Effect of Dividend Policy on Stock Price Performance: Evidence from Nabil and Himalayan Banks

Padam Dongol
Faculty of Management, Tribhuvan University
Kathmandu, Nepal
Email: padamdongol2000@gmail.com

Sikha Tandukar
Faculty of Management, Tribhuvan University
Kathmandu, Nepal
Email: sikha.tandukar123@gmail.com

DOI: https://doi.org/10.3126/mvicjmit.v1i2.85883

Abstract

This study has examined impact of dividend policies on market price of share of commercial banks in Nepal. Out of 20 commercial banks in Nepal, two commercial banks namely Nabil and Himalayan bank limited have taken as sample. This research is based on secondary data collected during the period from 2014/15 to 2021/22. To achieve objective research descriptive and casual comparative research design have been used. It can be concluded that there is not any consistency in the dividend policy of the sample firms, therefore sometimes the result of the different tests accepts the theoretical assumptions of dividend policy and sometimes do not. It is found that majority of Nepalese firm gives priority to "earning" to get into the decision of dividend. The major conclusion of this study is that the earnings per share and dividend per share are positive and statistically significant factors that determine the market stock price, which means increase in earnings per share and dividend per share leads to the increase in market price of stock. Whereas dividend payout ratio has negative and significant relationship with market price per share. Likewise, dividend yield and earning yield ratios are negative statistically significant factors that determine the market price of stock providing enough evidence to accept the hypothesis. Finally, it can be concluded that dividend policy has significant relationship with the market price of stocks of commercial banks of Nepal and has impact on it.

Keywords: Dividend policy, Dividend yield, Commercial banks, Dividend payout ratio, Market price per share.

1. Introduction

Dividend payment is the portion of a company's profits that is distributed to its shareholders as a reward for their investment. Instead of keeping all profits for reinvestment, companies often share some with owners (shareholders) in the form of dividends. The dividend payment decision and its impact on the market value of a firm has been studied extensively by financial scholars. According to Business Jargons (2017), dividend policy

represents a firm's financial decision regarding how earnings are distributed, balancing between shareholder dividends and reinvestment in the business. Past trends reveal that investors often favor companies offering higher dividends, though such firms may encounter financial strain, prompting management to reduce payouts when they become unsustainable (NainTarasarfarz Raja, 2014). The relationship between dividends and the market value of firms has captured the attention of finance scholars since the middle of the last century. One of the most important works on this topic is written by Miller and Modigliani (1961). They argue that a firm's dividend policy has no role in increasing or decreasing the firm's market value.

The responsibility of a finance manager in maximizing shareholder wealth highlights the need for prudent dividend and policy decisions, as these directly influence shareholder value (NainTarasarfarz Raja, 2014). However, the effect of dividend policy on stock prices remains contested; while Miller and Modigliani (1963) argue its influence is minimal, other scholars such as Enhardt (2013) and Ogolo (2012) contend that it plays a significant role, indicating the necessity for further investigation. In Nepal's context, investors often assess banks' dividend policies before making stock market investments. However, frequent fluctuations in commercial banks' dividend policies make it difficult for investors to predict future cash flows from dividends (Bhandari & Pokharel, 2012). Dividends reflect banks' performance and attract investors, but frequent fluctuations in Nepalese commercial banks' dividend policies make it difficult for investors to predict future cash flows (Bhandari & Pokharel, 2012).

2.Objectives of the Study

The objective is to determine impact of dividend policy on market price performance of Nepalese commercial banks.

3. Literature Review

3.1 Theoretical Review

Dividend

Pandy (2001) defines a dividend as the portion of a company's earnings distributed to shareholders, as determined by the board of directors. It is typically expressed as a percentage of the nominal value of ordinary share capital. Dividends represent the share of profits returned to investors, serving as compensation for the risk they assumed in the business. Companies often use dividend payments not only to reward existing shareholders but also to attract new investors to purchase common stock at a premium.

