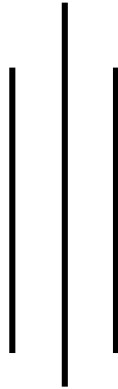
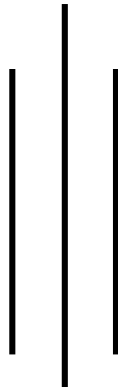


# IMPACT OF DIVIDEND POLICY ON MARKET PRICE OF SHARE



**Submitted to:**  
**Faculty of Management**  
**Shankar Dev Campus**  
**Putalisadak, Kathmandu**

**A Thesis for the Partial Fulfillment of the Requirements of  
Master's Degree in Business Studies**



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**Tribhuvan University**

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### **RECOMMENDATION**

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### **IMPACT OF DIVIDEND POLICY ON MARKET PRICE OF SHARE**

*has been prepared as approved by this Department in the prescribed format of  
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### VIVA-VOCE SHEET

We have conducted the viva –voce of the thesis presented

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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 the degree of*

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## **DECLARATION**

I hereby declare that the research work entitled **Impact of Dividend Policy on Market Price of Share** submitted to Shankar Dev Collage, faculty of Management, Tribhuvan University, Putalisadak, is my original work done in the form of partial fulfillment of the requirements of Master's degree in Business Studies under the supervision of Associate Prof. Kishor Maharjan and supervisor Laxman Raj Kandel Shankar Dev Campus

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November 2010

## **ACKNOWLEDGMENTS**

The research work done cannot be posted as the unique one and said that this type of work is done first time in this field. However, utmost effort has been put upon to save it from allegation of being copy of previous research works done in the same topic.

I would like to thank my, supervisor Associate Prof. Kishor Maharjan and supervisor Laxman Raj Kandel Shankar Dev Campus for his guidance and suggestion to accomplish this thesis.

I owe a deep debt of gratitude to the staff of Library, Library of Shankar Dev Collage of Management, Security Board Nepal and Nepal Stock Exchange.

I would be failing in my duty if I do not express my gratitude to my Family specially my Brother Bishal Rijal Sister in Law Aruna Adhikaree, my Husband Siddhi Binod Adhikaree, Brother Pulakit Binod Adhikaree, for their unending inspiration and immense love during hard times.

Last but not the least; thousand words of thanks goes to all my well wishers and friends who have always been with me like my shadow both in good as well as bad times and kept on insisting me to finish the thesis works as soon as possible.

Needless to say, I am alone responsible for any deficiencies that may have remained in this work.

Bijaya Rizal  
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## LIST OF ABBREVIATIONS

a	=	Regression Intercept
A.D.	=	Latin- Anno Domini/ in the year
b	=	Regression Slope
BVPS	=	Book value Per Share
C.V.	=	Coefficient of Variation
d.f.	=	Degree of Freedom
DPR	=	Dividend Payout Ratio
DPS	=	Dividend Per Share
DPS <sub>t</sub>	=	Dividend Per Share
DPS <sub>t-1</sub>	=	Lagged Dividend Per Share
EBL	=	Everest Bank Limited
EPS	=	Earning Per Share
EPS <sub>t</sub>	=	Earning Per Share
F/Y	=	Fiscal Year
i.e.	=	That is
JVBs	=	Joint Ventures Bank
LDPS	=	Lagged Dividend Per Share
Ltd.	=	Limited
MPS	=	Market Value Per Share
MPS <sub>t</sub>	=	Market Value Per Share
NABIL	=	Nabil Bank Limited
NBL	=	Nepal Bank Limited
NEPSE	=	Nepal Stock Exchange Limited
NIB	=	Nepal Investment Bank Limited
NLGI	=	Nepal Life and General Insurance Company Limited
NSBL	=	Nepal State Bank of India Limited.
NYSE	=	New York Stock Exchange.

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P/E	=	Price Earning Ratio
R	=	Correlation Coefficient
$R^2$	=	Coefficient of Determination
ROE	=	Return on Equity
SCB	=	Standard Chartered Bank Limited
SEBON	=	Security Board of Nepal
SEE	=	Standard Error of Estimate
SPSS	=	SPSS 10.0 for windows (Computer Software)
TU	=	Tribhuvan University
Viz	=	namely/like
Vol.	=	Volume
WACC	=	Weighted Average Cost of Capital