RESEARCH METHODOLOGY

Research methodology means those techniques which are applied in discovering certain new facts. It would be appropriate to mention here that research projects are not susceptible to any one complete and inflexible sequence of steps, and the type of problem to be studied determines the particular steps to be taken and their order too.

The data and information collected from various sources have been classified, tabulated, analyzed and interpreted and then the results of the research have been drawn which have been used to test the hypothesis in qualitative and quantitative terms. Conclusions have been drawn and whenever possible suggestions have been given. Certain suggestions have also been made with a view to bringing about improvements in the situation.

Research area

The research area consist of four leading companies in India ie Oil and natural Gas Corporation Limited, Oil India Limited, Tata steel Limited and Steel Authority of India Limited. Overall the companies are doing operations in India and other foreign countries and the present study has evaluated whether companies are implementing capital structure theories in its true sense keeping in view the size, complexity, operations and traditions of the organizations.

Sample Size

Overall sample size is being taken of companies operations in India and foreign countries. The sample taken will help in analyzing financial and operational capabilities of companies under study. The reference period for the study is taken of ten years i.e financial years from 2002-03 to 2011-12.

Sample Techniques
Area random sampling technique is widely used in the study. All companies branches data have been collected area wise from the various sources e.g. articles, research papers published covering various aspects of the topic, annual reports, other published material available for public use and books.

**Sources of Data**

In order to achieve the objectives of the study both secondary and primary data have been used. The data relating to the capital structure of selected four leading companies in India have been collected from the various sources e.g. books, articles and research papers published covering various aspects of the topic; annual reports and other published material available for public use by the companies selected for the study. Internet has also remained as an important source of secondary data.

**Analysis of Data**

Tool and techniques used for analyzing capital structure are comparative and common size balance sheet analysis, Leverage analysis, Ratio analysis, Statistical Quantitative techniques like Index number, Percentage, Average, regression analysis, F-test, Chi-square test, graphs, diagrams etc. All of them help to represent data clearly and effectively.