correlated with profitability and the level of growth opportunities. **Rataporn Deesomsak** and **Krishna Paudyal.et.,al (2004)** investigated the determinants of capital structure of firms operating in the Asia Pacific region, in four countries with different legal, financial and institutional environments, namely Thailand, Malaysia,

Singapore and Australia. The results suggest that the capital structure decision of firms is influenced by the environment in which they operate, as well as firm-specific factors. **Soon Hong park and Jungwon Suh, et.al., (2013)** investigated that leverage policies of multinational corporations in comparison to those of domestic corporations, the results suggest that Multinational Companies financial policies at the corporate level are not significantly influenced by their greater exposures in comparison to Domestic Companies. **Laura Serghiescu and Viorela-Ligia Vaidean** (**2014)** investigated that the determinants such as profitability, company size, and tangibility of assets, liquidity and asset turnover upon the capital structure decisions of Romanian firms listed at the Bucharest Stock Exchange and operating in the construction sector of the industry. The results show that profitability and liquidity ratios are negatively affecting the total debt ratio of Romanian companies. The tangibility of assets is also having a negative impact on leverage. **Anshu Handoo and Kapil Sharma (2014)** examined that the determinants of capital structure of Indian firms comprising both private sector companies and government companies. They concluded that factors such as profitability, growth, asset tangibility, size, cost of debt, tax rate, and debt serving capacity have significant impact on the leverage structure chosen by firms. **Rakeshkumar Rasiklal Jani and Satyaki J. Bhatt (2015)** investigated that the capital structure determinants of Automobile firms' and found significant differences in the determinants of long and short-term forms of debt. **Suresh Babu.M and G.V.Chalam (2016)** examined that the Capital structure and its determinants of Automobile companies listed in India**.** The empirical results shows that the variables of profitability, size, tangibility, growth, and non-debt tax shield are negatively related with leverage, risk and liquidity are positively related with leverage. Profitability is the statistically significant determinant of capital structure. **Dongyang Zhang and Deqiang Liu (2017)** investigated the relationship between Total Factor Productivity and leverage measures (total, short-term and long-term leverage) of Chinese non-listed firms. The result shows that financial constraints affect the relation between Total Factor Productivity and measures of leverage significantly. The difference of leverage between the behaviors of enterprises with high and low financial constraints is significant. **Babasaheb R. Jadhav (2017)** investigated the relationship between capital structure planning and cost of capital of the companies from Ahmednagar district. The study found that the industries from Ahmednagar district are planning their capital structure optimally for the well-being of the organization. **Maheswari K and Gayathri J (2018)** examined that the determinants on Capital Structure of

Multinational Companies and concluded that the significant capital structure determinants are business risk and Non Debt Shield Tax.

The previous studies reviewed reveal the relationships of independent variables with financial leverage. The results differ depending upon the measurement of independent variables. Thus the present study proposes to analyse the determinants of capital structure for Multinationals and Domestic Corporations in India.

(i)STATEMENT OF THE PROBLEM

A company has to take investment decision since the capital structure affects the cost of capital, net profit, earning per share, and dividend of the company. There are many factors that determine the value of a firm. If a firm entirely relies on internal funds or equity the growth may be restricted due to unavailability of a large amount of finance and if firm goes for external finance there are chances of increased risk as the liability of firm enhances. Multinational Companies financial policies at the corporate level are influenced by their greater exposures in comparison to Domestic Companies. Hence the study helps to identify these factors and also to determine the financial position of the firms in order to help them to take decisions for the betterment of the firms.

(ii) OBJECTIVES OF THE STUDY

The following are the objectives of the study:

- To identify the trend movements for capital structure of multinational and domestic companies in India

- To analyse the stationary of the sample variables for multinational companies in India

- To analyse the stationary of the sample variables for domestic companies in India.

- To found out the relationship between selected determinants and capital structure of Multinational Companies in India.

- To found out the relationship between selected determinants and capital structure of Domestic Companies in India.

- To analyse the impact of select determinants on capital structure of Multinational Companies in India.

- To analyse the impact of select determinants on capital structure of Domestic Companies in India.

