# A STUDY ON DIVIDEND POLICY AND ITS IMPACT ON MARKET STOCK PRICE

Submitted by

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In partial fulfillment of the requirement for the degree of Master of Business Studies (MBS) Kathmandu, Nepal (April) 2011

# RECOMMENDATION

This is to certify that the Thesis

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#### **Entitled:**

# A STUDY ON DIVIDEND POLICY AND ITS IMPACT ON MARKET STOCK PRICE

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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## **VIVA-VOCE SHEET**

We have conducted the viva -voce of the thesis presented

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Entitled:

# A STUDY ON DIVIDEND POLICY AND ITS IMPACT ON MARKET STOCK PRICE

(A study of Nabil Bank, Siddhartha Bank & NCC Bank)

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 the degree of **Master of Business Studies (MBS)** 

Viva-Voce Committee

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### DECLARATION

I hereby declare that the work reported in this thesis entitled "A Study On Dividend Policy and Its Impact On Market Stock Price" 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's Degree in Business Study (M.B.S.) under the supervision of Shree Bhadra Neupane and Rabindra Bhattarai of Shanker Dev Campus.

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# ABBREVIATIONS

| BOD       | : Board of Directors               |
|-----------|------------------------------------|
| F.Y       | : Fiscal Year                      |
| CV        | : Coefficient of Variation         |
| DPR       | : Dividend Payout Ratio            |
| DPS       | : Dividend per Share               |
| DY        | : Dividend Yield                   |
| EPS       | : Earning per Share                |
| E/P Ratio | : Earning Price Ratio              |
| GDP       | : Gross Domestic Product           |
| IPO       | : Initial Public Offering          |
| MPS       | : Market Price per Share           |
| MOF       | : Ministry of Finance              |
| NCC       | : Nepal Credit &Commerce           |
| NEPSE     | : Nepal Stock Exchange             |
| NRB       | : Nepal Rasta Bank                 |
| P/E Ratio | : Price Earning Ratio              |
| R/R       | : Retention Ratio                  |
| R/E       | : Retained Earning                 |
| SEBON     | : Security Board of Nepal          |
| SD        | : Standard Deviation               |
| SEE       | : Standard Error of Estimate       |
| B.S       | : Bikram Sambhat                   |
| Ltd       | :Limited                           |
| WACC      | : Weighted Average Cost of Capital |
| Etc.      | : et cetera                        |