Dividend Policy

The allocation of company profits between cash dividends to shareholders and retained earnings for reinvestment has long been debated. Scholars such as Omoregie and Eromosele (2016), Kolawole et al. (2018), and Ozuomba et al. (2013) argue that dividend policy should consider shareholders' wealth, as it influences investors' portfolio

decisions. An optimal dividend policy, therefore, can enhance both share price and shareholder wealth. However, the issue remains controversial, with some researchers maintaining that dividend policy has little effect on shareholder value (Idewele & Murad, 2019), while others contend that it plays a significant role (Ozuomba et al., 2013).

Dividend Irrelevance Theory

Miller and Modigliani (1961) introduced the dividend irrelevance hypothesis, which argues that a firm's dividend policy has no impact on its share value, as the company's worth is determined by its assets and earnings rather than dividend distribution. This theory is based on the assumption of a perfect capital market, which includes conditions such as the absence of uncertainty, free availability of information, rational investor behavior, and the idea that dividend policy does not affect a firm's investment decisions.

Dividend Relevance Theory

Walter (1963) contends that stock prices reflect the discounted value of dividends, meaning a firm's value is influenced by its dividend policy. Thus, the relationship between investment decisions and dividend policy is considered vital. The model is presented as follows:

$$P = \frac{D + r/k\,(E-D)}{K}$$

Where,

P = Stock price

D=Dividend

E=Earnings

(E-D) =Retained earnings,

r = Investment return;

K = weighted average cost of capital

However, Gordon (1963) argues that a company's dividend policy is the key factor in determining stock price. The model is an illustration of Gordon's argument:

$$Po = \frac{E1\,(1-b)}{k-b \times r}$$

Where,

Po =Price

E1 = Ending year earnings

(1-b) =dividend payout ratio

b =retention ratio

k = Required rate of return

r = investment return

b x r = percentage of growth rate

3.2 Empirical Review

Bhatt and Jain (2021) found dividend yield, bank size, and earnings volatility as key drivers of share price volatility in Nepal, with dividend yield and size negative but earnings per share (EPS) positive. Budagaga (2020) showed dividends had minimal impact on MENA banks, supporting the dividend irrelevance theory. Hamal (2020) studied the effect of dividend policy on share prices of five Nepalese commercial banks using data from 2015/16 to 2019/20. The analysis considered dividend per share (DPS), earnings per share (EPS), Price earnings (P/E) ratio, and DPR through correlation and regression methods. Results showed DPS, EPS, and P/E ratio had a positive relationship with share price, while DPR was insignificant. Among these, the P/E ratio was the strongest determinant of price fluctuations. Maharjan (2019) highlighted EPS as strongly positive, DPS moderately positive, and RR negative, linking dividend policy to share price behavior.

Almanaseer (2019) examined 20 insurance companies listed on the Amman Stock Exchange to study dividend policy and share prices. The findings revealed a significant negative relationship between share price, dividend yield, and payout ratio. Among these, dividend yield was the most influential factor affecting share price. Baral and Pradhan (2018) found that EPS and P/E ratio positively affect stock prices in Nepalese banks, highlighting profitability and valuation as key drivers. Neupane (2018) reported that EPS and DPR had a positive correlation with market price per share, showing dividend policy's role in shaping valuations. Similarly, Pradhan and Gautam (2016) revealed that EPS, DPS, and DY significantly influenced MPS and shareholder wealth, stressing the strong link between dividend policy, performance, and market dynamics. Samiloglu et al. (2017) found dividend yield had a significant negative effect on share price volatility, while DPS, payout ratio, and bank size positively influenced it. Similarly, Ullah et al. (2015) showed that dividend payout ratio significantly affected stock prices in Karachi, underscoring the role of dividend policy in shaping investor perceptions and valuations.

Dongol and Shrestha (2023) found that price-to-earnings ratio and earnings per share significantly increased market price in Nepalese development banks, while dividends per share had no effect, indicating dividend payouts do not consistently drive market price movements. Silwal & Napit (2019) analyzed ten Nepalese commercial banks, finding positive correlations between stock price and book value per share, price-earnings ratio, and return on equity. Dividend yield showed a weakly positive relationship, while magnitude had a statistically insignificant negative impact. Sapkota (2016) established positive correlations between stock market valuations and profitability measures like earnings, dividends, ROA, P/E, and GDP. Bhattarai (2014) identified dividend yield, earnings per share, and price- earnings ratio as key factors affecting share price. Sapkota & Pradhan (2016) observed favorable correlations between stock price and financial metrics, emphasizing factors like return on assets, profits per share, dividends per share, price-to-earnings ratio, and GDP growth rate. They noted an inverse relationship between market price per share and inflation, interest rate, and leverage in Nepalese commercial banks.

