EMPIRICAL EFFECTS OF EARNING AND DIVIDEND POLICIES ON MARKET PRICE OF SHARE

A Dissertation Submitted to the Office of the Dean, Faculty of Management in partial fulfillment of the requirements for the Master of Business Studies (MBS)

By

Binod Poudyal

Campus Roll No: 392/074

Exam Roll No: 5444/18

T.U. Regd. No: 7-2-388-11-2010

Shanker Dev Campus

Group: Finance

Kathmandu, Nepal

August, 2025

CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the dissertation entitled **“Empirical Effects of Earning and Dividend Policies on Market Price of Share".** The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirements for any other academic purposes. The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of this dissertation.

.....

Binod Poudyal

Date:

REPORT OF RESEARCH COMMITTEE

Mr. Binod Poudyal has defended research proposal entitled **"Empirical Effects of Earning and Dividend Policies on Market Price of Share"** successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisor Asso. Prof. Dr. Kapil Khanal the dissertation for evaluation and viva-voce examination.

.....
Asso. Prof. Dr. Kapil Khanal
Dissertation Supervisor

Dissertation Proposal Defended Date:

.....

Dissertation Submitted Date :

.....

.....

Asso. Prof. Dr. Sajeeb Kumar Shrestha
Head, Research Department

Dissertation Viva-voce Date:

.....

APPROVAL SHEET

We, the undersigned, have examined the dissertation entitled **"Empirical Effects of Earning and Dividend Policies on Market Price of Share"** presented by Binod Poudyal a candidate for the degree of Master of Business Studies (MBS Semester) and conducted the viva voce examination of the candidate. We hereby certify that the dissertation is worthy of acceptance.

.....
Asso. Prof. Dr. Kapil Khanal
Dissertation Supervisor

.....
Internal Examiner

.....
Internal Expert

.....
External Expert

.....
Asso. Prof. Dr. Sajeeb Kumar Shrestha
Chairperson, Research Committee

.....
Asso. Prof. Dr. Kapil Khanal
Campus Chief

ACKNOWLEDGMENT

I would like to forward my deepest gratitude to Asso. Prof. Dr. Kapil Khanal of Shanker Dev Campus who supports me with his invaluable scholarly supervision, constructive comments and suggestions that allow me to furnish this thesis report in this final format.

I would like to pay my sincere thanks to Asso. Prof. Dr. Sajeeb Kumar Shrestha and Campus Chief Asso. Prof. Dr. Kapil Khanal of Shanker Dev Campus. Besides, I would also like to thank to other respected teachers of Shanker Dev Campus and all the staff of this campus for their help in providing me various kinds of suggestions, information and comments.

Further, my deep regard to known and unknown individual who helped to collect the data at preliminary stage of this dissertation writing.

It is the matter of my immense pleasure to express my deep sense of gratitude and heartfelt respect to my parents for their affection, inspiration and incredible support to precede my academic career.

Binod Poudyal

TABLE OF CONTENTS

Page No.

LIST OF TABLES

LIST OF FIGURE

ABBREVIATIONS

CV	:	Coefficient of Variation
DPR	:	Dividend Payout Ratio
DPS	:	Dividend Per Share
DY	:	Dividend Yield
EPS	:	Earning Per Share
MPS	:	Market Price Share
MVPS	:	Market Value Per Share
NABIL	:	Nabil Bank Limited
NBL	:	Nepal Bank Limited
NEPSE	:	Nepal Stock Exchange
NICA	:	NIC Asia Bank Limited
SD	:	Standard Deviation
SEBON	:	Securities exchange Board in Nepal

ABSTRACT

The study analyzes the financial indicators of commercial banks in Nepal, focusing on dividend streams and stock price appreciation. For the study, only descriptive and analytic research designs will be used. The research focuses on three banks: NABIL, NICA, and NBL. The data is based on annual reports from the last ten fiscal years. The study reveals that sample banks in Nepal are earning well, with NABIL being the highest-performing bank. However, there is no consistency in dividend distribution, and NABIL has paid higher dividends than NICA over the past decade. The study identifies core factors that shape equity prices, including EPS, DPS, MVPS, and price appreciation. The study found that these factors are influenced by fluctuations in these financial indicators, with NABIL paying higher dividends than NICA. The study suggests that signaling effects and bidding practices in the banking sector have occupied major parts, and these indicators have fallen into shadow. The average mean EPS of NABIL, NICA, and NBL is Rs. 53.43, 29.87, and Rs. 43.88, respectively. NABIL and NICA have higher earnings per share (CV) and lower DPS (DPS) than NBL. NBL has slightly more consistency in DPS and DPR (CV) than NABIL and NICA. The average MVPS of NABIL is higher than that of NICA and NBL, and NBL has higher consistency. The average P/E ratio of NABIL is less fluctuating (33.79%) than NICA and NBL. The relationship between DPS and EPS is positive (0.868), while NICA's relationship is lowly positive (p value greater than 0.05).

Keywords: *dividend policy, MPVS, EPS, DPS, dividends, regression analysis, shares.*

CHAPTER-I
INTRODUCTION

1.1 Background of the Study

One of the most significant factors influencing investors' investing decisions is the share's market price. The theories also imply that a number of variables, including earnings per share, dividends per share, book value per share, and others, influence the market price of a share. The relationship between supply and demand affects stock prices. In order to maintain equilibrium between supply and demand, stock prices fluctuate. The process of figuring out share prices is difficult and contradictory. Numerous fundamental internal factors influenced stock market prices; the findings showed that these factors' impact on stock market prices was largely explained by internal factors, as was the comparatively strong correlation between stock market prices and the independent internal factors (Fransis, 2001).

The company's profit per share for the most recent quarter is known as earnings per share. Investors will probably feel safer and more confident about the possible return on their investment in a firm if it delivers a healthy-looking earnings report. Both the stock's price and demand will increase. On the other side, a company's stock price may drop rapidly if it publishes poor profits or is the focus of poor outcomes and perception. Although the link between EPS and MPS may be inverse in the short term, changes in EPS have a significant impact on share price over the long term since the share price of a firm often rises when its profits increase and falls when its earnings diminish (Sharpe et al., 2004).

The amount of the company's net profits that is given to shareholders in the form of cash or shares in accordance with its dividend policy is known as the dividend. A company's strategic strategy to distribute a portion of its income to its shareholders often includes dividend payments. The dividend ratio offers insights into the expectations of its investors as well as details about the company's maturity and financial health. The dividend may be paid out as bonus shares or in cash, depending on how the profit is capitalised. One of the greatest measures of profitability is the dividend given to shareholders; it is widely accepted that the dividend has a

significant influence on market price. In less developed nations like Nepal, the link between dividend and share price is still debatable and unclear in the finance literature (Gautam & Thapa, 2009). Similar to this, Scottrade (2014) suggests that market sentiment may change and the stock price may increase or decrease in response to a company's announcement of a dividend payment that is more or lower than anticipated.

One of the key factors influencing the market value of an equity share is book value. It is a company's own fund worth per share. A company's book value indicates the value of each of its shares. The company's dividend distribution strategy, previous profits, and investment choices are all reflected in the book value. A corporation with a high book value has substantial reserves and might be eligible for a bonus. A low book value indicates either a bad track record of achieving profitability or a generous incentive and dividend payout strategy. The corporation expands when its retained revenues are reinvested in lucrative commercial ventures. Consequently, the market price of the share is raised. However, the investment in new company opportunities depletes the book value. Additionally, the market price of shares and book value will suffer if retained profits are reinvested in unsuccessful ventures. Therefore, choices on investments and dividends have an impact on book value. Furthermore, market value is impacted by both dividend and investment choices (Gitmans, 2007).

The cost of a single share of several marketable stocks of a business, derivative, or other financial asset is known as the share price. The stock price, to use layman's terms, is the highest price a buyer is willing to pay for the stock or the lowest price at which it can be purchased. One of the most significant factors influencing investors' investing decisions is the share's market price. Numerous variables affect the share's market price. As a result, forecasting share prices is a difficult undertaking. Both extrinsic and intrinsic variables have been shown to have an impact on stock price fluctuations, and share price movement is not independent in nature (Carproale et al., 2006).

The stock market is a long-term capital market where businesses may raise new funds and where they can buy and sell existing shares. It makes it easier to raise fresh money on the new issues market by giving investors a second-hand market to sell

their shares. In addition to offering a market for government securities and loans, the stock exchange is becoming more and more active in the purchase and sale of securities in foreign corporations. Market makers, who deal in groupings of shares, and stockbrokers, who serve as representatives for their clients—investors who are really buying and selling shares—are the primary players on the market. The largest stock exchanges in the world include the New York Stock Exchange, London Stock Exchange, Tokyo Stock Exchange, Paris Stock Exchange, Frank Fruit Exchange, and Toronto Stock Exchange. According to Gautam and Thapa (2009), the Nepal Stock Exchange is the country's only organised stock exchange.

208 publicly traded firms are listed on the Nepal Stock Exchange Ltd. (NEPSE), according the 2017 Nepal Rastra Bank Financial Report. Since the Securities Exchange Board of Nepal (SEBON) is in charge of overseeing the secondary market, all businesses are listed on the Nepal Stock Exchange (NEPSE), the country's primary secondary or capital market. Every listed company's stock or share price is set based on the daily transactions of its stock on NEPSE, meaning that the price is set based on the supply and demand for bank shares. In order to increase their own returns, a large number of investors, securities brokers, and other interested parties engage in daily trading for this stock market fair. This study's primary emphasis is on the factors that affect the price of listed firms' stocks in Nepal. To do this, the secondary stock market in Nepal must be analysed, and it must also be determined how the price of banks' stock changes daily and why.

This research uses empirical analysis of a collection of independent and dependent variables in an effort to determine the quantitative elements that affect share prices for the businesses listed in NEPSE. The impact of financial performance, dividend payments, and financial advantage on a company's share price has been clarified by a number of earlier empirical studies conducted in developed nations. In emerging economies such as Nepal, this is not the case. In a similar vein, results from earlier research conducted in undeveloped nations suggest that there is dispute over the occurrence. Therefore, all of these factors make further research necessary. Thus, the "Stock Price Determinants in NEPSE" research is an effort to investigate the link between EPS, DPS, and BVPS with MPS for listed businesses in NEPSE.

1.2 Problem Statement

Since the dividend policy establishes how profits are distributed between paying shareholders and reinvesting in the company to take advantage of growth prospects, dividends are the greatest motivating incentive for investing in company shares and are a crucial component of financial management. It influences the entire financing choice, including corporate liquidity, financial structure, and investor satisfaction, as well as the firm's worth.

Nonetheless, one of the most important and contentious aspects of management finance is remains the dividend choice. Regarding this topic and its connection to stock price, financial experts cannot agree. While some financial researchers contend that dividends per share have little bearing on stock prices, others think they have a substantial impact. Relevance is also an ill-defined concept. Determining whether dividends per share have a positive or negative impact is a challenging task. Therefore, the following research questions have been posed for the study:

- What is the current state of listed businesses' EPS, BVPS, DPS, Dividend Yield, and P/E Ratio on the Nepal Stock Exchange?
- Is there a connection between listed businesses' market price per share and EPS, BVPS, DPS, dividend yield, and P/E ratio?
- How do the Market Price per Share of firms listed on the Nepal Stock Exchange relate to EPS, BVPS, DPS, Dividend Yield, and P/E Ratio?

1.3 Objectives of the Study

Examining the empirical impact of dividend and earnings policies on the market price of shares of firms listed on the Nepal Stock Exchange is the main goal of this research.

The study's particular goals are:

- To evaluate the current state of listed firms' P/E ratio, dividend yield, BVPS, DPS, and EPS on the Nepal Stock Exchange.
- To investigate the connection between market price per share, dividend yield, BVPS, DPS, EPS, and P/E ratio.
- To examine how the market price per share of firms listed on the Nepal Stock Exchange is affected by EPS, BVPS, DPS, Dividend Yield, and P/E Ratio.

1.4 Hypothesis

H1: Market price per share (MPS) and earnings per share (EPS) are significantly correlated.

H2: The market price per share (MPS) and book value per share (BVPS) are significantly correlated.

H3: The market price per share (MPS) and dividend per share (DPS) are significantly correlated.

H4: Market Price per Share (MPS) and Dividend Yield have a substantial correlation.

H5: The Market Price per Share (MPS) and the Price Earnings (P/E) Ratio are significantly correlated.

1.5 Rationale of the Study

These days, individuals are very interested in investing in shares in order to get larger returns because of the capital market's plenty of liquidity and dearth of investment options. There is a huge crowd to apply for an owner's certificate whenever a new firm offers (floats) shares via capital markets. It shows that individuals anticipate a bigger return when they invest in shares. Therefore, one of the most crucial financial management choices is the dividend decision. It is an efficient instrument (method) to draw in new investors, keep hold of current investors, and retain the firm's dominant position.

