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Literature review on dividend policy: An application of methodological literature review (MLR)

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Abstract

Purpose: The main objective of present paper is to review, classify, and identify the gaps in the existing literature on dividend policy.

Design/methodology/approach: By adopting methodical literature review process, the present present paper extant to propose a methodological literature review (MLR)

Findings: Detailed content analysis reveals that the select literature on dividend policy analyzed in different context give assorted view. So, far as valuation/stock performance, and dividend policy is concerned has not be resolved the debate whether dividend decision effect the valuation of firm or not. Further, the effect taxes and macroeconomics fundamentals on dividend policy is not clear. Other corporate financial practices and dividend policy studies confirms the relationship between each other. The studies on perception and determinants of dividend policy come out with number of determinants.

Originalit/value: The paper restrain a wide listing of publications on the dividend policy and their arrangement according to various classification schemes. The paper will be useful to academicians, researchers in the area of finance and others scholars who are having curiosity with dividend policy. To the best of the information, no detailed methodological literature review (MLR) paper has previously been published in any of academic journals.

Keywords: Literature review, dividend policy, India, determinants

1. Introduction

At the advent of financial sector reform in the nineties, corporate financial management (CFM) emerged as a distinct branch of study and had recorded transformative changes in relation to the theoretical and applied content of financial decision making.

Dividend decision is one of the most important issues in corporate financial decisions. Dividend decisions include how much profit after depreciation and tax payment should be disbursed, and in what form should it be disbursed to the shareholders. The underlying spirit of corporate financial management is to maximize the wealth of owners (Shareholders). Corporate financial practices largely influenced by dividend decisions, therefore, the dividend policy of a firm should be directed in such a way that it can influence the value of the firm.

The Linter (1956) [75] study was probably a work of breaking the path on corporate dividend policy. In 1958, Miller and Modigliani (M&M) did a rigorous research on the subject. Black (1976) insists the lack of consensus "the harder we look at the dividend picture, it feels like a puzzle, with pieces that just don't fit together". Brealey and Myers (2002) have also claimed dividend decisions as one of the top ten puzzles in finance. Therefore, it would be very useful to inquire about the dividend practices followed by corporate in India and abroad.

The literature indicates that corporate finance research has become more advanced, and the field continuously increasing and demonstrating evidence of growth. A large number of articles have published in different countries in recent decades; rapid growth in the area is attracting the attention of researchers. On the contrary, as far as this less attention has been paid to accumulate the literature in a methodical manner, particularly in the area of corporate finance. Further, there is a need of systematic inquiry of research articles published not only in a finance journal but also from other journals to inquire about how many countries and how many universities/institutions have contributed the maximum number of articles on dividend policy, what are the disciplinary trends of the area, what are the major area of research and which area need more attention (gap analysis) and so on. In pursuance to fill the

gap, the main objective of present paper is to review and classify the existing empirical literature on dividend policy.

Methodology of Literature Review

Literature reviews classify various up-and-coming trends in the field of study and helps to identify specific gap for research. Reviewing a large number of research articles on dividend policy researcher endow with the categories of the area into various classification schemes and enables a comprehensive listing of publication on the area with various aspects. As ascribed by Fink (2005) [41] “a literature review must use a methodology which is systematic in approach, explicit in describing the procedures and comprehensive in its scope of including all relevant material related to particular phenomena”. Ensuing, Singh and Kumar (2014) [108], Transfield, Denyer, and Smart (2003) [113] the present paper extant to propose a methodological literature review (MLR). The MLR process for identifying the gap in dividend policy research is categories in four phases as shown in figure 1.