4. Research Methodology

This study adopts a quantitative research design with descriptive and causal-comparative approaches to analyze the effect of dividend policies on the market price of shares in Nepalese commercial banks. The research population includes 20 commercial banks, with Nabil Bank Limited and Himalayan Bank Limited purposively selected as the sample based on their stock market performance. The study relies entirely on secondary data drawn from annual reports, Nepal Stock Exchange (NEPSE) publications, and other regulatory sources such as NRB and SEBON, covering an eight-year period from 2014/15 to 2021/22. Additional insights were gathered from journals, theses, and financial bulletins to strengthen the analysis. Data were systematically categorized, tabulated, and processed before applying both descriptive and inferential statistical tools. Descriptive statistics, including mean, standard deviation, and coefficient of variance, were used to assess central tendencies and variability. Inferential tools, such as Pearson's correlation coefficient, were applied to measure the strength and direction of relationships, while multiple regression analysis was used to examine the impact of dividend per share, earnings per share, dividend payout ratio, dividend yield, and earnings yield on market price per share.

Model:

$$MPS=\beta_0 + \beta_1 DPS + \beta_2 EPS + \beta_3 DPR + \beta_4 DY + \beta_5 EY + ei$$

Where,
MPS= Market Value per Share
DPS= Dividend per Share
EPS= Earnings per Share
DPR= Dividend Payout Ratio
DY= Dividend Yield
EY= Earning Yield
ei = Error term

Conceptual Framework

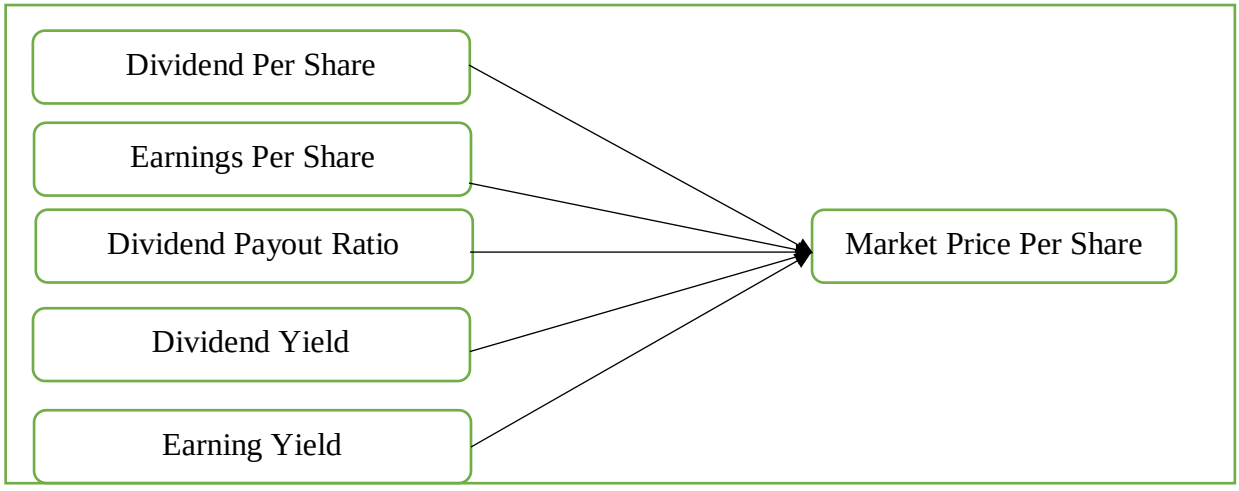

Figure 1: Conceptual Framework

Research Hypothesis

H_1: *Dividend per Share has a positive and significant effect on stock price.*

H_2: *Earnings per Share positively and significantly influence stock price.*

H_3: *Dividend Payout Ratio has a positive and significant relationship with stock price.*

H_4: *Dividend Yield has a negative and significant impact on stock price.*

H_5: *Earning yield has a positive and significant influence on stock price.*

5. Results and Discussion

Market Price of Share (MPS)

Table 1 : Analysis of MPS of the respective banks (In Rs.)