(iii) HYPOTHESES OF THE STUDY

The hypothesis of the study are as follows:

- **H01:** There is no stationary at level determinants of capital structure for multinational companies in India

- **H02:** There is no stationary at level determinants of capital structure for domestic companies in India

- **H03:** There is no significant relationship between selected determinants and capital structure of Multinational Companies in India.

- **H04:** There is no significant relationship between selected determinants and capital structure of Domestic Companies in India.

- **H05:** There is no significant impact of selected determinants on capital structure of Multinational Companies in India.

- **H06:** There is no significant impact of selected determinants on capital structure of Domestic Companies in India.

3) METHODOLOGY OF THE STUDY

(i) Selection of sample

The study investigated the determinants of capital structure for multinational and domestic companies in India. The S&P BSE Energy Index Constituents were taken as the sample. S&P BSE Energy Index Constituents include 16 multinational and 9 domestic companies. Based on the availability of data in CMIE Prowess database 13 multinational and 8 domestic companies are selected in this study. Thus the 13 multinational companies namely Aban Offshore Ltd, Aegis Logistics Ltd, Asian oilfield Ltd, Bharat Petroleum Corpn. Ltd, Castrol India Ltd, G P Petro Corpn Ltd, Hindustan Oil Exploration Co. Ltd, Hindustan Petroleum Corpn Ltd, Indian Oil Corpn. Ltd, Oil & Natural Gas Corpn Ltd, Oil India Ltd, Petronet L N G Ltd and Reliance Industries Ltd constitute the sample. The 8 domestic companies taken as sample were Chennai Petroleum Corpn. Ltd, Coal India Ltd. Deep Corpn Ltd, GOCL

Corp Ltd, Gujarat Mineral Devp Corpn Ltd, Jindal Ltd, Mangalore Refinery & Petrochemicals Ltd and Selan Exploration Tech Ltd.

(ii) Period of the Study

The study covers the period of ten years ranging from 1st April 2008 to 31st March 2017.

(iii) Tools used for the study

- Trend Analysis

- Descriptive statistics

- Unit Root Test

- Correlation

- Ordinary Least Square Regression Model

(iv) Data sources

The secondary data relating to the study were collected from the CMIE "PROWESS" Database.

(v) LIMITATIONS OF THE STUDY

The study suffers from the following limitations.

- The study is based on secondary data collected from Prowess Database.

- The study is limited to a particular period.

- This study includes only the financial factors affecting capital structure. The non financial factors are not considered in the study.

4)   ANALYSIS AND INTERPRETATION

Computation of Variables

The study considers dependent variable Leverage computed using formula Debt / Equity. The independent variable such as Business Risk which is computed by Tangible Assets/ Total Assets, Bankruptcy Risks is computed using the formula Profit after Tax / Total Assets, Non Debt Shield Tax is computed using formula Depreciation / Total Assets and Size which is computed as Logarithm of Total Asset.