People are investing in shares randomly due to a lack of expertise. It demonstrates how crucial it is to have a comprehensive understanding of the return on investment from securities investments. From a Nepalese viewpoint, we see that almost no enterprises are implementing a regular dividend policy. There might be a variety of causes. However, not enough research has been done in this area. Thus, taking into account all of these factors, a research is conducted to fill the gap in the literature about dividend practices and stock prices. Therefore, this research is really important.

This research will benefit a wide range of people and groups, including shareholders, bank management, financial institutions, the general public (depositors, potential customers, investors, etc.), and other policy-making organisations that are involved in the banking industry. Additionally, it is thought to provide future researchers useful insights.

1.6 Limitations of the Study

The following are the study's limitations:

- The reliability of the main data is dependent on the respondents' views, while the correctness of secondary data is dependent on the dependability of NABIL NIC Asia and Nepal Bank Limited yearly reports.
- The research does not address other financial elements; it just focusses on dividend practices, earnings, and stock prices.
- To meet the study's goals, just three banks Nabil, Nic Asia, and Nepal Bank Limited are used as samples.
- Only the 10 fiscal years, from 2013–14 to 2023–24, are covered by this analysis.
- Other limitations include a lack of time and resources.

CHAPTER-II
LITERATURE REVIEW

The purpose of this chapter is to evaluate the body of research on the evolution of the stock market and economic expansion. The pertinent literature and articles are evaluated from both domestic and foreign publications that are accessible from many libraries, organisations, and websites that are very important to this research. On this topic, a few books, journals, and research working papers have been evaluated.

- Theoretical Review
- Empirical Review

2.1 Theoretical review

Different experts have put forward different theories. The field of theoretical conceptions created by different academics is covered in the theoretical review. Dividend policy theory has often been divided into two divisions for ease of study. They are

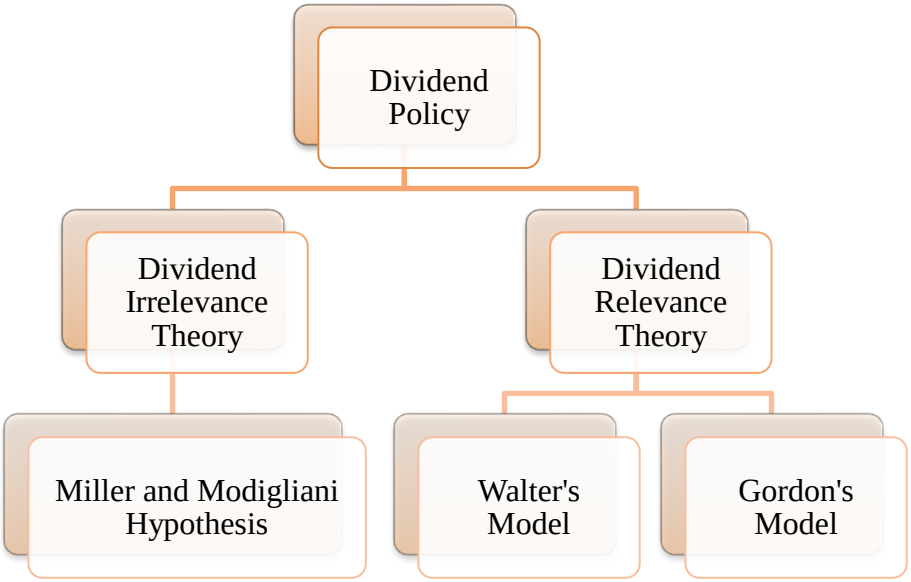
- Dividend Irrelevance Theory
- Dividend Relevance Theory

According to the dividend irrelevance hypothesis, a company's stock price is unaffected by dividends. A dividend is usually a sum of money paid to shareholders from a company's earnings as a thank you for their investment. According to the dividend irrelevance argument, a firm's long-term competitiveness may suffer if it pays out dividends since the funds would be better used to produce profits inside the company. Many opponents of the dividend irrelevance argument contend that dividends increase a company's stock price, even if some businesses have probably chosen to pay dividends rather than increase their profits.

Conversely, dividend irrelevance theory indicates that a company's stock market position is positively impacted by its dividend policy. A higher dividend will raise the stock's value, whereas a lower payout will have the opposite effect. An increasing dividend is a sign of increasing profitability. When it comes to dividends, there must

be an ideal payout ratio. The ratio that yields the maximum market value per share is known as the optimal payout ratio.

Three of these dividend theories are extensively researched; Walter's Model and Gordon's Model are briefly examined under the dividend relevance theory, while MM Theory falls under the dividend irrelevance theory. The chart that follows illustrates this.



2.1.1 Concept of Dividend

Different definitions of dividends may be found in a variety of financial literature. Below is a discussion of a few of them:

(a) Discretionary concept

Discretionary dividends are those that are paid at the issuer of the underlying instruments' discretion rather than in accordance with a contract. Discretionary dividends are those that are declared by the board of directors. This idea holds that directors have choice when declaring dividends since it is one of their decisions to pay them. The board of directors is empowered by the corporation's charter to decide what and how much should be distributed to investors as dividends.

(b) Pro-Rata Distribution Concept

A proportional percentage of all outstanding stock, or all shares of a particular class, that equally participate in whatever is distributed is referred to as the

Pro-Rata distribution. According to their percentage of shares, all shareholders are thus entitled to an equal part of the profits that the companies distribute. A dividend is a Pro-Rata distribution to a corporation's shareholders of cash, other assets, promises to pay, or extra stock that is charged against the company's surplus accounts or, in the case of certain liquidated dividends only, against the capital stock accounts.

(c) Residual Concept

The amount that remains after all obligations have been met and profits retention and other provisions have been adjusted is known as the dividend. It is a residue because dividends are paid to shareholders only when there is money left over after fixed expenditures like interest, operating costs, depreciation, and setting are paid (Van Horn, 2000). According to this theory, dividends are distributed only after all investment possibilities have been financed, making the policy a residual company investment policy. Dividend policy is thus completely passive. Cash dividend payments are a passive residue when we see dividend policy as just a financial choice.

(d) Liability Concept

Once the board of directors declares a dividend, the company is liable for it. When a solvent corporation's board of directors announces a cash dividend, the stated amount is legally required to be paid. The shareholders would have the ability to sue the directors to compel payment if they failed to pay the dividend after it was declared. If the announced dividends are not claimed by the shareholders in a timely manner, they are recorded as liabilities on the balance sheet.

2.1.2 Types of Dividend

Even though cash dividends are thought to be the most common kind, corporations must adhere to a variety of payout types based on their goals and regulations. The kind of dividend that companies pay depends in part on the directors' attitudes and in part on the different situations and budgetary limitations that limit business objectives and strategies (Shrestha, 1980).

Different techniques of dividend distribution are used to meet the evolving demands of organizations. Cash dividend, bond dividend, property dividend, stock dividend

(bonus share), scrip dividend, and optional dividend. The only dividend forms that are implemented in Nepal and India, however, are cash and stock dividends.

Cash Dividend

One kind of dividend is a cash dividend, which is given to shareholders in cash from the company's profits. When a cash dividend is paid, a company's reserves and cash account will be depleted. Consequently, the distribution of the cash dividend lowers the company's net value as well as its total assets. In most situations, the amount of the cash dividend paid out causes the share's market price to decline. Companies should thus use caution when deciding whether to pay out cash dividends.

Stock Dividend / Bonus Share

The distribution of shares to current owners in addition to the cash dividend is known as a stock dividend. As a result, the number of outstanding shares of the corporation has increased. Declaring bonus shares will lower the company's reserve and surplus while increasing paid-up share capital. The bonus problem has no bearing on overall net value. Actually, it is only a re-capitalization of the reserve and surplus, which are the owner's equity component. It's just a simple accounting shift from capital stock to retained profits.

Scrip Dividend

When a business has cash flow issues and is unable to pay out cash dividends while making a profit, a scrip dividend is paid out. A scrip dividend is one that is paid out in promissory notes. Scrip is a kind of promissory note that guarantees the holder will be paid at a certain later time. The company produces and distributes transferable promissory notes to shareholders under this dividend arrangement; these notes may or may not be interest-bearing. Only when companies have already made money and are only waiting for other current assets to be converted into cash is it beneficial to employ scrip dividends. Therefore, the corporation sometimes employs scrip dividends to get over the short-term financial constraint.

Property Dividend

Another term for it is liquidating dividends. It entails the payment of property or assets in any way other than cash. When there are assets that are no longer required

for the functioning of the firm or in exceptional situations, this kind of dividend may be paid. Examples of property dividends paid by companies include their own goods and subsidiary securities.

Optional Dividend

In actuality, the optional dividend is only a choice offered to shareholders to take a cash or stock dividend; it is not a kind of dividend. However, the shareholders weigh the quantity of alternative cash against the relative worth of stock dividends. The shareholder has the option of receiving the dividend in shares or cash. The shareholder has the option of how to receive this dividend. In most cases, the shareholder has the option of receiving the dividend in shares or cash. A shareholder may choose from two or more payment options for this kind of payout. The directors of a company could, for instance, offer the shareholders cash or shares for the same amount.

Bond Dividend

The stockholders get this kind of dividend in the form of bonds. Delaying the payment of cash is beneficial. In other words, in order to prevent cash outflows, the corporation releases dividends in the form of its own bonds. Seldom are they issued. They are sufficiently long-term to surpass the present liability category. In the event that the bond has a claim on assets, the shareholders become secured creditors. However, despite their wide range of potential uses, Nepalese firms have only implemented cash and stock dividends. As of right now in this research, a cash payout is often referred to as a dividend.

2.1.3 Factors influencing Dividend Policy

Certain variables influence dividend kinds, while other aspects influence dividend amounts. The following are some significant aspects that affect the company's dividend policy.

Growth and Profitability

As long as the company is unable to issue more shares due to managerially imposed external market limits, its dividend choices will determine how much growth and profitability it can maintain.

Low target payout ratios are maintained by companies with promising growth prospects. Since the residual theory of dividends states that a greater number of profitable investment opportunities should arise (other things being equal in a greater need for earnings retention), it is actually expected that all companies with above-average growth rates will have low dividend payout ratios.
It is impossible to overstate the connection between the company's expansion, profitability, and choices on investments, financing, and dividends.

Liquidity

Since dividends are a cash outflow, a company's liquidity situation is often a key factor in dividend choices. The more cash the company has and the more liquidity it has generally, the more capable the company is of paying (and maintaining) a cash dividend.

A prosperous, expanding company may not have enough cash on hand because it has to build up its permanent working capital position and make new capital expenditures. Similar to this, businesses in cyclical sectors could sometimes run out of liquidity as a result of broader economic circumstances. Therefore, while evaluating a company's dividend policy, the level of liquidity is a factor to consider.

Cost and Availability of Alternative Forms of financing

The ability of a firm to raise money externally will have a direct bearing on the level of dividends paid to shareholders. Clearly, a company that has easy access to the capital markets The amount of dividends given to shareholders will directly depend on a company's capacity to obtain capital from outside sources. It goes without saying that a business with easy access to the capital markets and the ability to raise money in a number of simple and cost-effective methods will have more flexibility in determining its dividend policy than one that must depend primarily on profits retention as a source of funding.

Managerial Control

Control over the company may sometimes be taken into account when determining the dividend policy. Assume that a controlling group owns a significant chunk of the company, while the remaining shares is held by the general public. In these situations,

the likelihood that a later stock offering may be required to fund capital expenditures increases with the payout ratio.

To prevent any dilution in their ownership position, those in charge may want to reduce the possibility of a stock offering.

They would thus choose an insurance with a modest payment. However, a company may set up a reasonably high dividend payment ratio (if it thinks that's what shareholders want) to prevent the company from being bought out in a merger or acquisition.

Legal Constraints

The legal regulations serve as restrictions on a company's ability to issue dividends. Generally speaking, cash dividends have to be given out of either current profits or past earnings that the company has kept after depreciation. Nonetheless, a business may be allowed to distribute dividends from its earnings in any given fiscal year without deducting depreciation.

A business may capitalise its profits or reserves (retained earnings) in order to issue fully paid bonus shares (stock dividends), even though dividends should be paid in cash.

Access to the Capital Market

When determining a suitable dividend policy, management should also take the company's capacity to raise funds quickly into account. Negotiating for a bank overdraft limit or having access to alternative short-term funding sources might help the business do this.

However, a firm is likely to keep a larger percentage of its income than one that has easy access to capital market funds if its capacity to issue debt or issue new shares is limited.

Small businesses, startups, and businesses in what are often referred to as venture capital areas are likely to face challenges while trying to raise financing on the capital market.

Inflation

A company's dividend policy must be established with inflation in mind. Due to inflation, investors would want to receive higher cash dividends.

However, inflation forces the company to make much larger investments in order to fund new capital expenditures, replace current equipment, and fulfil ongoing working capital requirements. Therefore, there can be a propensity to withhold cash distributions during inflationary periods.

External Restrictions

A limitation on the payment of cash dividends is often one of the protective covenants included in bond indentures or loan agreements. This limitation is put in place to protect the company's debt-service capacity.

These limitations might take the shape of sinking funds, coverage ratios, etc. These limitations compel a business to keep profits and pay out a little amount.