Year	NABIL	HBL
2014/15	1910	813
2015/16	2344	1500
2016/17	1523	886
2017/18	921	551
2018/19	800	552
2019/20	765	540
2020/21	1359	484
2021/22	824	299.2
Mean	1305.75	703.15
S.D.	1550.61	981.98
CV	118.75	139.65

(Source: Annual report of NABIL & HBL 2014/15 to 2021/22)

Table 1 represents the MPS of NABIL and HBL banks. The data compares stock prices of NABIL and HBL from 2014/15 to 2021/22. On average, NABIL shows a higher mean price (1305.75) compared to HBL (703.15). However, both banks exhibit high variability, with standard deviations of 1550.61 (NABIL) and 981.98 (HBL). The coefficient of variation indicates greater relative volatility in HBL (139.65%) than in NABIL (118.75%), suggesting that although NABIL's prices were generally higher, HBL's prices fluctuated more sharply during the study period.

Dividend per share (DPS)

Table 2 :Analysis of DPS of the respective banks (In Rs.)

Year	NABIL	HBL
2014/15	36.84	42.11
2015/16	45	31.58
2016/17	48	26.32
2017/18	34	15.79
2018/19	34	22
2019/20	35.26	20
2020/21	38	26
2021/22	30	19.11
Mean	37.64	25.36
S.D.	15.93	22.16
CV	42.32	87.38

(Source: Annual report of NABIL & HBL 2014/15 to 2021/22)

Table 2 represents the of NABIL and BHL banks. The dividend data shows that NABIL had a higher average payout (mean = 37.64) compared to HBL (mean = 25.36) over the period 2014/15–2021/22. However, HBL exhibited much greater volatility, with a higher standard deviation (22.16) and coefficient of variation (87.38%) than NABIL (SD = 15.93, CV = 42.32%). This indicates that while NABIL maintained more consistent dividend payouts, HBL's dividends fluctuated significantly across the years.

Earnings per Share (EPS)

Table 3 : Analysis of EPS of NABIL, HBL (In Rs.)

Years	NABIL	HBL
2014/15	57.24	33.37
2015/16	59.27	43.03
2016/17	59.86	35.15
2017/18	51.84	23.11
2018/19	50.57	32.44
2019/20	36.16	27.60
2020/21	33.57	28.07
2021/22	18.64	18.26
Mean	45.90	30.13
S.D.	39.36	20.21
CV	85.75	67.07

(Source: Annual report of NABIL & HBL 2014/15 to 2021/22)

Table 3 depicts the earnings of NABIL and HBL banks. The earnings data indicate that NABIL had a higher mean value (45.90) compared to HBL (30.13) over 2014/15–2021/22. However, NABIL showed much greater variability (SD = 39.36, CV = 85.75%) than HBL (SD = 20.21, CV = 67.07%), suggesting that while NABIL's earnings were generally higher, they were also less stable. In contrast, HBL's earnings were lower on average but relatively more consistent.

Dividend payout ratio (DPR)

Table 4 : Analysis of DPR of the respective banks (In %)

Year	NABIL	HBL
2014/15	64.36	126.19
2015/16	75.93	73.39
2016/17	80.19	74.88
2017/18	65.59	68.33
2018/19	67.24	67.82
2019/20	97.51	72.46
2020/21	113.20	92.63
2021/22	160.95	104.65
Mean	90.62	85.04
S.D.	87.69	55.75
CV	96.77	65.56

(Source: Annual report of NABIL & HBL 2014/15 to 2021/22)

Table 4 depicts the DPR of NABIL and HBL banks. The Dividend Payout Ratio (DPR) analysis shows that NABIL had a slightly higher average DPR (90.62%) compared to HBL (85.04%) during 2014/15–2021/22. However, NABIL exhibited much higher volatility (SD = 87.69, CV = 96.77%) than HBL (SD = 55.75, CV = 65.56%), indicating its payout ratios were less consistent. Overall, while NABIL distributed a larger portion of earnings as dividends on average, HBL maintained relatively more stable payout practices.