CHART.1: Results of Trend Analysis of the Capital Structure of Multinational Companies in India during the Study Period from 1st April 2008 to 31st March 2017
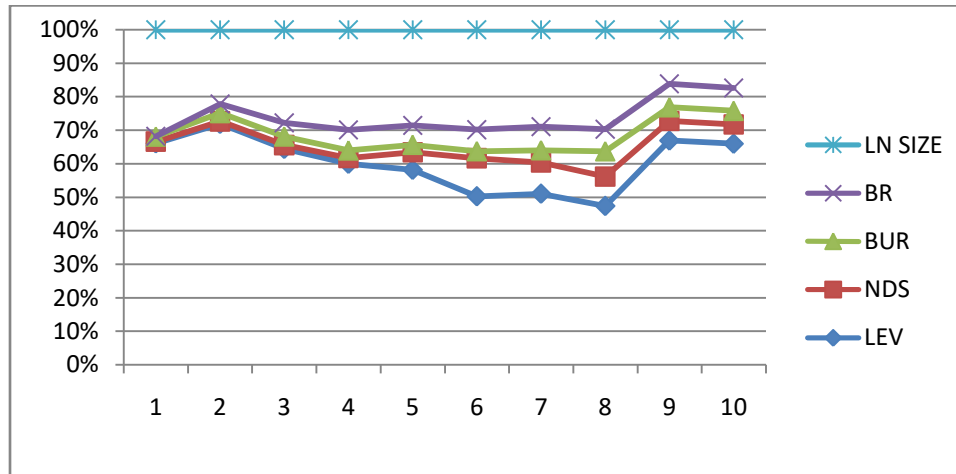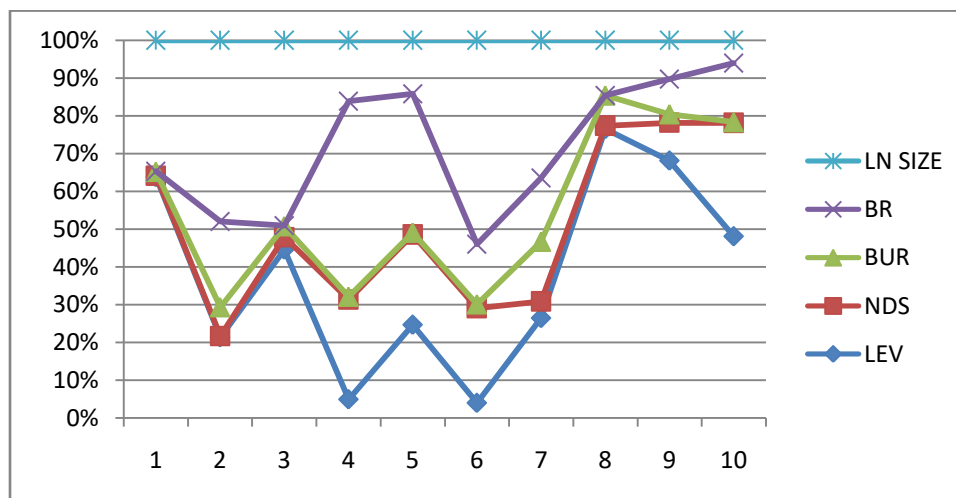

Source: Data Collected from Prowess Database and Computed using Excel

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size

Chart 1 shows the results of trend analysis of the movements of the selected variables for Capital Structure of Multinational Companies in India during study period from 1st April 2008 to 31st March 2017. The upward trends in variables are leverage, business risk, bankruptcy risk, non debt shield and tax except size variable.

Chart 2: Results of Trend Analysis of the Capital Structure of Domestic Companies in India during the Study Period from 1st April 2008 to 31st March 2017

Source: Data Collected from Prowess Database and Computed using Excel

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size

Chart 2 shows the results of trend analysis movements of the selected variables for Capital Structure of Domestic Companies in India during study period from 1st April 2008 to 31st March 2017. The determinants record fluctuating trend during the study period

TABLE 1: Results of Descriptive Statistics of the Capital Structure of Multinational Companies in India during the Study Period from 1st April 2008 to 31st March 2017

MULTINATIONAL COMPANIES					
	BR	BUR	LEV	SIZE	NDS
Mean	9.78907	1.56717	6.55723	9.62817	**9.82009**
Std. Dev.	11.44596	1.99683	3.30596	1.66549	**15.8519**
Skewness	0.70590	1.26398	0.89649	-1.34398	2.02419
Kurtosis	4.70459	3.91589	4.19052	3.65383	6.40028
Jarque-Bera	5.52978	8.66572	6.61209	7.18867	5.06071

Source: Data Collected from Prowess Database and Computed using E-views 7

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size

Table 1 shows the results of Descriptive Statistics of the Capital Structure of Multinational and Domestic Companies in India during the study period from 1st April 2008 to 31st March 2017. The mean value was positive for all the variables namely Leverage, Bankruptcy Risk, Business Risk, Non Debt Shield Tax and size for all sample firms during the study period from1st April 2008 to 31st March 2017. It is clear from the above table highest mean value of 9.82009 is recorded for the variable Non Debt Shield Tax for Multinational Companies. The highest volatility was recorded for the variable Non Debt Shield Tax for Multinational Companies. The skewness was positive value for all variables of Multinational Companies. The kurtosis value was greater than the normal distribution value 3 and it indicates leptokurtic distribution for all the variables. The Jarque – Bera was greater than 5 which indicate the normality of distribution for Leverage, Bankruptcy Risk, Business Risk, Non Debt Shield Tax and size for all sample firms in India.