Extent of share Distribution

Decisions on dividends are also influenced by ownership type. The shareholders of a tightly held corporation are inclined to support a dividend suspension or a conservative dividend policy. Conversely, a business with a significant number of dispersed owners that belong to low- or medium-income groups would have a very hard time getting such consent since they would prioritise paying out larger dividends.

Needs for Additional Capital

It affects a company's dividend policy as well. Businesses keep a portion of their earnings to improve their financial standing. The money might be saved for future growth or to cover the higher working capital needs. Small businesses often struggle to get funding for the additional operating capital they need for growth initiatives.

Utilising their ploughed gains is their only option. As a result, many companies keep a large portion of their income and pay out dividends at low rates.

Trade Cycles

Dividend policy is also influenced by business cycles. The dividend policy is modified in response to changes in business. Careful management during the boom builds up food supplies for emergencies that occur after the inflationary phase. In a market that is otherwise down, higher dividend rates might be employed as a marketing technique for the securities. If sufficient reserves have been accumulated, the firms may demonstrate and sustain their financial soundness throughout lean years.

Government Policies

Changes in fiscal, industrial, labour, control, and other government policies have a significant impact on the enterprise's ability to generate profits. As was done in an emergency, the government may sometimes limit dividend distributions above a certain proportion in a given industry or across all corporate sectors. The dividend policy has to be created or changed.

Taxation Policy

Taxes that are too high diminish the profits of businesses, which lowers the dividend rate. The government sometimes imposes a dividend tax on dividend distributions that exceed a certain threshold. The capital creation of businesses is also impacted by tax policy.

Legal Requirements

The directors also examine the legal obligations while determining the dividend. The Companies Act of 1956 specifies certain rules regarding dividend distribution and payment in order to safeguard the interests of external creditors. Additionally, before a firm declares a dividend on its shares, it must account for depreciation on its tangible and fixed assets. In any event, it suggests that dividends shouldn't be paid out per capita. Similarly, contractual obligations must be met.

For instance, preference share dividends are paid out before regular dividends.

Past dividend Rates

The board must consider the dividends paid in previous years when determining the dividend policy. The present rate need to be comparable to the historical average. The shares will be the focus of speculation if it has climbed unusually. The corporation should take into account the competing organization's dividend policy in a new concern.

Policy of Control

Another deciding aspect when it comes to dividends is the policy of control. The directors will issue a modest dividend if they want to maintain control over the firm and do not want to attract new shareholders. Because they are concerned that the current management's policies and plans will be diluted and redirected by the addition of new shareholders. Therefore, they would rather use retained profits to cover the demands. The directors will pursue a liberal dividend policy if they are not concerned with controlling affairs.

Repayments of Loan

If no additional arrangements are made for the redemption of debt at maturity, a corporation with loan debt is committed to a high rate of retention profits. The dividend rate will automatically decrease as a result. The dividend payout may sometimes be restricted by the lenders (usually institutional lenders) while the loan is still in effect. Formal loan agreements often stipulate a level of solvency and liquidity that must be sustained. Management must abide by these limitations and set a cap on the dividend distribution rate.

Contractual Restrictions

In order to safeguard their interests, lenders may sometimes impose limits on dividend payments (particularly when the corporation is having liquidity concerns).

For instance, under a loan arrangement, the company is prohibited from declaring dividends as long as the liquidity ratio is less than 1:1.

As long as the debt is not repaid, the company will not pay a dividend of more than 20%.

State of Capital Market:

The liberal dividend policy is used when the market is favourable. Conservative dividend policies are implemented when the market is not favourable.

2.1.4 Legal Provision Regarding Dividend Practices

In Nepal, there are no explicit legislative rules pertaining to dividend policy. According to the Security Exchange Act of 1993, the Nepal Stock Exchange is tasked with taking the necessary steps to safeguard the interests of shareholders. However, since the interests and attitudes of the board of directors, who often make up the majority and are chosen by the government, play a key influence in managing public limited firms, this organisation has not been able to adequately defend the interests of shareholders.

Before a dividend is declared, companies are required under the Corporation Act to put aside a certain portion of their profits as reserves. Additionally, before declaring dividends, firms must separate the tax provisions. Similarly, the Commercial Bank Act of 2031 has included provisions for dividend distribution. This act's Section 18 outlines the limitations on dividend distribution. This provision states that the bank cannot declare and pay dividends to shareholders unless it has paid all of its expenditures for preliminary expenses, losses from the previous year, capital reserve, risk beard, and fund reserve fund. Similar to this, the Company Act of 1997 establishes some legal guidelines for dividend payments, which are covered in more detail below.

This statute allows the board of directors to set the dividend payment rate, but it must be recommended for debate and approval at the annual general meeting of shareholders. The general meeting has the authority to lower the rate set by the board of directors, but not to raise it. Other legislative provisions include Section (2)(m), which defines bonus shares as shares that are distributed to shareholders in the form of extra shares by capitalising the excess earnings on a company's reserve fund. The phrase also refers to a rise in the shares' paid-up prices after the capitalisation of reserve or excess cash. Section 47 forbids the firm from buying its own stock. According to this clause, no business may buy its own stock or provide loans secured by its own stock. Bonus shares under Section (137) and Subsection (1) may only be

issued in accordance with a special resolution approved by the general meeting. The firm is required to notify the office prior to issuing bonus shares under Subsection (1). Section (140): The following are the dividends and subsections of this section:

- Dividends must be paid to shareholders within 45 days of the decision to do so, with the exception of the following situations.

a.if the distribution of dividends is prohibited by law.

b.in the event that dividend rights are granted.

c.In the event that events beyond of anyone's control and without the company's fault prevent dividends from being paid out within the previously specified time frame.

- Interest at the specified rate will be added if dividends are not paid out within the window specified in paragraph (1).
- The only individual eligible to receive a dividend is the one whose name is included in the register of current shareholders at the time of the declaration.
- According to the aforementioned, Nepalese law forbids stock repurchases, which goes against financial theory. However, the rationale for such a clause remains unclear. Similarly, on June 14, 1998, the government companies made the following judgements on dividend payments.
- In years when profits are high, dividends should be paid. Despite the accumulating losses, dividends must be paid when cash flow is enough to cover them. The interim dividend should be paid using the preliminary financial statement in the case of unaudited accounts.
- The dividend rate shall never be lower than the interest rate on government-owned commercial banks' fixed deposits. If there is not enough profit to pay dividends at the above rate, the concerned company shall submit a request for a revised distribution rate to the Finance Ministry via the liaison ministry and follow the decision made.
- Companies in monopolistic situations should give the government back all of their earnings, with the exception of bonuses, taxes, and funds required for corporate expansion and development.
- No more than 20% of the year's earnings, and no more than the whole amount of paid-up capital, shall be set aside for company growth and development.

- If the money is not utilised within three years, it should all be given as dividends. Without the Finance Ministry's prior approval, decisions on the distribution of the yearly net profit cannot be made. Except for those mandated by law, no incentives will be given out until the government receives the dividend amount.
- Top management and the concerned Board of Directors shall be held accountable for carrying out these dividend policies.
- In order to establish the dividend %, the Ministry of Finance will coordinate with all relevant ministries and enterprises.

2.2 Empirical Review

Khadka and Gaire (2025) investigated how the market price per share (MPPS) of Nepal's listed commercial banks was impacted by profits per share (EPS) and dividends per share (DPS). Panel data with 210 observations from 10 commercial banks spanning seven fiscal years (2016/17–2022/23) were used in the research. Using multiple linear regression analysis and descriptive statistics, the results showed that EPS and DPS combined accounted for 20.80% of the variance in MPPS, with other variables accounting for the remaining 79.20%. According to the regression findings, MPPS was positively and statistically significantly impacted by both EPS and DPS. Based on the data, the research came to the conclusion that EPS and DPS have a major impact on investor behaviour in the capital market and are important factors in determining stock prices in the context of Nepalese commercial banks.

A research by Prastika and Yusuf (2024) examined the impact of price-earnings ratios (PER) and earnings per share (EPS) on stock prices while taking dividend policy (DPR) into account as an intervening variable. Using purposive selection, the researchers chose a sample of 11 businesses from the food and beverage industry sub-sector listed on the Indonesia Stock Exchange between 2018 and 2022. EViews10 was used to analyse the data. According to the research, PER considerably increased DPR but had no direct impact on stock price, while EPS had no discernible influence on either. Nonetheless, the stock price was significantly positively impacted by DPR itself. Subsequent investigation showed that, in contrast to EPS, PER indirectly affected stock price via DPR. These results demonstrate how crucial dividend policy

is in moderating the connection between stock value and company financial measures in the Indonesian capital market.

Okonkwo et al. Al (2023) used information from a few chosen Nigerian companies to investigate the connection between dividend policy, profits, and stock prices. The impacts of earnings per share (EPS), dividend per share (DPS), and net asset per share (NAPS) on market price per share (MPS) were investigated using descriptive statistics, correlation analysis, and Ordinary Least Squares (OLS) regression. Purposive sample criteria were used to choose firms in order to guarantee the dependability of the data. The findings showed that whereas DPS had a negative and statistically negligible effect on stock prices, EPS and NAPS had a large and favourable influence. These findings imply that when making investment selections, Nigerian investors give more weight to a company's asset base and profitability than to its dividend payment. According to the report, companies should implement strategic financial strategies that balance dividend distribution with reinvestment in order to increase shareholder value.

The essay "Dividend policy and earnings management: Do agency problem and financing constraints matter?" was written by Hussain and Akbar in 2022. By specifically taking into account the agency issue and funding limitations, the current research seeks to investigate the connection between dividend policy and profits management. 3250 Chinese listed non-financial companies from 2009 to 2018 make up the sample. Both fixed- and random-effect models are used as econometric methods in this research. Dividend yield, payout ratio, and the status of big and small dividend payments are used to evaluate dividend policy. Discretionary accruals, a stand-in for accrual-based earnings management, are used to quantify earnings management. The study's key conclusions are as follows: (1) in general, dividend payments limit managers' participation in earnings management practices; (2) larger dividend-paying firms are less involved in earnings management practices than smaller ones; (3) the agency problem has no bearing on the nature of the proposed relationship; and (4) not-financially-constrained firms' dividend payments reduce managers' opportunistic behaviour towards earnings management practices and vice versa.

Determinants of Dividend Policy: An Empirical Investigation of Indian Companies Using Panel Data Estimation Technique was written by Anwar and Kumar in 2022. One of the most studied and controversial subjects in corporate finance is whether or not companies should pay dividends because, according to some academics, it affects the value of the company. The goal of this study is to identify significant variables that influence Indian corporations' dividend policies. Secondary time series data from the most recent data available from the CMIE (Centre for Monitoring India) Prowess database are used in the research. By combining the two time periods, the panel data regression approach was used to split the research into three time periods: 1) 2000-01 to 2009-10, 2) 2010-11 to 2020-21, and 3) 2000-01 to 2020-21. From 2000-01 to 2009-10 and from 2000-01 to 2020-21, the analysis's findings indicate that return on assets, debt to equity ratio, cash and cash equivalents, and debt to total capital ratio have a significant impact on dividend yield. In contrast, the analysis's findings from 2010-11 to 2020-21 indicate that sales/size, return on assets, and debt to total equity ratio are factors that influence dividend policy. These outcomes support previous research showing that corporations consider profitability, liquidity, and leverage when deciding whether to pay dividends.

The Effect of Dividend Policy Measurement on Stock Price Volatility in Indonesia's Manufacturing Sector was written by Sadrina and Lestari in 2022. The issue with this study was that stock price volatility was significantly influenced by dividend policy, and there were other aspects that were crucial to consider while making financial planning decisions. The aim of this study was to examine the impact of stock price volatility on 33 manufacturing companies listed on the Indonesia Stock Exchange between 2016 and 2020. The findings and contributions of this research were that the variables of div, dividend payout ratio, dividend yield, firm size, leverage, and earnings per share all significantly influenced the variable stock price volatility. The methodology used in this study was panel data regression analysis, which produced a Random Effect Model that used the type of time series data and cross section through the data processing program EViews 9. While the variables of company size, leverage, dividend payout ratio, and dividend yield did not significantly affect stock price volatility, the earnings per share variable did. The research implications of this study can be used as a guide by management of the company to increase stock price volatility by giving more attention to a variable earning per share that significantly

affected stock price volatility. Investors can also use this information when deciding which companies to invest in in order to predict which ones will yield the highest profit.

An paper by Kheirandish and Khyareh (2022) examined the connection between listed companies' cash dividends and earnings growth on the Tehran Stock Exchange. One of the most crucial financial choices managers have to make is dividend policy. This study adds to empirical research looking at the connection between cash dividends and profits growth for businesses listed between 2007 and 2020 on the Tehran Stock Exchange. Consequently, the multiple regression estimation models have been used to analyse 131 businesses. The results indicate a strong correlation between future profits growth and cash dividends per share. Additionally, the dividend payout ratio and the investment growth assumption have a strong interaction term. The dividend payout ratio and return on equity also show this link.