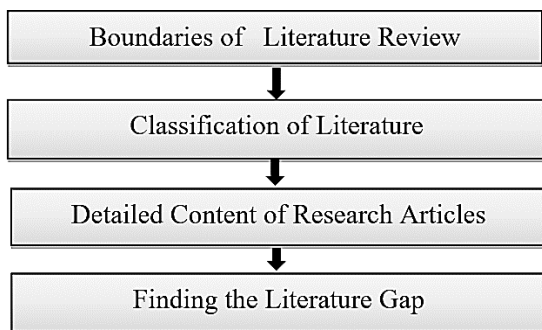


Fig 1: Phases of Methodological Literature Review (MLR)

Literature Boundaries

Scholarly research articles on “Dividend Policy” were searched in number of databases of academic journals to cover a sufficient and varied range of articles for review of the literature. For present study number of databases includes Emerald insight, Springer, Taylor and Francis,

Social Science Research Network (SSRN), JSTOR, and Oxford were explored. ‘Dividend Policy’, ‘Dividend Decisions’, ‘Payout’ keywords were used and limit the search results by advance search option [(dividend policy or dividend decision or payout) AND (manufacturing or services) AND (company or companies or industry or industries)]. Thereafter, some limit boundaries were developed to delimit the enormous quantity of literature by keyword/advanced search because it was impossible to review all searched literature.

So, following limit boundaries were used to screen the literature:

- Research article/papers of academic journals were considered only
- Research article were collected from 1930 to till date.
- Research article available in full text were considered.

Articles included in the samples for literature review are those who satisfied all listed delimiting conditions. Initially, the database search with delimiting boundaries resulted in more than 960 articles as presented in figure-2. After that, different processing steps were needed to ensure that identified articles really deal with the area of our study.

Table 1: Sources of Literature Search

Database	Scope	Date of Search	Time horizon	Total number of selection
Emerald insight	Title/abstract keywords	10 March 2016	1930-till date	99
JSTOR	Title/abstract, keywords	10 March 2016	1930-till date	283
Oxford	Title/abstract, keyword	10 March 2016	1930-till date	07
Springer	Title/abstract, key words	10 March 2016	1930-till date	81
SSRN	Title/ abstract, keywords	10 March 2016	1930-till date	53
Taylor & Francis	Title /abstract keywords	10 March 2016	1930-till date	46
Total			568	

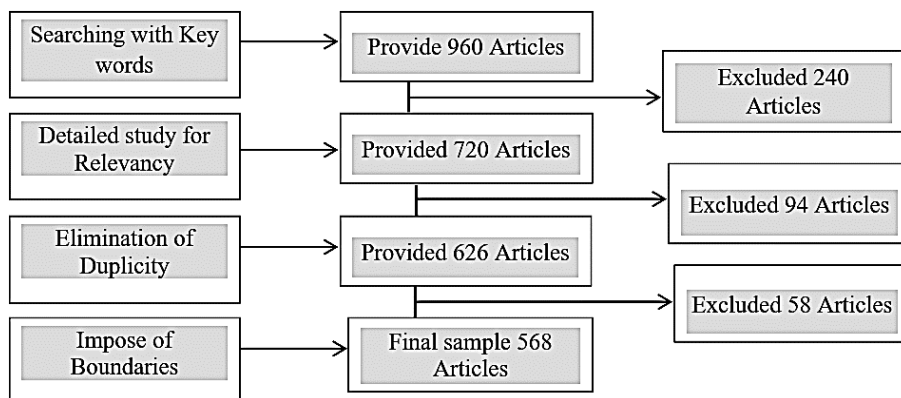


Fig 2: Article Selection process

At the preliminary exploration only abstracts reading was completed and thereby giving a reselection on their appropriateness for the present study. After the detailed of research papers, 568 articles were selected for the literature review. However, some articles presented in more than one database were removed.

Classification of Literature

Total 568 articles identified by MLR (methodological literature review) were analyzed using classifications, on the basis of the author, type of research, the origin of study, the context of the study, database, statistical-tools, journals publication, University, Sector, Industry, and zone-wise

studies. It was done to recognize the development and issues in the area of dividend policy research as:

Author and Year-Wise Classification of Studies

Table-2 present year wise classification of selected research papers. Classification presents that up to 1960 there were only 14 research papers published on dividend policy in select databases.