TABLE 2: Results of Descriptive Statistics of the Capital Structure of Domestic Companies in India during the Study Period from 1st April 2008 to 31st March 2017

DOMESTIC COMPANIES					
	BR	BUR	LEV	LN_SIZE	NDS
Mean	1.96450	1.56717	**6.55723**	9.62817	4.15009
Std. Dev.	1.14407	0.75403	**8.49059**	0.45184	1.38664
Skewness	0.31419	0.69409	0.87704	1.27786	0.13086
Kurtosis	2.71930	1.73288	2.24698	4.46083	1.20777
Jarque-Bera	0.19736	1.47192	1.518279	6.61075	1.36691

Source: Data Collected from Prowess Database and Computed using E-views 7

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size

Table 2 shows the results of Descriptive Statistics of the Capital Structure of Domestic Companies in India during the study period from 1st April 2008 to 31st March 2017. The mean value was positive for all the variables namely Leverage, Bankruptcy Risk, Business Risk, Non Debt Shield Tax and size for all sample firms during the study period from from1st April 2008 to 31st March 2017. It is clear from the above table highest mean value of 6.55723 is recorded for the variable Leverage for Domestic Companies. The highest volatility was recorded for the variable Leverage for Domestic Companies. The skewness was positive value for all variables of Domestic Companies. The kurtosis value was greater than the normal distribution value 3 and it indicates leptokurtic distribution for size variable. The Jarque – Bera was greater than 5 which indicate the normality of distribution for size for all the sample firms in India.

TABLE 3: Results of Unit Root Test of the Capital Structure of Multinational Companies in India during the Study Period from 1st April 2008 to 31st March 2017

Leverage		t-Statistic	Prob.*
		1st Difference	
Augmented Dickey-Fuller test statistic		-4.15985	0.0015
Test critical values:	1% level	-2.93722	
	5% level	-2.00629	
	10% level	-1.59807	
Bankruptcy risk		t-Statistic	Prob.*
		1st Difference	

Augmented Dickey-Fuller test statistic		-2.71674	0.00157
Test critical values:	1% level	-3.00741	
	5% level	-2.02119	
	10% level	-1.59729	
Non Debt Shield Tax		t-Statistic	Prob.*
		1st Difference	
Augmented Dickey-Fuller test statistic		-0.93098	0.00296
Test critical values:	1% level	-2.93722	
	5% level	-2.00629	
	10% level	-1.59807	
Size		t-Statistic	Prob.*
		1st Difference	
Augmented Dickey-Fuller test statistic		-26.3783	0.0001
Test critical values:	1% level	-2.93722	
	5% level	-2.00629	
	10% level	-1.59807	
Business risk		t-Statistic	Prob.*
		1st Difference	
Augmented Dickey-Fuller test statistic		-3.52518	0.0039
Test critical values:	1% level	-2.93722	
	5% level	-2.00629	
	10% level	-1.59807	

Source: Data Collected from Prowess Database and Computed using E-views 7

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size

Table 3 shows the stationary test results of determinants of Capital Structure of Multinational Companies in India during the study period from 1st April 2008 to 31st March 2017. ADF Value is less than the test critical values and the accompanying probability value is less than 0.05 at first difference. Hence reject the null hypothesis H01: "There is no stationary at level determinants of capital structure for multinational companies in India".

TABLE 4: Results of Unit Root Test of the Capital Structure of Domestic Companies in India during the Study Period from 1st April 2008 to 31st March 2017

Leverage		t-Statistic	Prob.*
		1st Difference	
Augmented Dickey-Fuller test statistic		-5.34887	0.0003
Test critical values:	1% level	-2.93722	
	5% level	-2.00629	
	10% level	-1.59807	
		t-Statistic	Prob.*
Bankruptcy Risk			
Augmented Dickey-Fuller test statistic		-6.78134	0.0001
Test critical values:	1% level	-2.93722	
	5% level	-2.00629	
	10% level	-1.59807	
Non Debt Shield Tax		t-Statistic	Prob.*
		1st Difference	
Augmented Dickey-Fuller test statistic		-3.22752	0.0071
Test critical values:	1% level	-3.00741	
	5% level	-2.02119	
	10% level	-1.59729	
		t-Statistic	Prob.*
		1st Difference	
Size			
Augmented Dickey-Fuller test statistic		-9.5292	0.0001
Test critical values:	1% level	-2.93722	
	5% level	-2.00629	
	10% level	-1.59807	
Business Risk		t-Statistic	Prob.*
		1st Difference	
Augmented Dickey-Fuller test statistic		-6.78134	0.0001
Test critical values:	1% level	-2.93722	
	5% level	-2.00629	
	10% level	-1.59807	