An essay titled "The Relationship between Dividend Policy and Earnings Quality: The Role of Accounting Information in Indonesia's Capital Market" was written by Siladjajananwar and Djan in 2022. This research offers empirical evidence that the capacity to correctly forecast future returns with a positive sign is a benefit of high accrual quality. Regularly executing a high-yield dividend strategy is a frequent indicator of greater prospects in the capital market. To achieve a high level of adherence to accounting norms, this research employs dividend policy as a moderated multiple regression. 384 observations in the industrial manufacturing sector from 2015 to 2020 and 154 of the businesses listed on the Indonesia Capital Market were included in the causal study. This empirical analysis demonstrates that dividend policy is crucial for minimising opportunity behaviour by considering the impact of the COVID-19 pandemic in 2020 and forecasting the future market using zero growth with no expected growth in the future. Due to the interaction feedback between earning quality and future market value, this study offers a mapping of the decision tree model as an implication of game theory. With no negative manipulation or accruals, a sign like "good" news greatly boosts the perspective of hopeful investors. It makes it possible for investors to closely oversee and manage strategic choices in order to achieve a notable increase in prospects.

Using dividend policy as a moderating variable, Gulo et al. (2022) examined the impact of earnings per share (EPS) and company size on stock prices in trade, services, and investment companies listed on the Indonesia Stock Exchange (IDX) between 2016 and 2020. With dividend policy as a moderating variable, the study's goal was to ascertain and examine the impact of earnings per share (EPS) and company size (SIZE) on stock prices in companies in the trade, services, and investment sectors that were listed on the Indonesia Stock Exchange (IDX) between 2016 and 2020. The study's secondary data came from monthly and yearly reports released by the Indonesia Stock Exchange and Bank Indonesia. The results of the analysis, which was conducted using Path Analysis with Smart PLS 3.0 and the Energy Information Administration (EIA), indicate that while company size has no bearing on share prices in trade, service, and investment companies listed on the Indonesia Stock Exchange (IDX), earnings per share (EPS) does.

The Effect of the Dividend Policy on the Price Volatilisation of Common Stock: Evidence from the Hong Kong Stock Market was written by Kam in 2022. The purpose of this essay is to investigate if a company's dividend policy would affect or have an effect on the price fluctuations of its common stock in the selected stock market, namely in Hong Kong. As a result, 354 Hong Kong-based businesses that are all listed on the Stock Exchange of Hong Kong (HKEX) were selected as sample data for research. The firms' audited financial data spans the years 2001 through 2020. By using two statistical models—the fixed effects model and the random effects model—to produce precise regression coefficients, two proxies—the yield and the dividend payout ratio—were widely used to measure the impact of dividend policy and its potential influence on the volatility of the corresponding common stock price. The yield and dividend payout ratio have been proven to be statistically related to the price volatility of their respective common stocks in Hong Kong based on the findings of the fixed effects model. According to the study's statistical findings, the yield and dividend payout ratio seem to be inversely correlated with the volatility of the corresponding Hong Kong common stock prices. The findings of the study will serve as a guide for future research on various factors that might influence or fluctuate the price of common stocks, especially on the Hong Kong stock exchange.

The paper "Effect of Dividend on Stock Market Price: A Panel Data Approach" was written by Shrestha in 2020. Investors, managers, and policymakers are all very concerned about dividend policy. A well-designed dividend policy aids in the company's wealth maximisation objective. The effect of dividends on the stock market price of Nepalese companies has been investigated in this research. 33 dividend-paying businesses that are listed on NEPSE have been chosen as a sample for this purpose. Similarly, unbalanced panel data covering the years 2000–01–2018–19 were employed in this analysis. The Hausman test found that the Random Effect model is inappropriate for the data utilised in this research, while the Breusch and Pagan Lagrangian multiplier test found that the Pooled Regression model is inappropriate. In order to examine the effect of dividends on stock market price, this research used the Fixed Effect model. This research found that, after adjusting for return on equity, profits per share, and return on equity, dividends had a major effect on the stock market price of Nepalese companies. Ultimately, this research found that stock dividends had a considerable beneficial influence on the stock market price of Nepalese companies, but cash dividends have a big negative impact.

An essay titled Dividend Policy and Companies' Financial Performance was written by Kanakriyah in 2020. The purpose of this research is to identify the key factors that might influence financial performance as well as the kind of relationship that exists between dividend policy and a company's financial success in developing nations. 92 businesses in the industrial and service sectors that were listed between 2015 and 2019 on the Amman Stock Exchange (ASE) were included in the research. Panel data analysis, cross-sectional time series data, and simple and complex linear regression models were all employed in the research. To determine if guess variables (such as dividend yield, dividend payout ratio, firm size, leverage ratio, current ratio, etc.) could have an effect on financial performance, a multiple regression model was also created. The information was taken from the ASE website's yearly reports and statistics, which covered the years 2015 through 2019. The findings show a high correlation between the firm performance-explaining variables of DY, DPR, and FSIZE. Additionally, ROA and AOE have a negative and substantial relationship with the leverage ratio. Furthermore, no correlation between financial success and the current ratio was found. According to the study's findings, a company's dividend

policy has a statistically significant influence on its financial success and may account for a large portion of its financial performance.

According to an article by Singh and Tandon (2019), the connection between dividend policy and share market price is one of the most hotly contested topics in corporate finance. A sizable body of literature supports and refutes this claim. The goal of the current research is to assess how dividend policies have affected the market values of Nifty 50 firms' shares that are listed on the National Stock Exchange (NSE) between 2008 and 2017. Multiple panel data regression models, including pooled regression, fixed effect model, and random effect model, have been used to analyse the data. The best regression model has been recommended using the Hausman test. The random effect model is more pertinent in explaining the connection between the variables in question, according to the Hausman test result. The random effect regression model's findings are consistent with the pertinent dividend policy strategies. Therefore, we draw the conclusion that dividend policies have a major impact on company stock prices.

Table 1

Review of Summary Table

Date	Author (s)	Article Title	Objective	Methodology	Findings
2025	Khadka & Gaire	The impact of dividends and earnings per share on listed commercial banks' market prices per share on the Nepal Stock Exchange	To investigate how EPS and DPS affect Nepal's listed commercial banks' MPPS.	Panel data from 10 commercial banks (2016/17–2022/23); Descriptive statistics and multiple linear regression.	EPS and DPS significantly and positively influence MPPS; they explain 20.80% of the variation in MPPS.
2024	Prastika & Yusuf	The Impact of Price-Earning Ratio and Earnings Per Share on Stock Price with Dividend Policy as a	To determine the effect of EPS and PER on stock price with DPR as an	Purposive sampling of 11 Indonesian food & beverage firms (2018–2022); Data analyzed	EPS has no effect on stock price or DPR; PER affects DPR and stock price indirectly

		Mediating Factor	intervening variable.	using EViews10.	through DPR.
2023	Okonkwo, Obiezekwem & Ifechukwu-Jacobs	Influence of Dividend Policy and Earnings on Stock Prices: Evidence from Selected Nigerian Firms	To analyze how dividend policy and earnings affect stock prices in Nigerian firms.	OLS regression on purposively sampled firms using EPS, DPS, NAPS, and MPS as variables.	EPS and NAPS significantly influence stock prices; DPS has a negative, insignificant effect.
2022	Hussain & Akbar	Dividend Policy and Earnings Management: Do Agency Problem and Financing Constraints Matter?	To explore how dividend policy impacts earnings management considering agency problems and financial constraints.	Panel data from 3250 Chinese firms (2009–2018); Fixed and random effects regression.	Dividend payments reduce earnings management; larger dividends more effective; impact varies by financial constraints.
2022	Anwar & Kumar	Determinants of Dividend Policy: An Empirical Investigation of Indian Companies Using Panel Data Estimation Technique	To identify major determinants of dividend policy in Indian firms.	Panel data from CMIE Prowess; regression across three periods (2000–2021).	Profitability, liquidity, and leverage significantly influence dividend yield and policy.
2022	Sadrina & Lestari	The Impact of Dividend Policy Measurement on Indonesian Manufacturing Sector Stock	To examine how dividend policy variables affect stock price	Panel regression (2016–2020) using EViews9 for 33 Indonesian manufacturing	EPS has significant negative effect on price volatility; other

		Price Volatility	volatility.	companies.	variables not significant.
2022	Kheirandish & Khyareh	The Relationship Between Cash Dividend and Earnings Growth of Listed Companies in Tehran Stock Exchange	To assess how cash dividends relate to future earnings growth.	Multiple regression of 131 Tehran-listed firms (2007–2020).	Cash dividends positively related to earnings growth; significant interaction with investment growth.
2022	Siladjajananwar & Djan	The Connection Between Earnings Quality and Dividend Policy: The Function of Accounting Data in Indonesia's Capital Market	To explore dividend policy's effect on earnings quality using accounting information.	Moderated regression on 154 firms in Indonesia (2015–2020); causal model.	High dividend policy with high accrual quality improves future return predictability and investor trust.
2022	Gulo et al.	The Impact of Dividend Policy and Company Size as Moderating Factors on Stock Prices	To examine the moderating role of dividend policy between EPS, company size, and stock prices.	Path analysis using SmartPLS 3.0 on IDX data (2016–2020).	EPS significantly affects stock prices; company size does not; dividend policy moderates weakly.
2022	Kam	Evidence from the Hong Kong Stock Market on the	To investigate how dividend	Fixed and random effects regression on	Dividend yield and payout ratio negatively

		Effect of the Dividend Policy on the Price Volatilisation of Common Stock	policy influences stock price volatility in Hong Kong.	354 HKEX firms (2001–2020).	affect stock price volatility.
2020	Shrestha	Effect of Dividend on Stock Market Price: A Panel Data Approach	to examine how dividends affect Nepalese companies' stock market prices.	Fixed effect model on panel data from 33 NEPSE firms (2000/01–2018/19).	Cash dividend negatively affects price; stock dividend positively affects price.
2020	Kanakriyah	Dividend Policy and Companies' Financial Performance	to assess how dividend policies affect the financial performance of businesses in developing economies.	Panel regression on 92 ASE-listed firms (2015–2019).	Dividend yield, payout ratio, and firm size positively affect performance; leverage has negative effect.
2019	Singh & Tandon	Dividend Policy's Impact on Share Prices: An Analysis of Nifty 50 Companies	To examine the relationship between dividend policy and market share prices.	Panel data regression on Nifty 50 firms (2008–2017); Hausman test for model selection.	Dividend policy significantly affects stock prices; random effect model is most suitable.

Nepalese Review

"A Study on Dividend Policy of DeproscLaghubitta Bank Ltd." was carried out by Thapa in 2021. Finding out what kind of dividend policy the chosen microfinance is

following, highlighting the dividend practices of the sample microfinance, and examining the correlation between dividend per share and other significant variables like earnings per share, net profit, net worth, and stock prices are the primary goals. Research instruments The mean, standard deviation, correlation, coefficient of variation, and ratio analysis were all used by the researcher. Key conclusions Deprosc Nepal was able to pay out more dividends and generate more money. Deprosc may have distributed a larger percentage of its profits as dividends based on DPR. Deprosc's average earning yield ratio is good, indicating that it generates earnings more efficiently based on market pricing. By paying out cash and bonus share dividends, increasing earnings per share, and preserving a stronger market value for its shares, Deprosc continued to be increasingly effective in meeting the needs of its shareholders.

The study "A Study on Dividend Policy and Its Impact on Stock Price in Nepal" was also conducted by Adhikari (2020). had set out to determine if a change in dividend policy had an impact on market price share and to determine the link between dividend per share and stock price. Research instruments Regression analysis, mean, standard deviation, coefficient of variation, and correlation were all used by the researcher. Key findings: In the sample firms, there was a positive correlation between stock prices and dividends per share. The impact of dividends per share on share prices varies by industry. The market price of shares may rise if the dividend policy or dividend per share is changed. Stock prices and the lagged earnings price ratio have a negative association.

"Dividend Policy and Its Impact on Market Price of Stock of Micro Finance Companies (with reference to ChhimekLaghubitta and Deprosc Development Bank)" was the title of Khadka's 2019 study. The primary goals were to investigate the effects of divided policies on stock market prices, investigate several facets of dividend policies and practices in Nepalese microfinance institutions (MFs), and determine if the sample MFs' DPS, EPS, MPS, and DPR were uniform. Research instrumentsRegression analysis, mean, standard deviation, coefficient of variation, and correlation were all used by the researcher. Important discovery At Rs 135.30, the Chhimeklaghubitta has the highest mean EPS of any bank. The majority of mutual funds always aim to increase their earnings in order to maintain their competitiveness

in the capital market. Earnings are hence MFs' indication. The greatest mean DPS is seen in the Chhimeklaghubitta. A high DPS for any company will make its shareholders feel good about the company, which in turn serves to raise the share's market value. To put it another way, the company's increased dividend payments suggest that its performance was improving. A lower dividend payout ratio suggests that both MFs were keeping their profits for lucrative investment possibilities, while a higher DPR suggests that the company was paying out larger dividends to its shareholders. In MFs, there was a positive correlation between EPS and MPS. For both MFs, there was a positive link between MPS and P/E ratio.