Dividend yield (DY)

Table 5 : Analysis of DY of the respective banks (In %)

Year	NABIL	HBL
2014/15	1.93	5.18
2015/16	1.92	2.11
2016/17	3.15	2.97
2017/18	3.69	2.87
2018/19	4.25	3.99
2019/20	4.61	3.70

2020/21	2.80	5.37
2021/22	3.64	6.39
Mean	3.25	4.07
S.D.	2.63	3.87
CV	80.92	95.09

(Source: Annual report of NABIL & HBL 2014/15 to 2021/22)

Table 5 depicts the dividend yield of NABIL and HBL banks. The Dividend Yield (DY) analysis indicates that HBL had a higher average yield (4.07%) compared to NABIL (3.25%) from 2014/15 to 2021/22. However, both banks showed considerable variability, with HBL recording greater relative volatility (CV = 95.09%) than NABIL (CV = 80.92%). This suggests that while HBL provided higher returns to shareholders on average, its yields were less consistent, whereas NABIL maintained relatively lower but more stable dividend yields.

Earning Yield Ratio (EY)

Table 6 : Analysis of EY of the respective Banks (In %)

Year	NABIL	HBL
2014/15	3	4.10
2015/16	2.53	2.87
2016/17	3.93	3.97
2017/18	5.38	4.19
2018/19	6.32	5.88
2019/20	4.73	5.11
2020/21	2.47	5.80
2021/22	2.26	6.10
Mean ($\bar{x}$)	3.83	4.75
S.D.	4.1	3.03
CV	104.70	63.79

(Source: Annual report of NABIL & HBL 2014/15 to 2021/22)

Table 6 depicts the earnings yield ratio of NABIL and HBL banks. The Earnings Yield (EY) analysis shows that HBL had a higher average EY (4.75%) compared to NABIL (3.83%) during 2014/15–2021/22. However, NABIL displayed much higher volatility (CV = 104.70%) than HBL (CV = 63.79%), suggesting less stability in its earnings returns. Overall, HBL offered stronger and more consistent earnings yields, while NABIL's performance was lower and more fluctuating across the study period.

Correlation Analysis

Table 7: *Pearson's Correlation Matrix*

Variables	MPS	DPS	EPS	DPR	DY	EY
MPS	1					
DPS	0.736**	1				
EPS	0.776**	0.743**	1			
DPR	-0.191	0.126	-0.531*	1		
DY	-0.771**	-0.31	-0.540*	0.367	1	
EY	-0.708**	-0.458	-0.189	-0.339	0.716**	1

** *Correlation is significant at the 0.01 level (2-tailed)*

* *Correlation is significant at the 0.05 level (2-tailed)*

Table 7 represents the correlation analysis reveals strong positive relationships of MPS with DPS ($r = 0.736$, $p < 0.01$) and EPS ($r = 0.776$, $p < 0.01$)**,** indicating that higher dividends and earnings per share are associated with increased market price of shares. Conversely, DY ($r = –0.771$, $p < 0.01$) and EY ($r = –0.708$, $p < 0.01$) show significant negative correlations with MPS, suggesting that higher yields may reduce market value. The relationship between MPS and DPR is negative but not statistically significant ($r = –0.191$). Additionally, EPS and DPS are strongly correlated ($r = 0.743$, $p < 0.01$), while DPR shows a negative association with EPS ($r = –0.531$, $p < 0.05$). Overall, the findings highlight that DPS and EPS positively drive market value, whereas high yield ratios (DY and EY) exert downward pressure on share prices.

Regression Analysis

Table 8: Summary of Coefficient based on Multiple Linear Regression Analysis

Variables	Coefficient	Std. Error	t-statistic	p-value
Constant	1660.322	578.769	2.869	0.017
DPS	-15.975	18.439	-0.866	0.407
EPS	37.337	14.536	2.569	0.028
DPR	-5.309	5.238	-1.013	0.335
DY	242.729	138.824	1.748	0.111
EY	-464	127.253	-3.653	0.004
	R^2=0.948 Adj. R^2 =0.922 F=36.498			
	Dependent Variable = Market Price Per Share			

The results of the multiple linear regression analysis in Table 8 reveal that the model has a strong explanatory power, with an R^2 value of 0.948 and an adjusted R^2 of 0.922, indicating that more than 92% of the variation in market price per share (MPS) is explained by the selected independent variables. The F-statistic of 36.498 further confirms the overall significance of the model.