Source: Data Collected from Prowess Database and Computed using E-views 7

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size

Table 3 shows the stationary test results of determinants of Capital Structure of Multinational Companies in India during the study period from 2008 to 2017. Augmented Dickey Fuller test value is less than the test critical values and the accompanying probability value is less than 0.05 at first difference. Hence reject the null hypothesis H02: "There is no stationary at level determinants of capital structure for Domestic Companies in India".

TABLE 5: Results of Correlation between the Capital Structure of Multinational and Domestic Companies in India during the Study Period from 1st April 2008 to 31st March 2017MULTINATIONAL COMPANIES		LEV	NDS	BUR	BR	SIZE
LEV	Pearson Correlation	1	.142	.533	.566	.147
	Sig. (2-tailed)		.696	.113	.088	.684
NDS	Pearson Correlation	.142	1	.626	**.776**[**]	-.100
	Sig. (2-tailed)	.696		.053	.008	.783
BUR	Pearson Correlation	.533	.626	1	**.771**[**]	.118
	Sig. (2-tailed)	.113	.053		.009	.745
BR	Pearson Correlation	.566	.776[**]	.771[**]	1	-.276
	Sig. (2-tailed)	.088	.008	.009		.440
SIZE	Pearson Correlation	.147	-.100	.118	-.276	1
	Sig. (2-tailed)	.684	.783	.745	.440	

**.Correlation is significant at the 0.01 level (2-tailed).

Source: Data Collected from Prowess Database and Computed using SPSS.16.0

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size,

Table 5 shows the results of correlation between the Capital Structure of Multinational and Domestic Companies in India during the Study Period from 1st April 2008 to 31st March 2017. There is significant positive relationship between Non Debt Shield Tax to Business Risk (77.6%) and there is significant positive relationship between Bankruptcy Risk and Business Risk (77.1%) of multinational companies. Therefore the H03: "There is no significant relationship between selected determinants and capital structure of Multinational Companies in India" is rejected.

TABLE 6: Results of Correlation between the Capital Structure of Domestic Companies in India during the Study Period from 1st April 2008 to 31st March 2017

DOMESTIC COMPANIES		LEV	NDS	BUR	BR	SIZE
LEV	Pearson Correlation	1	.172	.133	.468	.879**
	Sig. (2-tailed)		.596	.413	.053	.008
NDS	Pearson Correlation	.172	1	.326	.706**	.110
	Sig. (2-tailed)	.596		.073	.008	.583
BUR	Pearson Correlation	.133	.326	1	.117	.118
	Sig. (2-tailed)	.413	.073		.243	.445
BR	Pearson Correlation	.468	.706**	.117	1	126
	Sig. (2-tailed)	.053	.007	.243		.310
SIZE	Pearson Correlation	.879**	.110	.118	.126	1
	Sig. (2-tailed)	.008	.583	.445	.310	

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Data Collected from Prowess Database and Computed using SPSS.16.0

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size,

Table 6 shows the results of correlation between the Capital Structure of Domestic Companies in India during the Study Period from 1st April 2008 to 31st March 2017. There is significant positive relationship between leverage and size (87.9%) and there is significant positive relationship between Non Debt Shield Tax and Business Risk (70.6%) of domestic companies. Therefore the H04: "There is no significant relationship between selected determinants and capital structure of Multinational Companies in India" is rejected.

