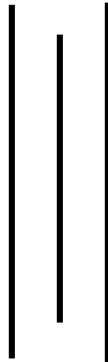


**DIVIDEND POLICY OF COMMERCIAL BANKS IN NEPAL
AND ITS EFFECT ON MARKET PRICE OF SHARE**

By:

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**A Thesis Submitted to:
Office of the Dean
Faculty of Management
Tribhuvan University**



*In partial fulfillment of the requirement for the Degree of
Master of Business Studies (MBS)*

**Kathmandu, Nepal
April, 2010**

RECOMMENDATION

This is to certify that the Thesis

Submitted by:

Shambhu Sharma Silwal

Entitled:

DIVIDEND POLICY OF COMMERCIAL BANKS IN NEPAL AND ITS EFFECT ON MARKET PRICE OF SHARE

*has been prepared as approved by this Department in the prescribed format of the
Faculty of Management. This thesis is forwarded for examination.*

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And found the thesis to be the original work of the student and written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirement for

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DECLARATION

I hereby declare that the work reported in this thesis entitled **“Dividend Policy of Commercial Banks in Nepal and Its Effect on Market Price of Share”** submitted to Office of the Dean, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for the Master Degree in Business Studies (M.B.S.) under the supervision of **Prof. Snehalata Kafle** and **Pitri Raj Adhikari** of Shanker Dev Campus.

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ABBREVIATION

BOK	:	Bank of Kathmandu Ltd
C.V	:	Coefficient of Variation
DPR	:	Dividend Payout Ratio
DPS	:	Dividend Per Share
DY	:	Dividend Yield
EBL	:	Everest Bank Limited
EPS	:	Earning Per Share
M.B.S	:	Masters of Business Studies
M.S.S	:	Mean Sum of Square
MPS	:	Market Price Per Share
MVPS	:	Market Value Per Share
NABIL	:	Nepal Arab Bank Ltd
NEPSE	:	Nepal Stock Exchange
NIC	:	Nepal Industrial and Commercial Bank Ltd
NP	:	Net Profit
P.E	:	Probable Error
P/E	:	Price Earning Ratio
SCBNL	:	Standard Chartered Bank Nepal Limited
S.D	:	Standard Deviation
S.E.E	:	Standard Error of Estimate
T.S.S	:	Total Sum of Square
T.U	:	Tribhuvan University