H_1: Dividend per Share has a positive and significant effect on stock price.

Dividend per share (DPS) showed a negative but statistically insignificant effect on market price per share ($\beta = -15.975$, $p = 0.407$). Thus, hypothesis **(**H_1) is rejected. This finding contrasts with Pradhan and Gautam (2016), who reported DPS as a significant determinant of shareholder wealth with a positive influence on market price per share in Nepalese commercial banks.

H_2: Earnings per Share positively and significantly influence stock price.

Earnings per share (EPS) shows a positive and statistically significant effect on MPS (β = 37.337, p = 0.028), suggesting that higher profitability directly contributes to increased stock prices. Thus, hypothesis **(**H_2) is accepted. This result is consistent with Hamal (2020) and Bhatt and Jain (2021)**,** who reported a significant positive effect of earnings on the share prices of Nepalese commercial banks, confirming that higher earnings enhance investor confidence and market valuations.

*H_3**:**Dividend Payout Ratio has a positive and significant relationship with stock price.*
In contrast, the dividend payout ratio (DPR) showed a negative but statistically insignificant effect on market price per share (β = -5.309, p = 0.335). Thus, hypothesis **(**H_3) is rejected This result differs from Ullah et al. (2015)**,** who found DPR to have a significant impact on stock prices in the Karachi Stock Exchange, emphasizing the role of dividend policy in shaping investor perceptions.

H_4: Dividend Yield has a negative and significant impact on stock price.
Likewise, dividend yield (DY) demonstrated a positive but statistically insignificant effect on market price per share (β = 242.729, p = 0.111). Thus, hypothesis **(**H_1) is rejected. This outcome contrasts with Almanaseer (2019)**,** who, in a study of insurance companies listed on the Amman Stock Exchange, reported a significant negative relationship between dividend yield and stock price.

H_5: Earning yield has a positive and significant influence on stock price.
Similarly, earnings yield (EY) demonstrates a strong and significant negative relationship with MPS (β = -464, p = 0.004), implying that an increase in EY is associated with a decline in market price. Thus, hypothesis **(**H_1) is accepted. This result is consistent with Bhatt and Jain (2021) found that EY had a significant negative relationship with stock prices in Nepalese banks, suggesting that higher yields may sometimes reflect undervaluation or market concerns.

7. Conclusion

This study concluded that the model has strong explanatory power, with more than 92% of the variation in market price per share explained by the selected variables. Among them, earnings per share (EPS) emerged as the most critical determinant of stock price, positively and significantly influencing market valuations and underscoring the importance of profitability in enhancing investor confidence. In contrast, earnings yield (EY) showed a significant but negative effect on stock prices, indicating that higher yields may reflect undervaluation or market risk. Dividend-related measures-dividend per share (DPS), dividend Payout Ratio (DPR), and dividend yield (DY)-were found to be statistically insignificant, suggesting that dividend policy, though theoretically relevant, plays a less direct role in shaping stock prices in the Nepalese banking context.

References

Almanaseer, S. R. (2019). Dividend policy and share price volatility: Evidence from Jordan. *Accounting and Finance Research, 8* (2), 75-85.

Baral, R. K., & Pradhan, A. (2018). Impact of dividend policy on share price of commercial banks in Nepal. *The International Research Journal of Management Science, 3* (1), 108-122.

Bhandari, B. & Pokhrel, T. (2012). Corporate Dividend policy: A Study of Commercial Banks of Nepal. *Journal of Administrative and Management Review, 24* (2): pp. 24-44.

Bhatt, S. & Jain, S. (2021). Dividend policy and share price volatility: Evidence from commercial banking sector. *International Journal of Modern Agriculture, 10* (1), 1104-1119.

Business Jargons Finance (2017). Dividend Policy. http://businessjargons.com/dividend- Policy.html. Retrieved: May 23, 2017.