TABLE 7: Results of Ordinary Least Square Regression Model for Capital Structure of Domestic companies in India during the Study Period from 1st April 2008 to 31st March 2017

Variables	Coefficient	Std. Error	t-Statistic	Prob.
BUR	0.503424	1.791771	0.280965	0.04900

BR	-0.14729	0.149036	-0.98832	0.03684
SIZE	-0.63369	1.802395	-0.35158	0.7395
NDS	0.777805	0.282073	2.757457	0.040
C	11.35169	16.66202	0.681292	0.526
R-squared	**0.719285**	Mean dependent var		9.789071
Adjusted R-squared	**0.494713**	S.D. dependent var		11.44596
S.E. of regression	8.136197	Akaike info criterion		7.337376
Sum squared resid	330.9885	Schwarz criterion		7.488668
Log likelihood	-31.6869	Hannan-Quinn criter.		7.171408
F-statistic	3.202913	Durbin-Watson stat		**1.939618**
Prob(F-statistic)	**0.0116828**			

Source: Data Collected from Prowess Database and Computed using E-views 7

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size

Table 7 shows the results of the regression analysis estimated by Ordinary Least Square. The table consists of coefficient of various deterministic factors, their estimate t – statistics as well as their probability value. The table indicates that all explanatory variables are significant with dependent variables except size. This is depicted by Durbin Watson value i.e., 1.939618. It is noted from the above table that 0.719285 was the R squared value. Further only 0.494713 of variation in Leverage was explained jointly by the four capital structure variables. However the adjusted R squared is high which indicates the model is good. The Probability F statistic value was found to be 0.0116828 which is lesser than 0.05 at 5% level. Hence the H05: "There is no significant impact of selected determinants on capital structure of multinational companies in India."

TABLE 8: Results of Ordinary Least Square Regression Model for Capital Structure of Domestic Companies in India during the Study Period from 1st April 2008 to 31st March 2017

Variable	Coefficient	Std. Error	t-Statistic	Prob.
BUR	0.419372	0.298901	1.403046	0.2195
BR	0.052865	0.020625	2.563198	0.0505
SIZE	-0.79731	0.324375	-2.45798	0.0574
NDS	0.426045	0.139864	3.046138	0.0285

C	6.750604	2.962296		2.278842	0.0716
R-squared	**0.923294**	Mean dependent var			1.964503
Adjusted R-squared	**0.861929**	S.D. dependent var			1.144071
S.E. of regression	0.425113	Akaike info criterion			1.433928
Sum squared resid	0.903604	Schwarz criterion			1.58522
Log likelihood	-2.16964	Hannan-Quinn criter.			1.26796
F-statistic	15.04598	Durbin-Watson stat			**2.329334**
Prob(F-statistic)	**0.005391**				

Source: Data Collected from Prowess Database and Computed using E-views 7

LEV- Leverage, Non Debt Shield Tax, BR- Business Risk, BUR- Bankruptcy Risk, Size

Table 8 shows the results of the regression analysis estimated by Ordinary Least Square. The table consists of coefficient of various deterministic factors, their estimate t – statistics as well as their probability value. The table indicates that all explanatory variables are significant with dependent variables except Bankruptcy Risk. This is depicted by Durbin Watson figure i.e., 2.329334. It is noted from the above table that .0.923294 was the R squared value. Further only .0.861929 of variation in Leverage was explained jointly by the four capital structure variables. However the adjusted R squared is high which indicates the model is good. The Probability F statistic value was found to be 0.005391 which is less than 0.05 at 5% level. Hence the H06: "There is no significant impact of selected determinants on capital structure of domestic companies in India" is rejected.

5) FINDINGS

The study examined the capital structure of Multinational and Domestic Companies in India during the study period from 1st April 2008 to 31st March 2017. The Descriptive Statistics result reveals positive mean value for all variables. There was leptokurtic distribution for size for Domestic Companies. The Descriptive Statistics result reveals positive mean value for all variables, there was leptokurtic distribution for Leverage, Bankruptcy Risk, Business Risk, Non Debt Shield Tax and size for Multinational Companies. The unit root results of leverage, business risk, bankruptcy risk, non debt shield tax and size variables are stationary at first difference for capital structure of domestic and multinational companies in India. The correlation result reveals that significant relationship between the capital structure of

Multinational and Domestic Companies in India. The regression result concludes that there is significant impact of selected determinants on capital structure of domestic and multinational companies in India.

6) CONCLUSION

This study investigates the determinants of capital structure for Multinational and Domestic Companies in India during this period from 1st April 2008 to 31st March 2017. The study concluded that the significant capital structure determinants are Non Debt Shield Tax, Business Risk, Bankruptcy Risk and Size for Multinational and Domestic Companies in India.

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