Table 2: Year-Wise Classifications of the Studies

Years	Articles	Percent
1930-50	7	1.23
1951-60	7	1.23
1961-70	25	4.40
1971-80	60	10.56
1981-90	56	9.85
1991-2000	85	14.96
2001-till date	328	57.74
Total	568	100

Further, classification reveals that over the total period of 86 years (1930-2016) last two decade registered a significant increase in dividend policy research, during the period 58

percent research paper was published in the databases, this increase was more than double as compared to the studies in the previous years (1930-2000). This rapid growth in the area is attracting the attention of researchers in corporate finance particularly in dividend policy decisions.

Journals/Databases Contribution

Table-3 provides the list of top ten journals published maximum number of research articles during the period of 1930-2016. Among the top list Journal of Finance of JSTOR database have published 73 research papers followed by Managerial Finance of Emerald published 57 research papers, Managerial Finance of JSTOR published 28 research papers, Applied Financial Economics of Taylor and Francis published 25 research papers, Financial and Quantitative Analysis of JSTOR published 23 research papers, Review of Financial Studies of Oxford published 17 research articles, and Economics & Statistical, Financial Analysis Journal, Quarterly Journal of Business & Economics of JSTOR published 14 research papers each. In nutshell, top ten journals have contributed 50 percent of research publications on dividend policy and JSTOR database has the highest publication on the same.

Table 3: Journal publication-wise and year-wise classifications of the studies

Years	1930-50	1951-60	1961-70	1971-80	1998-90	1991-2000	2001-till date	Total	Percent
Journal Title (Database)									
Journal of Finance (JSTOR)	-	1	5	19	23	17	8	73	12.85
Managerial Finance(Emerald)	-	-	-	-	-	6	51	57	10.03
Financial Management (JSTOR)	-	-	-	4	7	9	8	28	4.92
Applied Financial Economics(Taylor& Francis)	-	-	-	-	-	4	21	25	4.40
Financial & Quantitative Analysis(JSTOR)	-	-	1	6	4	7	5	23	4.04
American Journals of Finance (JSTOR)	-	-	4	3	7	3	4	21	3.69
Review of Financial Studies(Oxford)	-	-	-	-	2	8	7	17	2.99
Economics & Statistical(JSTOR)	-	-	2	6	2	1	3	14	2.46
Financial Analysis Journal(JSTOR)	-	3	1	-	3	1	6	14	2.46
Quarterly Journal Of Business & Economics(JSTOR)	1	-	-	2	2	6	3	14	2.46
Others	-	-	-	-	-	-	-	286	50.35
Total	1	4	13	40	50	62	116	568	100

Database and Year-Wise Classification of Studies

Table-4 presents the classification papers published in databases. As mentioned in Table 3 JSTOR has highest published paper on dividend policy approximately 50

percent followed by 17 percent and 14 percent of Emerald and Springer respectively. Among selected databases, Oxford has the lowest contribution.

Table 4: Databases and Year-wise Classification of Studies

Years	1930-50	1951-60	1961-70	1971-80	1981-90	1991-2000	2001-till date	Total	Percent
Database									
Emerald	-	-	-	-	1	10	88	99	17.42
JSTOR	7	7	25	60	55	63	66	283	49.82
Oxford	-	-	-	-	-	3	4	7	1.23
Springer	-	-	-	-	1	8	72	81	14.26
SSRN	-	-	-	-	-	1	52	53	9.33
Taylor & Francis	-	-	-	-	-	-	46	46	8.09
Total	7	7	25	60	56	85	328	568	100

University/Institutional Contribution

Table-5 shows University/Institutional wise contribution in dividend policy studies. Around the world, only 340 universities/ Institutions contribute in the area. University of

Washington (USA) having the highest contribution in the area followed by the University of Pennsylvania, University of Chicago, New York University, Stanford University.

