**Abstract**

Capital structure is one of the most important areas of financial decision making. Identifying the right proportion of debt and equity of capital structure has been much difficult to bring favorable results for the organization. This study is attempted to find out the relationship between capital structure and profitability of the selected hospitals in India. Debt equity ratio and debt to total fund are used as the measures for capital structure while return on equity, return on capital employed and return on asset as the proxy for profitability. The findings of the results revealed that capital structure has a positive relationship with the profitability of selected hospital in India.