With reference to DeproscLaghubitta Bank and NirdhanUthan Development Bank, Lamsal (2018) conducted a study titled "Dividend Policy and its impact in stock price in Nepal." The study's goals were to determine the primary factors influencing the sample microfinance's stock price, the relationship between the performance and market price of the chosen companies, the efficiency of the Nepalese securities market, and the factors influencing the secondary market's operation in Nepal. The researcher used correlation, mean, standard deviation, coefficient of variation, ratio analysis, and the basic regression approach as study methods. Key Findings: MPS showed a favourable correlation with both DPS and EPS for DeproscLaghubitta Bank. Whereas EPS had a negligible association with MPS, DPS and BVPS had a very high degree of positive correlation. When compared to other variables, DPS was very volatile, MPS was somewhat volatile, and BVPS and EPS were less volatile. Over the last five years, Deprosc has performed well overall. MPS has a favourable correlation with DPS, BVPS, and EPS for NirdhanUthan Development Bank. MPS showed a strong positive link with BVPS, a modest positive correlation with DPS, and a substantial correlation with EPS. When compared to other variables, BVPS was more stable; DPS was more volatile than EPS and MPS, which were both moderately volatile. Primary data analysis revealed that a nation's political climate has a significant impact on stock prices. For investing purposes, the majority of respondents buy shares of a certain firm. The banking industry was seen to be a safe place to invest since it offered a greater rate of return with less risk. The majority of investors believed that changes and fluctuations in tax rates had a big impact on the stock market.

The goals of Shrestha's (2017) "A Study on Dividends and Stock Prices" were to determine the link between dividends per share and stock price as well as whether or not changes to dividend policy had an impact on share market prices. The researcher used correlation, mean, standard deviation, percentage, coefficient of variation, and ratio analysis as study techniques. Key findings: In the sample firms, there was a positive correlation between stock prices and dividends per share. The impact of dividends per share on share prices varies by industry. The market price of shares may rise if the dividend policy or dividend per share is changed.

Date	Author (s)	Article Title	Objective	Methodology	Findings
2021	Thapa	A Study on Dividend Policy of Deprosc Laghubitta Bank Ltd	To identify the dividend policy of Deprosc Laghubitta, highlight its dividend practices, and analyze the relationship between DPS and EPS, NP, NW, and stock price.	Ratio analysis, mean, standard deviation, coefficient of variation, correlation.	Deprosc had high earning capacity and paid more dividends. It maintained a higher DPR and satisfactory earning yield. The company successfully satisfied shareholders by distributing dividends and maintaining high EPS and MPS.
2020	Adhikari	An Analysis of Nepal's Dividend Policy and How It Affects Stock Prices	to ascertain if changes in dividend policy have an impact on stock price and to determine the link between dividend per share and stock price.	regression analysis, correlation, mean, standard deviation, coefficient of variation, and ratio analysis.	Positive relationship found between DPS and stock prices. Dividend effects vary across sectors. Changing DPS may influence

					stock prices. Negative correlation found between stock price and lagged earnings-price ratio.
2019	Khadka	Dividend Policy and Its Impact on Market Price of Stock of Microfinance Companies	To examine the impact of dividend policy on stock price, explore dividend practices in MFs, and analyze uniformity in DPS, EPS, MPS, and DPR.	Ratio analysis, mean, standard deviation, coefficient of variation, correlation, regression analysis.	Chhimek had highest mean EPS and DPS. High DPS creates a positive investor attitude, raising share prices. Positive correlations found between EPS and MPS, and MPS and P/E ratio. Higher DPR indicates better performance, while lower DPR shows profit retention.
2018	Lamsal	Dividend Policy and Its Impact in Stock Price in Nepal (Deprosc Laghubitta & Nirdhan Uthan Bank)	To identify determinants of stock price, examine the relationship between performance and stock price, and assess	Ratio analysis, mean, standard deviation, coefficient of variation, correlation, simple regression.	For Deprosc, MPS correlated positively with DPS and EPS; DPS was highly volatile. For Nirdhan Uthan, MPS had significant positive

					correlations with EPS, BVPS, and DPS. Political stability, taxation, and investor preference also influenced stock prices.
2017	Shrestha	An Analysis of Stock Prices and Dividends	to determine if changes in dividend policy have an impact on stock price and the link between DPS and stock price.	Ratio analysis, mean, standard deviation, percentage, coefficient of variation, correlation.	Positive relationship observed between DPS and stock prices. DPS impacts share prices differently across sectors. Changing dividend policy may increase stock price.

2.3 Research Gap

Since they serve as the basis for the current study, earlier research cannot be disregarded in this context. Investors primarily evaluate signal aspects under the variables impacting the stock price of different banks and financial institutions, as opposed to the company's dividend policy and its indicators in general. This study's goal is to identify the variables influencing Nepal's commercial banks' stock prices and to get fresh insights, information, and recommendations in this area. In this study, the empirical effects of earnings and dividend policies on the market price of shares in the context of the Nepalese banking sector are examined, along with the relationship between earnings, dividends, retained earnings, and market price of stocks, as well as the dividend payout ratio, dividend yield, and the impact of dividends on share price, among other things. The study is based on secondary data. The effect of dividend policies on the firms' stock prices is also shown in this research.

CHAPTER-III
RESEARCH METHODOLOGY

Both descriptive and analytical methods are used in the study design to identify the factors that influence stock price. It is descriptive in that it elucidates many facets of investor preferences, and analytical in that it employs various analytical techniques to examine investor preferences for factors influencing stock price. Because of the nature of the study, secondary data has been employed a lot.

3.1 Research Design

A formal plan of action for a research effort is called a research design. For the purpose of conducting a study, research designs assist researchers in laying out their research questions, methodology, implementation processes, and data gathering and analysis. In general, there are three different kinds of study designs: qualitative, quantitative, and both. Only descriptive and analytical research designs will be used for the study.

3.2 Population and Sample

Every company registered on the Nepal Stock Exchange serves as the study's population, and sampling is the process of gathering objects or components from the front population for a study. The purpose of this research is to determine the factors that influence the stock price of Nepali listed firms. Therefore, the study's population consists of all 20 commercial banks that are listed on the 2023–2024 NEPSE. Three commercial banks NABIL, NIC Asia, and Nepal Bank Limited—that are listed firms make up the study's sample.

3.3 Nature and Sources of Data

The majority of the study's data comes from secondary sources. The Nepal Security Exchange, the annual report of the relevant firm, the study of prior theses, journals, and articles, the handbooks and published books of accounts, periodic reports published in newspapers, the websites of the relevant businesses and regulatory agencies, and books, articles, etc. are some of the sources of data.

3.4 Data Processing Procedure

First, information is taken from each company's annual report and entered onto a sheet. After that, information is loaded into the spreadsheet to calculate financial ratios and create the required numbers based on the study's needs. Second, where needed, computer tools such as Microsoft Excel and the statistical software SPSS Statistics (version 18.1) tool have been used to process the acquired data.

3.5 Tools Used

The research has used both statistical and financial approaches to accomplish its goals;

3.5.1 Financial Tools

The primary indicators of the banks' dividend policies and profitability have been measured under the financial instruments.

Earnings Per Share

The amount of the company's distributable profit allotted to each existing equity share (common share) is known as earnings per share, or EPS. One of the most popular metrics for assessing an organization's profitability is earnings per share, which is a very excellent predictor of any company's profitability. Companies with consistently rising profits per share are often sought after by investors.

$$\text{Earnings Per Share} = \frac{\text{Net Profit after Tax} - \text{Preference Dividend}}{\text{Number of Common Stock}}$$

Dividend Per Share

Dividend per Share is the amount of dividends given to the principal common shareholders per share. The DPS for the principal share, which often corresponds to the common stock with the most outstanding shares for the firm and is regarded as the most frequently traded in the market, is used when a corporation has many types of common shares. In certain situations, DPS can stand for net of taxes.

$$\text{DPS} = \frac{\text{Total Dividend Payment to Common Stocks}' \text{Shareholders}}{\text{Number of Common Stock}}$$

Price Earning Ratio

A valuation measure that compares a company's current share price to its earnings per share is called the price-earning ratio, or P/E ratio. In contrast to firms with a lower P/E, a high P/E often indicates that investors anticipate more profits growth in the future. Because each business has very different development potential, it would be useless for investors using the P/E ratio as a foundation for their investment to compare the P/E of a technology firm (high P/E) to a utility company (low P/E).

$$\text{P/E Ratio} = \frac{\text{Market Price Per Share}}{\text{Earnings Per Share}}$$

Book value Per Share

The equity accessible to common shareholders divided by the total number of outstanding shares is known as book value per share, or BVPS. It displays the net asset value per share of a business as shown on the balance sheet. Investors may use this metric to determine whether a stock is overpriced or underpriced in relation to its market price. A stronger financial condition and greater chances for shareholder returns are indicated by a higher BVPS. Comparing a company's market valuation with its true value is a typical practice in financial research.

BVPS

$$\text{BVPS} = \frac{\text{Total Shareholders' Equity} - \text{Preferred Equity}}{\text{Number of Oustanding Common Share}}$$

Market Price Per Share

Unlike book value per share, which is based on data from a company's balance sheet, market price per share, or price per share, is a current measure of price rather than an accounting or historical measure of stock value. One financial statistic that investors use to decide whether or not to buy a company is the market price per share.

$$\text{MPS} = \frac{\text{Total Market Capitalization}}{\text{Number of Common Shares}}$$

3.5.2 Statistical Tools

The secondary data gathered has been thoroughly examined using the statistical methods listed below:

A) Arithmetic Mean

When the different numbers of each item in a series are added together and the total is divided by the number of items, the result is the arithmetic mean. What statisticians refer to as the arithmetic mean, and what most laypeople call an average, is the most common and extensively utilised way to represent all of the data by a single number.

$$\bar{X} = \frac{\sum X}{N}$$

B) Standard Deviation

The standard deviation is a measure of absolute dispersion; a higher standard deviation indicates a high degree of homogeneity of a series and uniformity of the observations, whereas a big standard deviation indicates the exact opposite. When evaluating the representativeness of the mean, the standard deviation is very helpful.

$$S.D. = \sqrt{\frac{\sum (X - \bar{X})^2}{N}}$$

C) Coefficient of Variation

The relative measure of dispersion is the coefficient of variation. The percentage change in the mean standard deviation, which is regarded as the overall departure from the mean, is known as the coefficient of variation.

$$\text{Coefficient of Variation } (C.V.) = \frac{S.D.}{\bar{X}} \text{ x } 100$$

D) Correlation Coefficient

For determining the strength of the magnitude of a linear connection between two variables, it is a practical statistical technique. Karl Person's coefficient of correlation is the most crucial tool for determining how closely two variables are correlated. The correlation coefficient consistently stays between +1 and -1. The following formula may be used to get the correlation coefficients (r) between two variables, X and Y.

$$r = \frac{N \sum XY - \sum X \sum Y}{\sqrt{N \sum X^2 - (\sum X)^2}\sqrt{N \sum Y^2 - (\sum Y)^2}}$$

Regression Analysis

Multiple Regression Analysis

Two or more independent variables are involved in multiple regression analysis. It takes the values of two or more independent variables and creates an equation that gives estimates of the dependent variable. It derives a measure of the percentage of the dependent variable's variation that can be accounted for by the independent variable, as well as a measure of the error associated with utilising the regression equation as a foundation for estimate.

The following explains the numerous regression equations:

A + b1 X1 + b2X2 + ei = Y

Where a = Y-axis point of intercept = X1 value when X2 = 0.

With variable Y maintaining variable X2 constant, b1 = Slope of X1.

With variable Y maintaining variable X1 constant, b2=Slope of X2.

MVPS (dependent variable) = Y

X1 = EPS

X2 = DPS

ei is the error word.