Table 5: University/Institutional Contribution in Corporate Dividend Studies

Universities	Total	Percent
Universities of Washington USA	31	5.45
University of Pennsylvania	14	2.46
University of Chicago	14	2.46
New York University	13	2.28
Stanford University	13	2.28
University of California, Berkeley	11	1.93
Cornell University	9	1.58
University of Illinois's Urbana (USA)	9	1.58
Harvard University	8	1.40
Xi'an Jiao tong University	8	1.40
Others	438	77.11
Total	568	100

Further, only a few institutions from India contributed in the area. The major contributor from India is Indian Institute of

Management, Ahmadabad, and few other IIMs, followed by University School of Management (USM), Punjab University, Chandigarh, and Delhi School of Economics, New Delhi.

Origins of Studies

Table-6 shows the year-wise origin of studies. The select studies contributed from countries around the world. The United State of America (USA) contributed 26 percentage of total publication in the databases followed by United Kingdom (UK), and India respectively 4.23 and 4.05 percent. More than 50 percent research publications were contributed by other countries. American and European continents having a major contribution to the dividend policy research, whereas, African and Asian countries are having least contribution.

Table 6: Origins of Studies Year-wise

Continent	Origin of Studies	1930-50	1951-60	1961-70	1971-80	1981-90	1991-2000	2001-till date	Total	Percent
Asia	Indonesia	-	-	-	-	--	-	5	5	0.88
	India	-	-	2	2	-	1	18	23	4.05
	Japan	-	-	-	-	-	2	3	5	0.88
	Kuwait	-	-	-	-	-	-	1	1	0.18
	Thailand	-	-	-	-	-	-	4	4	0.70
	Jordon	-	-	-	-	-	-	4	4	0.70
	Malaysian	-	-	-	-	-	-	3	3	0.53
	Pakistan	-	-	-	-	-	-	5	5	0.88
	Turkey	-	-	-	-	-	-	4	4	0.70
	Hong-Kong	-	-	-	-	-	-	3	3	0.53
	Taiwan	-	-	-	-	-	1	3	4	0.70
Africa	South-Korea	-	-	-	-	-	1	4	5	0.88
	South Arabia	-	-	-	-	-	-	1	1	0.18
	Nigeria	-	-	-	1	-	-	3	4	0.70
America	Ghana	-	-	-	-	-	-	2	2	0.35
	South Africa	-	-	-	-	-	1	2	3	0.53
	USA	3	3	1	10	21	26	87	151	26.58
Europe	Canada	-	-	-	1	2	1	5	9	1.58
	Germany	-	-	-	-	-	1	4	5	0.88
	UK	-	-	1	1	-	6	16	24	4.23
Others	4	4	20	45	33	46	152	304	53.52	
Total	7	7	24	60	56	85	328	568	100.00	

Author-Wise Classification of Studies

Table-7 shows author-wise classification of dividend policy studies. Out of 568 select research publications, 39 percent studies are two authors followed by 34 percent single authored. There are very few studies published by more than two or more authored.

Table 7: Authors-wise classification of studies

Authors	Total	Percent
Single-Author	194	34.15
Two-Author	225	39.61
Three-Author	114	2.07
Four or more Author	35	6.16
Total	568	100

Type of Research Classification of Studies

Research article were classified on the basis of the qualitative and quantitative type of research. Table-8 presents that out of select research papers 25 percent are of qualitative in nature includes conceptual and review of literature papers. Only 20 research articles are of review of literature and rest of 25 percent (145 papers) is of conceptual type. Further, table reveals that majority (75 percent) of studies considered secondary or primary data to study dividend policy and studies using secondary data has increased exponentially over the study period.

Table 8: Type of Research and year-wise Classification of Studies

Years		1930-50	1951-60	1961-70	1971-80	1981-90	1991-2000	2001-Till date	Total	Percent
Types of Research	Data									
	Qualitative	5	4	16	22	16	20	62	145	25.52
Quantitative	Secondary	1	3	9	38	40	65	251	407	71.65
	Primary	1	-	-	-	-	-	15	16	2.81
Total		7	7	25	60	56	85	328	568	100

Sector/Industry-wise Classification

This classification provides the insight about the sector as well as industry studied about dividend policy. Table-9

presents sector-wise as well industry-wise classification of select literature.