Dongol, P., & Shrestha, A. (2023). Assessing the Impact of Dividend Policies on the Market Valuation of Development Banks in Nepal. *Journal of Kathmandu BernHardt College*, 107-117.

Enhardt, M. (2013). Corporate Finance: A focused approach. London, UK: Cengage Learn.

Gordon, M. J. (1963). Optimal investment and financing policy. *The Journal of finance*, *18*(2), 264-272.

Hamal, D. (2020). *Dividend policy and its impact on market share price of commercial banks in Nepal.* Unpublished Master's dissertation). Central Department of Management, Faculty of Management, Tribhuvan University, Kathmandu, Nepal.

Idewele, I.O., & Murad, B. (2019). Dividend policy and financial performance: A study of selected deposit money banks in Nigeria. *African Journal of Business Management, 13*(7), 239-255.

Kolawole, E., Sadiq, M.S., & Lucky, O. (2018). Effect of dividend policy on the performance of listed oil and gas firms in Nigeria. *International Journal of Scientific and Research Publications, 8*(6), 12-35.

Maharjan, M. (2019*). Dividend policy and its impact on share price: A case of Nepalese commercial banks.* (Unpublished master's dissertation). Central Department of Management, Faculty of Management, Tribhuvan University, Kathmandu, Nepal.

Miller, M. H., & Modigliani, F. (1963). Dividend policy and market valuation: a reply. *The Journal of Business, 36*(1), 116-119.

Miller, M., & Modigliani, F. (1961). Dividend policy, growth, and the valuation of shares. *Journal of Business, 34*(4), 411-433. https://doi.org/https://doi.org/10.1086/294442.

NainTarasarfarzRaja, A. (2014). Impact of dividend policy on shareholder wealth. IOSR Journal of business and management (IOSR-JBM). *16*(1), 24-33. https://doi.org/10.9790/487X-16152433

Ogolo, D. A. (2012). The effect of dividend policy on share prices of multinational and local Companies listed at the Nairobi Securities Exchange. Unpublished MBA project, University of Nairobi, Nairobi, Kenya.

Omoregie, A.E., & Eromosele, P.E. (2016). Dividend policy and shareholders' wealth: Evidence from some quoted banks. *International Journal of Marketing & Financial Management, 4*(6), 55-72.

Ozuomba, C.N., Okaro, S.C., & Okoye, P.V.C. (2013). Shareholder's value and firm's dividend policy:Evidence from public companies in Nigeria. *Research Journal of Management Sciences, 2*(12),26-28.

Pandy, I. (2001). Corporate dividend policy and behavior the Malaysian experience, working Paper, no. 2001-11-01.

Pradhan, R.S. & Gautam, N. (2016*). The dividend policy and share price volatility: A case study of Nepalese commercial banks.* (Doctoral dissertation, Tribhuvan University, Kathmandu, Nepal). Retrieved from http://ssrn.com/abstract=3044060

Şamiloglu, F., Bagcı, H., Oztop, A. O., & Kahraman, Y. E. (2017). Impact of dividend policy on share price: A case study in Istanbul Stock Exchange. IOSR *Journal of Economics and Finance, 8* (4), 49-53.

Sapkota, A. (2016). Firm specific and macro-economic determinant of share prices of Nepalese commercial banks. *Nepalese Journal of Business, 3*(4), 132-147.

Sapkota, A. K., & Pradhan, R. S. (2016). Impact of firm specific and macroeconomics variables to determinants of share prices of Nepalese commercial banks. *Journal of Management and Development Economics, 5*(1), 1-16.

Silwal, P. P., & Napit, S. (2019). Fundamentals of Stock Price in Nepalese commercial banks. *International research journal of management science, 4*, 83-98.

Ullah, H., Saqib, S. E., & Usman, H. (2015). The impact of dividend policy on stock price volatility: A case study of selected firms from textile industry in Pakistan. *International Journal of Academic Research in Economics and Management Sciences, 4* (5), 40-51.

Walter, J. E. (1963). Dividend Policy: its influence on the value of the enterprise. *The Journal of Finance, 18*(2), 280-291. https://doi.org/10.1111/j.1540-6261.1963. tb00724.x