Definition Term of Key Variable and Formula to base in the result: -

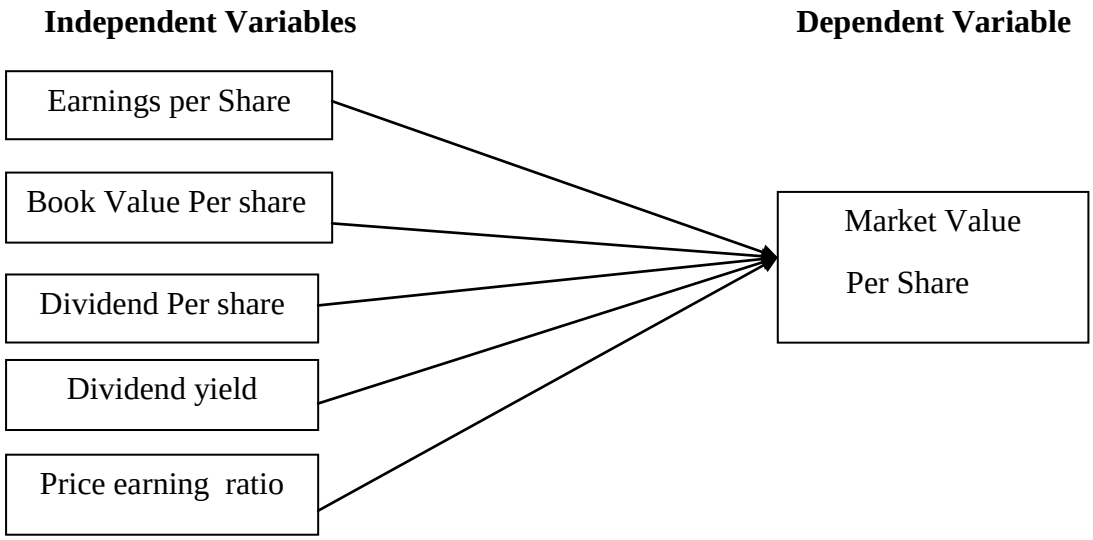
$MVPS = a + b_1EPS + b_2DPS + b_3Dy + b_4PER + b_5BVPS + ei$

MVPS: - Dependent Variable

During the research period, the market value per share is a dependent variable with independent factors. The goal of the current research is to evaluate the variables affecting commercial banks' stock prices on the Nepalese stock exchange. Due to shifting buying and selling pressure, the stock price fluctuates minute by minute throughout the Nepalese battle. Choosing which market price to regress as a measure of the dependent variable is challenging as a result of these changes. Therefore, the market value per share has been extracted from the bank's financial annual report.

3.6 Research Framework and Definition of Variables

A research framework offers an organised method for examining how variables in a study relate to one another. Market Price Per Share (MPPS), which represents the current market value of a company's shares, is the dependent variable in this study. Price-Earnings Ratio (P/E Ratio), Dividend Per Share (DPS), Book Value Per Share (BVPS), and Earnings Per Share (EPS) are the independent variables. By representing a company's profitability, asset value, shareholder returns, and valuation, these financial indicators are anticipated to have an impact on the market price. The framework aids in directing the examination of the ways in which these factors, either separately or in combination, affect stock price behaviour.



(Source: Prastika and Yusuf, 2024)

Figure 1 Research Framework

Specification of Variable

Market Values Per Share (MVPS)

Market value per share is a way to assess the market value of shares. The assessed market value of a business is divided by the total number of shares that stockholders possess to determine the company's MVPS. The price at which a company's shares are traded on the stock exchange is known as the market value. Understanding a company's MVPS (and market value more generally) is crucial in a variety of circumstances. This covers circumstances in which shares are transferred due to divorce or inheritance.

Earnings per Share

EPS is considered as an independent variable.

Total profits available for common stock is another name for accounting results that show the difference between revenues and expenditures, including costs related to non-equity sources of funding (such interest on debt or dividends on preference shares). We may calculate earnings per share by dividing this amount of profits by the total number of outstanding shares.

Book value per share

The equity accessible to common shareholders divided by the total number of outstanding shares is known as book value per share, or BVPS. It displays the net asset value per share of a business as shown on the balance sheet. Investors may use this metric to determine whether a stock is overpriced or underpriced in relation to its market price. A stronger financial condition and greater chances for shareholder returns are indicated by a higher BVPS. Comparing a company's market valuation with its true value is a typical practice in financial research.

Dividend per Share

Dividends are the portion of profits that a company gives to its shareholders in cash. Naturally, the dividends have an impact on the overall amount of internal financing and lower the amount of profits held in the company. "Investors buy shares of the firm with the hope of sharing profits earned by firms. The sole motive of stockholders is to receive return on their investment: nothing pleases them more than knowing the firm's earnings and more profits mean more dividends coming in" (Gautam & Thapa, 2009).

Dividend yield

A financial statistic called dividend yield illustrates how much a business distributes in dividends annually in relation to its share price on the market. Because it shows the return on investment from dividends alone, it is a crucial metric for investors looking to earn income from dividends. A greater dividend yield indicates that a business is giving shareholders a substantial proportion of its earnings.

Price Earnings Ratio (P/E Ratio)

The market's current price per rupee of reported earnings per share (EPS) is reflected in this ratio. Potential investors may also benefit greatly from it. It is computed by dividing earnings per share by market value share (MVPS).

CHAPTER-IV
RESULTS AND DISCUSSION

This chapter presents and analyses statistics and other information gathered from sample three commercial banks in Viz. NICA, NBL, and NABIL. The display and interpretation of data as significant financial indicators make up this chapter. This chapter looks at market value per share, dividend yield ratio, price earnings ratio, earnings per share, dividend payout ratio, correlation between financial variables, and regression analysis of sample banks' financial data. The following is one way to convey it.

4.1 Analysis of Data

4.1.1 Market Value per Share Analysis

The current trading price of a company's single share on the stock market is known as the market price per share, or MPS.

Table 2

Market Value Per Share (In Rs.)

Year	NABIL	NICA	NBL
2014/15	1910	1126	305
2015/16	2344	798	470
2016/17	1523	445	364
2017/18	921	316	281
2018/19	800	448	336
2019/20	765	553	249
2020/21	1359	994	443
2021/22	824	696	268
2022/23	599.20	377.60	249
2023/24	524	345.0	229
Mean	**1156.62**	**610.86**	**319.40**
S.D.	**602.10**	**263.43**	**75.84**
C.V (%)	**52.06**	**43.13**	**23.74**

Source: Annual Report of concerned banks

The Market Value Per Share (MVPS) study for NABIL, NICA, and NBL over a ten-year period in Table 1 offers important information on the volatility and stock price movements of these banks. With an average MVPS of Rs. 1156.62, NABIL leads the field, followed by NICA at Rs. 610.86 and NBL at Rs. 319.40. But NABIL also has the biggest standard deviation (Rs. 602.10), which suggests that its market value fluctuates more. The lowest standard deviation (Rs. 75.84) for NBL, on the other hand, indicates more pricing stability. This is further supported by the coefficient of variation (C.V. %), which shows that NBL has the lowest C.V. at 23.74%, suggesting steady market prices. NICA's C.V. is modest. while NABIL's 52.06% shows more relative volatility at 43.13%. This indicates that NABIL shares are riskier in terms of market swings even if their price is greater.

4.1.2 Earning Per Share (EPS) Analysis

All businesses always aim to increase their earnings in order to maintain their competitiveness. All of the information about each company's earnings per share is included in the following table.

Table 3

Earning Per Share (In Rs.)

Year	NABIL	NICA	NBL
2014/15	57.24	27.83	7.48
2015/16	59.27	28.31	44.59
2016/17	59.86	23.06	38.77
2017/18	51.84	16.62	39.99
2018/19	50.57	34.22	26.99
2019/20	36.16	31.89	20.68
2020/21	33.57	28.18	23.43
2021/22	18.64	36.45	20.29
2022/23	23.67	38.44	23.39
2023/24	22.90	4.70	0.19
Mean	**41.37**	**26.97**	**24.58**
S.D.	**16.22**	**10.11**	**14.02**
C.V (%)	**39.20**	**37.50**	**57.03**

Source: Annual Report of concerned banks

Important information on profitability patterns in NABIL, NICA, and NBL can be found in Table 2's Earnings Per Share (EPS) statistics during a ten-year period. With the highest average EPS (Rs. 41.37), NABIL seems to have had a robust and steady profits performance. NBL has the lowest mean EPS at Rs. 24.58, followed by NICA with Rs. 26.97. NBL has the largest earnings volatility in terms of risk, with a coefficient of variation (C.V.) of 57.03%, suggesting less consistency in profitability. With a lower C.V., NABIL exhibits superior stability. 39.20%. Because it indicates consistent profit production, investors often choose companies with stable EPS.

4.1.3 Book Value Per Share

The net asset value of a business divided by the total number of outstanding shares is known as book value per share, or BVPS. It shows each share's accounting value depending on the equity of the business.

Table 4

Book value Per Share

Year	NABIL	NICA	NBL
2014/15	259	207	59.26
2015/16	244	161	103.89
2016/17	270	151	142.37
2017/18	256	145.32	285.68
2018/19	257	161.74	298.39
2019/20	256	199	266.17
2020/21	251	213	262.85
2021/22	232	214.83	246.17
2022/23	210	256.41	248.55
2023/24	217	202.05	242.52
Mean	245.20	191.14	215.59
S.D.	19.50	35.30	82.72
C.V (%)	7.95%	18.47%	38.37%

Source: Annual Report

The Book Value Per Share (BVPS) information shows how financially stable NABIL, NICA, and NBL are over the long run. With the highest average BVPS (Rs. 245.20), NABIL has a capital foundation that is continuously solid. NBL has considerable

volatility with a standard deviation of Rs. 82.72 and a C.V. of 38.37%, suggesting uneven increase in book value, although having a similar mean of Rs. 215.59. NABIL, on the other hand, has the lowest C.V. (7.95%), indicating more consistency in its value. NICA has a modest average value and variability, placing it near the centre. Because it indicates strong retained profits and shareholder equity, investors often choose companies with consistent and increasing book value.

4.1.4 Dividend per Share Analysis

The banks' dividends were the subject of the research. For the 10 fiscal years, it has taken the dividends paid by the three sample banks. Only the cash dividend per share (Rs) is examined under this heading, however stock dividends are also taken into consideration and examined under the total DPS category. For the sake of this research, it is crucial to review the pertinent dividend data at this point.

Table 4.4

Dividend Per Share(In Rs.)

Year	NABIL	NICA	NBL
2014/15	36.84	15.79	0.00
2015/16	45.00	27.37	0.00
2016/17	48.00	21.05	0.00
2017/18	34.00	10.00	0.00
2018/19	34.00	21.05	25.00
2019/20	35.26	20.00	16.00
2020/21	38.00	0.00	17.00
2021/22	30.00	0.00	12.00
2022/23	11.00	1.53	0.00
2023/24	10.00	30.52	0.00
Mean	32.21	14.73	7.00
S.D.	12.61	11.30	9.57
C.V (%)	39.16%	76.68%	136.69%

Source: Annual Report of concerned banks

The dividend stability of the banks varies significantly, as Table 4's Dividend Per Share (DPS) trend demonstrates. With the lowest coefficient of variation (39.16%) and the highest average DPS of Rs. 32.21, NABIL consistently pays dividends. Despite averaging Rs. 14.73, NICA's higher C.V. of 76.68% suggests more volatility

over time. NBL, on the other hand, has the greatest C.V. at 136.69% but the lowest average DPS of Rs. 7.00, indicating substantial dividend irregularity, mostly from years of no distributions. NBL's inconsistent payout policy is shown by its large standard deviation in comparison to its mean. NABIL may be seen as having more consistent dividend returns by investors looking for steady income. Growth-oriented investors could find NICA appealing, but NBL's record shows payment risk and volatility.

4.1.5 Dividend Yield Ratio Analysis

This ratio illustrates how market value per share and dividend per share are related. Divide the dividend per share by the market value per share to arrive at this figure. The market value per share has a significant impact on the dividends yield ratio. Because a change in the dividend per share may effectively alter the market value of that share, this ratio has a significant impact on the market value per share.

Table 4.5

Dividend Yield Ratio(In %)

Year	NABIL	NIC Asia	NBL
2014/15	1.93	1.40	0.00
2015/16	1.92	3.43	0.00
2016/17	3.15	4.73	0.00
2017/18	3.69	3.16	0.00
2018/19	4.25	4.70	7.44
2019/20	4.61	3.62	6.42
2020/21	2.80	0.00	3.83
2021/22	3.64	0.00	0.00
2022/23	1.84	1.53	0.00
2023/24	1.91	0.00	0.00
Mean	2.98	2.33	1.45
S.D.	0.95	1.87	2.73
C.V (%)	31.88%	80.26%	188.06%

Source: Annual Report of concerned banks

With a C.V. of 31.88%, NABIL's moderate average yield of 2.98% and relatively low volatility reflect consistent dividend returns, while NIC Asia's lower average yield of 2.33% and significant variability (C.V. 80.26%) indicate inconsistent dividend

payouts over time, according to Table 6 Dividend Yield Ratio. Due mostly to a number of years with zero dividend yield and a few years with high values, NBL has the lowest average dividend yield (1.45%) but the largest volatility (188.06%). For investors that prioritise income, this significant volatility in NBL's dividend rates might be dangerous. On the other hand, investors looking for steady dividend income could be drawn to NABIL due to its steady yield. Although NIC Asia's dividend policy seems erratic, there are sometimes large distributions.

4.1.6 Price Earnings Ratio Analysis

The market's current price per rupee of reported earnings per share (EPS) is reflected in this ratio. It is computed by dividing earnings per share by market value share (MVPS). The investor's exception to the company's financial performance is the PE ratio.