Table 9: Sector/Industry-wise Classification of Studies

Sector	Years	1930-50	1951-60	1961-70	1971-80	1981-1990	1991-2000	2001-till date	Total
	Industry								
Manufacturing	Textile	-	-	1	-	-	-	-	1
	Automobile	-	-	-	-	2	9	16	27
Services	Electricity	-	-	2	3	1	1	2	9
	Insurance	-	-	1	1	2	3	14	21
	Banking	-	-	-	3	2	1	16	22
	IT	-	-	1	-	-	-	2	3
Multi-industry		1	3	6	20	29	68	213	340

As Table-8 shows that out of 568 research papers 423 were of quantitative research in which 28 studies taken a sample from manufacturing sector includes textile and automobile industry; 55 studies taken a sample of services sector includes electricity, insurance, banking, and information technology; and 340 studies considered multi-industry sample for their research. So, it implies that majority of research studies are considering mix (sector/industry) sample to enquire about any differences in dividend practices over sector/industry.

(Dahlstrom, Nygaard, and Crosno, 2008). The statistical techniques applied in select research papers are categorized into two classes one is statistical techniques, and other is advanced econometric tools. As Table-10 reveals that majority of studies applied statistical techniques for data analysis includes correlation, regression, t-test, chi-square test, ANOVA/MANOVA, and factor analysis. A few studies analyzed the data using econometric tools. Among econometric tool Augmented Dickey-Fuller test, Wald test, Granger causality, and LR test were applied.

Statistical Techniques

As the level of research area expands, a variety of methods provides the potency of generalization of theoretical bases

Table 10: Statistical Techniques of Studies

	Statistical tools	Total
Statistical Tools	Correlation	126
	Regression/ Multi-regression	263
	Factor Analysis	8
	ANOVA/MANOVA	13
	T-test	70
	F-Test	26
	Chi-square	49
	Cluster analysis	1
	Z-test	10
Econometric Tools	Wald- test	10
	Likelihood-ratio Test	11
	Unit Root Tests: ADF, Phillips–Perron test, Co-integration, Kwiatkowski–Phillips–Schmidt–Shin (KPSS) tests	26
	Granger - casualty test	9
	Durbin Watson	8
	Welch's test	1
	Time-series Analysis	9
	Structural Equation Modelling	2
Total		644

Major Contexts and Disciplines of Studies

To examine the major contexts and disciplines of studies, content analysis of select literature was conducted. The corporate decisions are multifaceted by dividend decisions, some research studies have undertaken more than one context, but most relevant contexts within each paper were considered for the literature review. The analysis of contexts and disciplines reveals that ten contexts accounted for 91.02

percent of articles. The results indicates that "Valuation/Stock Performance and Dividend Policy" accounted 15 percent of articles and appeared as most frequent context of research in dividend policy, followed by "Conceptual", "Theories and Dividend Policy", "Tax Effect and Dividend Policy", and "Determinants of Dividend Policy" articles accounted 14 percent, 13 percent, 11.44 percent, and 10.55 percent of total research articles.

Table 11: Major Contexts and Disciplines of Studies Year-wise and Database-wise

Years	1930-50	1951-60	1961-70	197-80	1981-90	1991-2000	2001-Till date	Total
Context of Study								
Determinants of Dividend Policy	1	1	2	2	5	7	40	60
Valuation/Stock Performance and Dividend Policy	-	1	3	3	10	13	55	85
Theories and Dividend Policy	1	4	8	13	12	1	35	74
Economic Variable and Dividend Policy	-	-	2	1	3	2	16	25
Corporate Financial Practices and Dividend Policy	-	-	1	5	4	9	26	45
Tax Effect and Dividend Policy	-	-	2	7	9	15	32	65
Profitability and Dividend Policy	1	-	1	-	-	1	9	12
Perception and Dividend Policy	-	-	-	-	-	2	17	19
Types of Dividend Policy	4	1	1	5	3	15	23	52
Conceptual	1	-	5	22	12	12	28	80

