

Analysing Leverage and Financial Decision Making in the Machinery Sector to Achieve Sustainable Economic Development Goals

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Abstract: Manufacturing sector is very important and crucial sector for the economic development of the country. The machinery sector is playing a crucial role in the manufacturing industry with the evolving of concept of self-reliant, Make in India. This research is an effort to identify and examine important capital structure components of the machinery sector firms for 10 years so as to analyse association among leverage and capital structure determinants in the Machinery Sector firms in achieving sustainable economic development goals. Further impact of capital structure on financial performance of machinery sector firms in India is analysed using correlation and regression models. The data are compiled from CMIE Prowess Database. The study purpose is to support actionable recommendations for machinery sector firms for optimizing the capital structure & enhance profitability. Moreover, this study assists policymakers, and investors with a deeper understanding of capital structure and financial leverage in machinery industry, thereby facilitating decision-making and effective planning in achieving sustainable developmental goals.

Keywords: Financial Leverage, Machinery Sector, Economic Development, Financial Performance, Capital Structure

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