Table 4.6

Price Earning Ratio (In times)

Year	NABIL	NICA	NBL
2014/15	33.37	40.46	40.7
2015/16	39.55	28.19	10.54
2016/17	25.44	13.30	9.39
2017/18	18.60	19.01	7.03
2018/19	15.82	13.09	12.45
2019/20	21.15	17.34	12.04
2020/21	40.48	35.27	18.90
2021/22	44.21	19.10	13.21
2022/23	25.31	20.65	10.64
2023/24	22.88	94.25	11.86
Mean	28.38	29.56	14.78
S.D.	9.76	22.68	9.74
C.V (%)	34.37%	76.75%	65.89%

Source: Annual Report of concerned banks

NABIL and NICA have comparable average values, about 28–30 times earnings, which imply comparable market valuation levels, according to Table 7's Price Earnings (P/E) ratio study. But compared to NABIL (C.V. 34.37%), NICA shows far more volatility (C.V. 76.75%), indicating erratic market confidence or profit

expectations. Although NBL's average P/E ratio is much lower at 14.78, its relatively high volatility of 65.89% indicates that the market's valuation may fluctuate in relation to its profits. Higher volatility indicates risk, but a lower P/E ratio may suggest undervaluation or weaker growth prospects. NABIL can be seen by investors as more stable, whilst NICA and NBL are more risky in terms of value.

4.2 Descriptive Statistics

The primary characteristics of a dataset are quantitatively described by descriptive statistics, which are summary measurements. Metrics like mean, median, standard deviation, and range are among them. Large volumes of data are made simpler to understand and compare with the aid of these statistics.

Table 7

Descriptive statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
MPS	30	229.00	2344.00	695.3933	515.74101
EPS	30	.19	59.86	30.9740	15.20780
BVPS	30	59.26	298.39	217.3067	55.98041
DPS	30	.00	48.00	17.9803	15.24528
DYR	30	.00	7.44	2.3333	2.11654
PER	30	7.03	94.25	24.4743	17.12725
Valid N (listwise)	30				

Source: SPSS

Six important financial variables are summarised over 30 data in Table 7's descriptive statistics table. With a high mean of Rs. 695.39 and a standard deviation of Rs. 515.74, the Market Price per Share (MPS) shows significant variety in share prices, ranging from Rs. 229.00 to Rs. 2344.00. With a mean of Rs. 30.97 and a range of Rs. 0.19 to Rs. 59.86, earnings per share (EPS) indicates modest profitability across companies. Book Value Per Share (BVPS) has smaller dispersion (Std. Dev. = Rs. 55.98) and a comparatively higher average of Rs. 217.31. Inconsistent dividend distributions are highlighted by the large range and standard deviation of the average Dividend Per Share (DPS), which is Rs. 17.98. The dividend yield ratio (DYR), which

reflects different returns on investment from dividends, is modest on average (2.33%) but may vary up to 7.44%. Finally, the Price-Earnings Ratio (PER) indicates a range of valuation levels across the organisations under study, with a mean of 24.47 and a standard deviation of 17.13.

4.3 Correlation Analysis

The statistical method used to characterise how strongly one variable is linearly connected to another is correlation analysis. Its value is restricted to the +1 to -1 range. Returns on these would thus go up and down simultaneously if the variables were perfectly connected. Such a variable would have the same level of risk as individual equities.The following is how the interpretation and correlation between various variables are shown.

Table 8

Correlation Analysis

Correlations

		MPS	EPS	BVPS	DPS	DYR	PER
MPS	Pearson Correlation	1					
	Sig. (2-tailed)						
EPS	Pearson Correlation	.671**	1				
	Sig. (2-tailed)	0					
BVPS	Pearson Correlation	0.243	0.286	1			
	Sig. (2-tailed)	0.195	0.125				
DPS	Pearson Correlation	.677**	.461*	.368*	1		
	Sig. (2-tailed)	0	0.01	0.046			
DYR	Pearson Correlation	0.045	0.132	0.29	.547**	1	
	Sig. (2-tailed)	0.812	0.489	0.12	0.002		
PER	Pearson Correlation	0.314	-0.224	-0.098	0.358	-0.21	1
	Sig. (2-tailed)	0.091	0.235	0.605	0.052	0.266	

**. A significant correlation is found at the 2-tailed 0.01 level, and *. A significant correlation is found at the 2-tailed 0.05 level.

Source: SPSS

The association between the dependent variable, Market Price Per Share (MPS), and many independent variables, including EPS, BVPS, DPS, DYR, and PER, is shown in Table 8. With a Pearson correlation value of 0.671 at the 1% significance level, EPS has the strongest and most significant positive association with MPS among them, suggesting that greater EPS is often linked to higher market price. Likewise, there is a substantial and significant positive association between MPS and Dividend Per Share (DPS) (0.677, significant at the 1% level), indicating that a rise in DPS might result in an increase in MPS.

Although there is a slight positive connection of 0.243 between Book Value Per Share (BVPS) and MPS, this link is not statistically significant at conventional levels, indicating that its impact on MPS is less clear. Similarly, there is a statistically negligible positive correlation (0.045) between the Dividend Yield Rate (DYR) and MPS, suggesting that DYR and the market price may not be significantly correlated.

Although it is not statistically significant at the 5% level ($p = 0.091$), the Price Earnings Ratio (PER) and MPS have a somewhat positive correlation of 0.314, indicating a possible but ambiguous beneficial influence. The two independent variables that show the largest and most statistically significant positive correlations with the market price per share are EPS and DPS. This suggests that dividend payments and profitability are important variables affecting market investor value. There is less direct effect on MPS from other factors, as seen by their lower and statistically negligible relationships.

4.4 Regression Analysis

Regression analysis may be used to form inferences about one variable based on the others and to ascertain the statistical connection between two or more variables. Multiple regression analysis has been performed in this study. numerous regression analysis is the process of taking numerous independent variables and using the proper regression line to predict the value of the dependent variable.

Market Value Per Share (MVPS) is the dependent variable in this research, while Earnings Per Share (EPS) and Dividend Per Share (DPS) are the independent variables. Over the last decade, the data has been made available.

Table 9

Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.861[a]	.741	.687	288.42271

a. Predictors: (Constant), PER, BVPS, DYR, EPS, DPS

Source: SPSS

The regression model's high correlation coefficient (R) of 0.861, as shown in Table 9 model summary, indicates a significant association between the dependent variable (MPS) and the independent variables (PER, BVPS, DYR, EPS, and DPS). The model explains around 74.1% of the variance in MPS, according to the R Square value of 0.741. With a standard error of 288.42, which represents the average separation between the observed values and the regression line, the Adjusted R Square of 0.687 accounts for the number of predictors and validates a decent model fit.

Table 10

ANOVA

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5717170.867	5	1143434.173	13.745	.000[b]
	Residual	1996503.892	24	83187.662		
	Total	7713674.759	29			

a. Dependent Variable: MPS

b. Predictors: (Constant), PER, BVPS, DYR, EPS, DPS

Source: SPSS

The regression model is statistically significant, according to Table 10 ANOVA, with a Sig. value of 0.000, which is less than 0.05. The model offers a strong fit, as the independent variables (PER, BVPS, DYR, EPS, and DPS) all significantly affect the dependent variable (MPS), as shown by the F-value of 13.745. The model's

explanatory power is further supported by the substantial regression sum of squares (5717170.867) in comparison to the residual sum (1996503.892).

Table 11

Coefficients

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-133.576	324.061		-.412	.684
	EPS	17.025	5.324	.502	3.197	.004
	BVPS	.012	1.067	.001	.012	.991
	DPS	17.995	7.778	.532	2.314	.030
	DYR	-66.949	41.941	-.275	-1.596	.124
	PER	5.377	5.276	.179	1.019	.048

a. Dependent Variable: MPS

Source: SPSS

The independent factors that have a statistically significant association with the dependent variable, market price per share (MPS), are listed in Table 11's coefficients table. With a p-value of 0.004 and a standardised beta of 0.502, EPS (earnings per share) has a high and positive relationship on MPS among the variables. Dividend per share, or DPS, has a high beta of 0.532 and is statistically significant (p = 0.030), indicating that dividend payments have a considerable impact on market price.

With a p-value of 0.048, just below the 0.05 significance threshold, the price earnings ratio (PER) has a somewhat favourable effect, indicating that it also significantly affects MPS. However, BVPS (book value per share) has no discernible impact on MPS, as seen by its almost zero beta and strong p-value of 0.991. Likewise, there is a negative but negligible correlation between MPS and DYR (dividend yield rate) (p = 0.124).

The baseline level of MPS without the predictors is meaningless, since the constant value is not statistically significant (p = 0.684). As a result, market price per share

may be predicted with high accuracy by EPS, DPS, and PER, but not with statistical significance by BVPS or DYR. This suggests that the model's primary determinants of share prices are profitability, dividends, and valuation ratios.

4.5 Hypothesis

Table 12

Hypotheses	P value	Observation
H1: There is a significant relationship between EPS and Market Price Per Share (MPS)	0.004	Supported
H2: There is a significant relationship between BVPS and Market Price Per Share (MPS)	0.991	Not Supported
H3: There is a significant relationship between DPS and Market Price Per Share (MPS)	0.030	Supported
H4: There is a significant relationship between DYR and Market Price Per Share (MPS)	0.124	Not Supported
H5: There is a significant relationship between PER and Market Price Per Share (MPS)	0.048	Supported

The independent factors that have a statistically significant impact on Market Price Per Share (MPS) are identified by the results of the hypothesis test in Table 12. With a p-value of 0.004, the first hypothesis (H1) about EPS is validated, suggesting a substantial and meaningful association with MPS. With regard to DPS, H3 is also supported ($p = 0.030$), indicating that dividend payments have a major impact on market price. Additionally supported is H5, which relates to PER ($p = 0.048$), indicating that valuation ratios have a significant impact on share prices.

However, an extremely high p-value of 0.991, which suggests no meaningful influence, means that H2, which examines the link between BVPS and MPS, is not supported. Likewise, H4 about DYR is not supported ($p = 0.124$), indicating that in this model, dividend yield and MPS do not significantly correlate.

4.6 Discussion

The purpose of this research was to investigate the empirical impacts of dividend and earning policies, namely the Price Earnings Ratio (PER), Dividend Yield (DYR), EPS, BVPS, and DPS, on the Market Price Per Share (MPS) of businesses listed on the Nepal Stock Exchange. EPS and DPS exhibited the greatest and most significant positive associations with MPS, according to descriptive and correlation analysis used

to fulfil the first goal, which aimed to evaluate the current state of these variables. Weaker or statistically insignificant correlations were found between BVPS, DYR, and PER, indicating a little independent impact on share prices.

Examining the connections between EPS, BVPS, DPS, DYR, PER, and MPS was the second goal. According to the correlation data, MPS exhibited strong, positive, and statistically significant connections with both EPS ($r = 0.671$, $p < 0.01$) and DPS ($r = 0.677$, $p < 0.01$). This suggests that investor views and stock value are significantly influenced by profitability and dividend distributions. While BVPS ($r = 0.243$) and DYR ($r = 0.045$) did not exhibit statistically significant correlations, PER showed a moderate and somewhat lower association ($r = 0.314$), suggesting that book value and dividend yield may not be the main factors influencing share price in the present market environment.

Regression analysis was used to accomplish the final goal, which was to examine how these factors affected MPS. The coefficients amply illustrated the statistically substantial positive impacts of EPS ($p = 0.004$), DPS ($p = 0.030$), and PER ($p = 0.048$) on MPS, hence validating their major influence on share price determination. In the meanwhile, it was determined that BVPS ($p = 0.991$) and DYR ($p = 0.124$) were statistically insignificant, supporting the previous correlation results that these factors had no discernible impact on market prices in Nepal.

These results are consistent with those of Khadka and Gaire (2025), who discovered that EPS and DPS were important factors that influenced share prices in Nepalese commercial banks, accounting for 20.80% of the variance in MPS. Similar to the results of this research, Okonkwo et al. (2023) in Nigeria found that EPS and net assets per share were important determinants of stock prices, but DPS had no effect. Prastika and Yusuf (2024) proposed that the dividend payout ratio mediates the impact of PER on stock prices in Indonesia, emphasising the indirect effect of PER. This dynamic is partly represented in the study's findings, which show that PER just reaches significance.

Shrestha (2020) also supports the conclusion that dividend policies significantly influence stock prices in Nepal, especially when controlling for earnings. Similarly, Gulo et al. (2022) and Sadrina and Lestari (2022) found that EPS significantly influences stock volatility and pricing in Indonesia, echoing this study’s result. However, Kam (2022) and Siladjajananwar and Djan (2022**)** emphasize the role of

dividend policy in affecting stock price volatility rather than direct pricing, offering a slightly different yet complementary insight.

Taken together, the current study's findings affirm the significant role of EPS, DPS, and PER in influencing MPS, aligning well with previous empirical literature. The objectives have been met, as the study not only assessed the status of the variables but also confirmed the statistical relationships and causal impacts. It offers meaningful implications for investors and managers, suggesting that greater emphasis on earnings and dividend stability may enhance stock valuations. Furthermore, the limited influence of BVPS and DYR indicates that market participants in Nepal may prioritize performance-based indicators over book value and yield-based returns when making investment decisions.

CHAPTER V

SUMMARY AND CONCLUSION

This chapter presents a summary of the research along with conclusions and suggestions based on the data analysis and study results.

