

**Dividend Patterns of Commercial Banks and Its Effect on Stock  
Price (With Special Reference of Selected Commercial Banks)**

**A Thesis**

**By**

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## **Certification of Authorship**

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled “Dividend Patterns of Commercial Banks and Its Effect on Stock Price”. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor has it 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 the dissertation.

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July, 2022

## Report of Research Committee

Mr. Ishwar Bahadur Thapa has defended research proposal entitled Dividend Patterns of Commercial Banks and Its Effect on Stock Price 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. Achyut Gyawali and submit the thesis for evaluation and viva voce examination.

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## Abstracts

*This study examines the dividend patterns of commercial banks and its effect on stock price. Agriculture Development Bank Limited (ADBL), Nabil Bank Limited (NABIL), Nepal Investment Bank Limited (NIBL), Mega Bank Limited (MBL) and Sunrise Bank Limited (SBL) are the selected commercial banks. The study has identified earning per share (EPS) of last year, dividend per share (DPS) of last year, and growth in assets (GA) as independent variables whereas; market price of share (MPS) is a dependent variable. The data are collected from annual reports of selected commercial banks. The survey is based on eight different fiscal year period from FY 2013/14 to FY 2020/21 AD.*

*The results show that dividend per share (DPS) has the highest positive significant impact on market share price of the commercial banks. There is significant but negligible positive impact of growth in assets (GA) on market share price of the commercial banks. Earnings per share (EPS) have the positive and significant impact on the market share price of the commercial banks.*

**Keywords:** *Market price per share (MPS), earnings per share (EPS), dividend per share (DPS), growth in assets (GA).*

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## **Abbreviations**

A.D.	=	Anno Domini
ADBL	=	Agricultural Development Bank Limited
ATM	=	Automated Teller Machine
B.S.	=	Bikram Sambat
BFI	=	Bank and Financial Institutions
C.V.	=	Coefficient of Variation
DPS	=	Dividend per share
EPS	=	Earnings per share
FY	=	Fiscal Year
GA	=	Growth in Assets
GDP	=	Gross Domestic Product
Ltd.	=	Limited
MBNL	=	Mega Bank Nepal Limited
MBS	=	Master of Business Studies
MPS	=	Market Price per Share
NABIL	=	Nabil Bank Limited
NEPSE	=	Nepal Stock Exchange
NIBL	=	Nepal Investment Bank Limited
No.	=	Number
NRB	=	Nepal Rastra Bank
S.D.	=	Standard Deviation
SBL	=	Sunrise Bank Limited
T.U.	=	Tribhuvan University