Further, results revealed that most of the contexts covered by select literature have grown over time. The most grown contexts are “Determinants of Dividend Policy” and “Tax Effect and Dividend Policy” after 2001 to date. Therefore, the research on dividend policy is more focused on determinants and tax considerations of dividend policy nowadays. Detailed literature review according to contexts is presented as:

Literature Review of Contexts of Dividend Policy

The analysis of contexts and disciplines of dividend policy research reveals that eight contexts accounted for 91 percent of articles. Determinants of dividend policy; Valuation and dividend policy; profitability/earnings and dividend policy; dividend and other corporate financial practices; taxation and dividend policy; economic fundamentals and dividend policy; and others are the major themes of dividend policy research. The findings of various contexts of dividend policy research as under:

According to scholarly work of researchers of fame like Lintner (1956)^[75]; Brittain (1966)^[27]; Khurana (1985)^[64]; Mahaptra and Sahu (1993)^[77]; Bhat and Pandey (1994)^[24]; Mollah and Mobarek (2007); Pal and Goyal (2007)^[60]; Bodla, Pal, and Sura (2007)^[26]; Saima and Sumi (2011)^[104]; Jensen, Solberg, and Zorn (1992)^[56]; Arif and Akbar (2013)^[12]; Kuzucu (2015); and Roy (2015) lag dividend, earnings, cash flow, liquidity, depreciation, size, age, growth, investment spending, tax, market to book value, and ownership structure are major determinants of dividend policy.

Do dividend decisions affect the value of a firm? The knot is still an unresolved on the role of dividend decisions in the valuation of a firm. Miller and Modigliani (1958 and 1961) in his scholarly work “assert that dividend decisions irrelevant under perfect market conditions”. Srivastva (1968)^[105]; Meckenzie and Thompson (1995)^[81]; Naranjo, Nimalendran, and Ryngaert (1998)^[92]; and Aono and Lwaisako (2010)^[11] also support the MM hypothesis that dividend payments in excess of earnings (residual) can not affect owners wealth as well value of a firm. Whereas, “MM postulation of the perfect capital market does not hold true, hence, dividend policy is pertinent to affect value of firm and owners”. Durand (1963)^[37], and Walter (1963)^[114] “strongly asserts that the choice of dividend policies almost always affect the value of the enterprise”. Graddy and Karna (1986)^[36]; Han and Khanksari (1996); Habib(2004)^[4]; Yilmaz and Gulay (2006)^[117]; Irala (2006)^[54]; McCluskey, Burton, and Power (2007)^[80]; Campbell and Ohyocho (2011); Hussainey, Mabame and Chijoke-Mgbame (2011); and Zhou (2012)^[72] found the affirmative relationship

between dividend yield and positive change in stock price change and support the notion that dividend policy affects share valuations.

The interesting context of dividend research whether dividend changes provides informational contents about future earnings/profitability has been researched by number of researchers with assorted views. Lintner (1956)^[75]; Bhattacharya (1979)^[25]; Grinblatt, Masulis, and Titman (1984)^[46]; John and Williams (1985)^[59]; and Miller and Rock (1985)^[85]; and Lakonishok and Lev (1987)^[71] “find evidences that dividend changes and future earnings associated positively and dividend decision considered illustrious techniques use to forecast firms future prospects”. The researches of Watts (1973)^[115]; Gonedes (1978)^[44]; Penman (1983)^[96]; De Angelo, De Angelo, and Skinner (1996)^[33]; Benartzi, Michaely, and Thaler (1997)^[22]; and Grullon, Michaely, and Swaminathan (2002)^[47] “viewed that dividend changes provides futile signal of future earnings in both short and long-term”.