5.1 Summary

Numerous elements influence investors' psyche. Dividend streams and stock price growth are important considerations for investors in Nepal when deciding whether to buy shares. Before investing, nevertheless, one must consider the organization's financial standing. There is a high likelihood that one may eventually lose their investment if the company is not financially stable. The study's primary goals are to analyse the commercial bank's financial indicators with regard to dividends and various variables, as well as to look at the relationship between earnings and dividends, market prices and dividend payout ratios, earnings and dividend yield, and market prices and stock prices. NABIL, NICA, and NBL are the three commercial banks that were chosen as the study's sample.

The two independent variables that show the largest and most statistically significant positive correlations with the market price per share are EPS and DPS. This suggests that dividend payments and profitability are important variables affecting market investor value. There is less direct effect on MPS from other factors, as seen by their lower and statistically negligible relationships.

The secondary data from a few chosen sample firms served as the basis for this investigation. The annual reports from associated banks over the last 10 fiscal years serve as the data source. The baseline level of MPS without the predictors is meaningless, since the constant value is not statistically significant ($p = 0.684$). As a result, market price per share may be predicted with high accuracy by EPS, DPS, and PER, but not with statistical significance by BVPS or DYR. This suggests that the model's primary determinants of share prices are profitability, dividends, and valuation ratios.

5.2 Conclusion

According to this analysis, sample banks' earnings are excellent in the Nepalese setting. The purpose of this research was to investigate the empirical impacts of dividend and earning policies, especially Price Earnings Ratio (PER), Dividend Yield

(DYR), EPS, BVPS, and DPS, on the Market Price Per Share (MPS) of businesses listed on the Nepal Stock Exchange. The results of correlation and regression analysis showed a substantial and statistically significant positive association between MPS and EPS and DPS. This suggests that businesses that consistently pay dividends and are more profitable often fetch greater market values. Furthermore, PER had a somewhat substantial positive impact on MPS, indicating that share prices are influenced by investor opinion about valuation criteria.

However, DYR and BVPS had no statistically significant effect on MPS, suggesting that investors may not place a high weight on yield-based returns or book value when determining the value of stocks on the Nepalese capital market. These findings are in line with other empirical research from Nepal, Nigeria, and Indonesia that prioritises variables relating to wages and dividends above other financial measures.

To sum up, the study's goals were effectively accomplished. The chosen variables' present state was evaluated, their connections to market price were determined, and each of their effects on share price was examined separately. The findings imply that Nepalese businesses should concentrate on sustaining high profitability and a steady dividend policy in order to improve market value and investor trust. This research adds to the increasing amount of data showing that dividend policy and profitability continue to be important factors in determining stock prices, especially in developing capital markets like Nepal.

5.3 Implication

The following list of suggestions is based on the main conclusions and results.

- Certain dividend practices, such as a steady dividend, a consistent payout, a low regular and additional policy, etc., are not being used by the sample banks. Banks should have announced the specific dividend distribution strategy for the short and long term in order to lessen such uncertainty and preserve a certain level of MVPS.
- During the research period, NABIL's earnings per share were greater than NIC-Asia's. Therefore, while making an investment selection based on their financial performance, investors should choose the NABIL.
- The average dividend yield ratio for the analysis period in this research is less than 4.00%. This suggests that a shareholder who bought a share on the market may get a return on his investment of less than 4%. However, the

current interest rate on deposits is more than 6%. Therefore, in order to sustain the market price of their shares, banks should improve their financial performance and dividend payments.

- When it comes to dividend distribution, NIC-Asia and NBL are less consistent than other sample banks. Therefore, while choosing an investment, risk-averse investors may choose NIC-Asia, NBL.
- • The majority of stock market fluctuations are caused by signal effects rather than company financial performance. To regulate the securities act in this case, GON, NEPSE, SEBON, NRB, and other relevant parties should cooperate.

REFERENCES

Adhikari, R. (2020) A Study on Dividend Policy and It's Impact on Stock Price in Nepal. Unpublished Thesis, Office of the Dean, Faculty of Management, Tribhuvan University, Kathmandu, Nepal

Anwar, R. & Kumar, S. (2022) Determinants of Dividend Policy: An Empirical Investigation of Indian Companies Using Panel Data Estimation Technique. *Indian Journal of Finance and Banking,10*(1),54-60.

Carprorale, J., Andrew, A., Peter, R. (2006) *Financial risk management.*NewYork : Collins Business Essentials.

Fransis, J. C. (2001). *Investment Analysis and Management.* (4th Edition). New York: McGraw Hill International.

Gautam, R. &Thapa, G. (2009).*Capital Structure Management*. Kathmandu: Asmita Publication Pvt. Ltd.

Gitmans, J. (2007). *Book Review: Market-Based Banking and the International Financial Crisis.* New York : Oxford University Press.

Gulo, S., Sofiyan, S., Faris, S. & Rosita, R. (2022) The Effect of Earning Per Share (EPS) and Company Size on Stock Prices with Dividend Policy as Moderating Variables in Trade, Services, And Investment Companies Listed on The Indonesia Stock Exchange (IDX) Period 2016-2020. *International Journal of Research and Review,9*(9), 223-229

Hussain, A. & Akbar, M. (2022) Dividend policy and earnings management: Do agency problem and financing constraints matter?.*Borsa Istanbul Review,22*(5),839-853.

Kam, W. T. (2022) The Impact of the Dividend Policy on the Price Volatilization of Common Stock–Evidence from the Stock Market of Hong Kong. doi:10.20944/preprints202202.0362.v1

Kanakriyah, R. (2020) Dividend Policy and Companies' Financial Performance. *Journal of Asian Finance, Economics and Business,7*(10),531-541.

Khadka, K. K., & Gaire, L. P. (2025). The effect of earnings per share and dividend per share on the market price per share of listed commercial banks on the Nepal Stock Exchange. *Journal of Entrepreneurship & Management Studies (JEMS), 1*(2). https://jems.com.np/

Khadka, R. (2019)Dividend Policy and Its Impact on Market Price of Stock of Micro finance companies (with reference to ChhimekLaghubitta and Deprosc development bank). Unpublished Thesis, Office of the Dean, Faculty of Management, Tribhuvan University, Kathmandu, Nepal

Kheirandish, M. &Khyareh, M. M. (2022) The relationship between Cash Dividend and Earnings Growth of listed Companies in Tehran Stock Exchange. *e-journal of International Relations,13*(1),204-218.

Lamsal, M. (2018) Dividend Policy and it's impact in stock price in Nepal (with reference to DeproscLaghubitta bank and NirdhanUthan development bank). Unpublished Thesis, Office of the Dean, Faculty of Management, Tribhuvan University, Kathmandu, Nepal

NABIL Bank Limited (2012/13-2021/22), *Annual Reports (from 2012/13 to 2021/22).*Kathmandu : NABIL

Nepal Bank Limited (2012/13-2021/22), *Annual Reports (from 2012/13 to 2021/22).*Kathmandu : NBL

NIC Asia Bank Limited (2012/13-2021/22), *Annual Reports (from 2012/13 to 2021/22).*Kathmandu : NIC Asia

Okonkwo, C. J., Obiezekwem, C. J., & Ifechukwu-Jacobs, C. J. (2023). Influence of dividend policy and earnings on stock prices: Evidence from selected Nigerian firms. *Chukwuemeka Odumegwu Ojukwu University.* https://coou.edu.ng/

Prastika, F. Y., & Yusuf, M. (2024). The effect of earning per share and price earning ratio on stock price with dividend policy as an intervening variable. *Universitas Negeri Jakarta.* https://repository.unj.ac.id/

Sadrina, M. D. & Lestari, H. S. (2022) The Effect of Dividend Policy Measurement on Stock Price Volatility in the Manufacturing Sector in Indonesia. *Internal national Journal of Education, Information Technology and Others,5*(4),53-64.

Sharpe, P., Balliey, S.& Alexander, J. (2004). *Investments.* New Delhi: Prentice Hall of India Private Limited.

Shrestha, L. (2017) A Study on Dividends and Stock Prices. Unpublished Thesis, Office of the Dean, Faculty of Management, Tribhuvan University, Kathmandu, Nepal

Shrestha, P. (2020) Effect of Dividend on Stock Market Price: A Panel Data Approach. *Management Dynamics,23*(1),199-208.

Siladjajan, M., Anwar, Y. &Djan, I. (2022) The Relationship between Dividend Policy and Earnings Quality: The Role of Accounting Information in Indonesia's Capital Market. *Economices,10*(2),3-23.

Singh, N. P. &Tandon, A. (2019) The Effect of Dividend Policy on Stock Price: Evidence from the Indian Market. *Asia-Pacific Journal of Management Research and Innovation,15*(2),7-15.

Thapa, K. (2021)A Study on Dividend Policy of DeproscLaghubitta Bank Ltd. Unpublished Thesis, Office of the Dean, Faculty of Management, Tribhuvan University, Kathmandu, Nepal

Wolff, H.K. &Panta, P.R. (2005). *Social Science Research and Thesis writing.* (4th edition). Kathmandu : Buddha Academic Publisher and Distributor Pvt. Ltd

Appendix

year	MPS	EPS	BVPS	DPS	DYR	PER
2014/15	1910	57.24	259	36.84	1.93	33.37
2015/16	2344	59.27	244	45	1.92	39.55
2016/17	1523	59.86	270	48	3.15	25.44
2017/18	921	51.84	256	34	3.69	18.6
2018/19	800	50.57	257	34	4.25	15.82
2019/20	765	36.16	256	35.26	4.61	21.15
2020/21	1359	33.57	251	38	2.8	40.48
2021/22	824	18.64	232	30	3.64	44.21
2022/23	599.2	23.67	210	11	1.84	25.31
2023/24	524	22.9	217	10	1.91	22.88
2014/15	1126	27.83	207	15.79	1.4	40.46
2015/16	798	28.31	161	27.37	3.43	28.19
2016/17	445	23.06	151	21.05	4.73	13.3
2017/18	316	16.62	145.32	10	3.16	19.01
2018/19	448	34.22	161.74	21.05	4.7	13.09
2019/20	553	31.89	199	20	3.62	17.34
2020/21	994	28.18	213	0	0	35.27
2021/22	696	36.45	214.83	0	0	19.1
2022/23	377.6	38.44	256.41	1.53	1.53	20.65
2023/24	345	4.7	202.05	30.52	0	94.25
2014/15	305	7.48	59.26	0	0	40.7
2015/16	470	44.59	103.89	0	0	10.54
2016/17	364	38.77	142.37	0	0	9.39
2017/18	281	39.99	285.68	0	0	7.03
2018/19	336	26.99	298.39	25	7.44	12.45
2019/20	249	20.68	266.17	16	6.42	12.04
2020/21	443	23.43	262.85	17	3.83	18.9
2021/22	268	20.29	246.17	12	0	13.21
2022/23	249	23.39	248.55	0	0	10.64
2023/24	229		242.52	0	0	11.86

Correlations

		MPS	EPS	BVPS	DPS	DYR	PER
MPS	Pearson Correlation	1	.671**	.243	.677**	.045	.314
	Sig. (2-tailed)		.000	.195	.000	.812	.091
	N	30	30	30	30	30	30
EPS	Pearson Correlation	.671**	1	.286	.461*	.132	-.224
	Sig. (2-tailed)	.000		.125	.010	.489	.235
	N	30	30	30	30	30	30
BVPS	Pearson Correlation	.243	.286	1	.368*	.290	-.098
	Sig. (2-tailed)	.195	.125		.046	.120	.605
	N	30	30	30	30	30	30
DPS	Pearson Correlation	.677**	.461*	.368*	1	.547**	.358
	Sig. (2-tailed)	.000	.010	.046		.002	.052
	N	30	30	30	30	30	30
DYR	Pearson Correlation	.045	.132	.290	.547**	1	-.210
	Sig. (2-tailed)	.812	.489	.120	.002		.266
	N	30	30	30	30	30	30
PER	Pearson Correlation	.314	-.224	-.098	.358	-.210	1
	Sig. (2-tailed)	.091	.235	.605	.052	.266	
	N	30	30	30	30	30	30

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

*. Correlation is significant at the 0.05 level (2-tailed).

PAPER NAME

EMPIRICAL EFFECTS OF EARNING AND DIVIDEND POLICIES ON MARKET PRICE OF SHARE

AUTHOR

Binod Poudyal

WORD COUNT

16742 Words

CHARACTER COUNT

90611 Characters

PAGE COUNT

61 Pages

FILE SIZE

108.7KB

SUBMISSION DATE

Aug 8, 2025 1:05 PM GMT+5:45

REPORT DATE

Aug 8, 2025 1:06 PM GMT+5:45

12% Overall Similarity

The combined total of all matches, including overlapping sources, for each database.

- 12% Internet database
- 4% Publications database
- Crossref database
- Crossref Posted Content database
- 0% Submitted Works database

Excluded from Similarity Report

- Bibliographic material
- Quoted material
- Small Matches (Less then 10 words)