

**IMPACT OF DIVIDEND ON SHARE PRICE OF
NEPALESE LIFE INSURANCE COMPANY**

**A dissertation submitted to the Office of the Dean, Faculty of
Management in partial fulfilment of the requirements for the
Master's Degree**

By

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Certification of Authorship

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the reference section of the thesis.

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May, 2021

REPORT OF RESEARCH COMMITTEE

Mr. Durga Prasad Poudel has defended research proposal entitled "**Impact of Dividend on Share Price of Nepalese Life Insurance Companies**" 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 Lect. Santosh Kumar Ghimire and submit the thesis for evaluation and viva voce examination.

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APPROVAL SHEET

We, the undersigned, have examined the thesis entitled **An Analysis of Impact of Dividend on Share Price of Nepalese Life Insurance Companies** presented by **Durga Prasad Poudel**, a candidate for the degree of **Master of Business Studies (MBS)** and conducted the viva voce examination of the candidate. We here by certify that the thesis is worthy of acceptance.

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ABBREVIATIONS

AGM	-	Annual General Meeting
ANOVA	-	Analysis of Variance
DPR	-	Dividend Payout Ratio
DPS	-	Dividend Per Share
DY	-	Dividend Yield
EY	-	Earning Yield
FY	-	Fiscal Year
KLSE	-	Kuala Lumpur Stock Exchange
LIC	-	Life Insurance Corporation
MPS	-	Market Price Per share
NEPSE	-	Nepal Stock Exchange
NLI	-	Nepal Life Insurance
NNLI	-	National Life Insurance
NPR	-	Nepalese Rupees
NPV	-	Net Present Value
NRB	-	Nepal Rastra Bank
ROA	-	Returns on Assets
ROE	-	Returns on Equity
SD	-	Standard Deviation
SEBON	-	Security Exchange Board Nepal
SPSS	-	Statistical Package for Social Science Research
SLI	-	Surya Life Insurance

Abstract

The purpose of this study is to examine the impact of dividend on the market price of Nepalese life insurance companies. The study is based on data collected from four life insurance companies listed in Nepal Stock Exchange (NEPSE) for the period of FY 2014/15- FY 2018/19 by convenience sampling method. Calculated data has been tabulated and analyzed by using MS-Excel and SPSS. The paper investigates the relationship between earnings per shares, dividend per share, dividend payout ratio, earning yield and dividend yield on market price of Nepalese life insurance companies by using Descriptive Statistics Correlation and Regression and ANOVA test. The study concludes that dividend per share have positive significant relationship and dividend yield have negative significant relationship to market price of shares of Nepalese life insurance companies

Key Words: *Market price per share, Earning per share, Dividend per share, Dividend payout ratio, Earning yield, Dividend yie*