Dividends remain one of the extreme paradoxes of modern finance and demonstrate an assorted relationship with other corporate financial practices. The research work on dividend and other corporate financial practices, the majority of studies on this context studied dividend policy and capital structure. Kim, Rhim, and Friesner (2007)^[66]; Mancinelli and ozkan (2006); Abdelsalam, Masry, and Elsegini (2008)^[2]; Bokpin (2011); Najjar (2011); and Abbas, Hashmi, and Chishti (2013 and 2014) concluded that “dividend policy and capital structure are positively correlated with each other”. The only empirical study of Al-Najjar and Kilincarslan (2016) results illustrated negative rapport of ownership structure and dividend policy.

For decades researchers in corporate financial practices have debated and sought evidence about taxes on dividends. Brittain (1964); King’s (1971)^[68]; Fldstein (1972) indicates that “differential taxation affects the dividend payout Ratio”. But Change and Rhee (1990); Mckenzie and Thompson (1995)^[81]; Bernheim (1991)^[23]; Bhattacharya (1979)^[25]; John and Williams (1985)^[59]; Amihud and Murgia (1997)^[8]; and Kalay and Michaely (2000) find the negative association between shareholders tax relates and dividend yield or dividend payout ratio.

Descriptions of factor that influence the dividend Policy has been one of the difficult challenges facing by the financial economist. Pilotte (2003)^[38]; Basse and Reedman (2011)^[112] indicated positive relationship between inflation and dividend payout. Likewise Serfling, and Miljkovic (2011)^[79] “agrees that industrial production index and consumer price index are having simultaneous and significant interaction with dividend yield” whereas, Pandey and Bhat

(2007) ^[53] “find that restricted monetary policies have significant influence on dividend payout behavior of Indian firm”.

Findings from Literature Review

Based on the analysis of select literature on dividend policy through methodological literature review (MLR) number of findings about research methods, research settings, statistical techniques, and empirical framework were discussed. The most relevant issues are:

Over the period of 86 years the last two decades registered significant increase in dividend policy research papers; rapid growth in the area is attracting the attention of researchers in corporate finance particularly in dividend policy. Among the Universities/Institutions contribution University of Washington, USA; University of Pennsylvania; University of Chicago; New York University; and Stanford University contribution is maximum in the area whereas, Indian Institute of Managements (IIMs) followed by University School of Management, Punjab University, Chandigarh; and Delhi School of Economics, New Delhi are the major contributor from India. United State of America (USA) alone contributed 26 percent of total publication on dividend policy followed by United Kingdom (UK). Thus, African and European continents have major contribution in dividend policy research but American and Asian countries are lagging behind. Most of the research papers on dividend policy were published by JSTOR database; oxford database has very less contribution among the select databases.

Majority of studies on dividend policy were of quantitative type using primary and secondary data. The study using secondary data has increased exponentially over the last decades. Majority of research studies were considered Multi-sector, Multi-industry sample to enquire about any differences in dividend practices over sector / Industry. As the level of research expands number of statistical methods provides the input for generalization of objectives. As majority of research paper on dividend policy used traditional statistical techniques in the initial period, now gradually some of researchers in the area are using advance statistical and econometric tools for analyzing the data.

Conclusion

After reviewing the existing literature in the area of dividend policy, a number of important sockets come out. Firstly, the topic of dividend policy has been grossly researched on various contexts. The rapid growth in the research area is attracting the attention of researcher in dividend policy. Secondly, dividend policy grossly researched by American and European continents particularly USA, UK, Germany, and Canada. There are very few studies available from African and Asian countries. Third, Majority of research studies using secondary data of multi-sector / multi-industries. Forth, Most of research papers on dividend policy applied traditional statistical techniques. Fifth, the select literature on dividend policy analyzed in different context give assorted view. So, far as valuation / stock performance, and dividend policy is concerned has not be resolved the debate whether dividend decision effect the valuation of firm or not. Further, the effect taxes and macroeconomics fundamentals on dividend policy is not clear. Other corporate financial practices and dividend policy studies confirms the relationship between each other. The studies on

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