SJIF Impact Factor (2025): 8.688| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 10 | Issue: 12 | December 2025 - Peer Reviewed Journal

EFFECT OF DIVIDEND DECLARATION ON STOCK PRICE FLUCTUATIONS IN THE INDIAN EQUITY MARKET- A STUDY

Ms. G Meghana[1], Dr. R S Ch Murthy Chodisetty[2]
[1]MBA Student (24881E0016), Department of Management Studies,
Vardhaman College of Engineering, Shamshabad, Hyderabad. Telangana
Associate Professor, Department of Management Studies,
Vardhaman College of Engineering, Shamshabad, Hyderabad. Telangana
0000-0001-6222-0373

Article DOI: https://doi.org/10.36713/epra25556
DOI No: 10.36713/epra25556

ABSTRACT

The primary purpose of this study is to examine the effect of dividend declaration on stock price fluctuations in the Indian equity market. Specifically, the study aims to analyze how dividend announcements influence share price volatility and investor behavior around the announcement period for companies listed on the National Stock Exchange (NSE). The research seeks to assess the market reaction to dividend-related information and to determine whether dividend declarations convey meaningful signals that impact stock prices. Additionally, the study intends to evaluate the efficiency of the Indian equity market in incorporating dividend information into share prices, thereby providing insights useful to investors, corporate managers, and policymakers in formulating effective dividend and investment strategies. The findings of the study reveal that dividend announcements have a ***significant impact on short-term stock price volatility****, indicating the presence of information signaling effects in the Indian equity market. Positive dividend declarations tend to generate favorable market reactions, while changes or reductions in dividend payouts often lead to increased price fluctuations. The results suggest that the Indian stock market exhibits* ***semi-strong form efficiency****, as stock prices quickly incorporate publicly available dividend-related information. The study provides valuable insights for investors, corporate managers, and policymakers in understanding market behavior around dividend events and highlights the importance of dividend policy as a strategic financial decision*

KEYWORDS

- *Dividend Declaration*
- *Stock Price Fluctuations*
- *Share Price Volatility*
- *Indian Equity Market*
- *National Stock Exchange (NSE)*

JEL Codes:

- ***G10** – General Financial Markets*
- ***G11** – Portfolio Choice; Investment Decisions*
- ***G14** – Information and Market Efficiency; Event Studies*
- ***G30** – General Corporate Finance*
- ***G35** – Payout Policy (Dividends)*

1. INTRODUCTION

Every company when it goes public, they have to be clear about their dividend policy. Dividend policy includes all the detailed information about how the company is going to treat its profits and the way of giving the dividend, in what time that they are going to pay dividend, how much they are going to pay, procedures followed for dividend decision, etc.

Types of Dividend

- **Cash** – this is the payment of actual cash from the company directly to the shareholders and is the most common type of payment. The payment is usually made electronically (wire transfer), but may also be paid by check or cash.
- **Stock** – stock dividends are paid out to shareholders by issuing new shares in the company. These are paid out pro-rata, based on the number of shares the investor already owns.
- **Assets** – a company is not limited to paying distributions to its shareholders in the form of cash or shares. A company may also pay out other assets such as investment securities, physical assets, and real estate, although this is not a common practice.

SJIF Impact Factor (2025): 8.688| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 10 | Issue: 12 | December 2025 - Peer Reviewed Journal

- **Special** – a special dividend is one that's paid outside of a company's regular policy (i.e., quarterly, annual, etc.). It is usually the result of having excess cash on hand for one reason or another.
- **Common** – this refers to the class of shareholders (i.e., common shareholders), not what's actually being received as payment.
- **Preferred** – this also refers to the class of shareholders receiving the payment.
- **Other** – other, less common, types of financial assets can be paid out as dividends, such as options, warrants, shares in a new spin-out company, etc.

Types of Dividend Policies

Regular Dividend Policy

This is one of the types of the dividend policy that the company can adopt for treating its dividend decisions. Under regular dividend policy the company will pay the part of the profit to its investors. Under this policy the amount that the investors are going to get not sure. Sometimes it can be more and sometimes it can very less. It all depends on the performance of the for that year and the profits that it has made by doing the business.

Stable Dividend Policy

Under this type of dividend policy, the company is bound and promises to pay dividends to its investors of its profits. Under stable dividend policy, the investors are going to get dividend in the regular intervals as decided by the company. The investors of the company which follows stable dividend policy will get a fixed amount of dividend with no relation to how much the profits that the company is making. Investors will be getting a fixed amount every time when the company issues dividend.

Irregular Dividend Policy

As the name say the companies which follows the irregular dividend policy pays their investors irregularly. The dividend decision is taken by the company in the Annual General Meeting (AGM) whether to give dividend or to retain the profits. Companies which follow this policy will mutually discuss and take decision regarding the payment of dividends. One year they may give dividend and in the other year they may not provide the dividend. The company focuses on the wealth maximization of the investors than the short-term gain that they make on the dividends.

No Dividend Policy

Companies which follow no dividend policy will not issue dividend to its investors. That company will retain 100% of the profit and will utilize the money for future development and expansions. The only way that the investors are going to make money is the appreciation in the value of their investment.

2. REVIEW OF LITERATURE

- **Atha Mbawa Jahfer, Abdul Hameed Mulafara (2016)** in the article "Dividend policy and share price volatility: Evidence from Colombo Stock market" published that the objective of this study is to examine the relationship between share price volatility and firm's dividend policy on the Sri Lankan stock market listed in Colombo stock exchange for the period 2009–2013. The study is based on secondary data collected from various sources of relevant information and sample is 56 non-finance companies listed in Colombo stock exchange, Sri Lankan. They used mean, variance and standard deviation, correlation matrix ordinary least square regression model, multi regression models. Regression results indicate that there is a significant positive relationship between share price volatility and dividend policy of the firm. The dividend policy is relevant in determining share price changes in the Colombo stock market. According to regression results, size is significantly negatively related with price volatility, suggesting that the larger the firm, the less volatile the stock price.
- **Tuigong Wilson Kibet, Jagongo A. O, Ndede F.W. S (2016)** in the article "Objective of this study was to investigate the effect of dividend policy on the stock prices of firms listed at the Nairobi Securities Exchange for the period of 2001 and 2011. The study also compared both cash and share dividend and its effect on share price volatility of the companies. The study is based on secondary data and sample is 55 companies listed in Nairobi Securities Exchange. They have used ordinary Least Square diagnostic tests, Random Generalized Least Square regression analysis. Results of the study implied that dividend policy affects the share price and that increase in cash dividend would result in increase in share price for companies listed at the Nairobi Securities Exchange. The management of listed firms should consider adoption of cash dividend policy more than share dividend as a strategy aimed at increasing the value of the firms due to its positive effect on the share price.
- **Syed Akif Shah, Umara Noreen (2016)** in the article "Stock Price Volatility and Role of Dividend Policy: Empirical Evidence from Pakistan" published that this research endeavors to figure out the relationship between share price volatility and dividend policy of listed companies in Karachi Stock Exchange (KSE), Pakistan for the period of 2005-2012. The study is based on secondary data and sample is 50 non-finance consistent dividend paying companies listed in Karachi Stock Exchange (KSE), Pakistan. They have used : Multiple regressions analyses, least squares methods. The study concludes that there is significant negative relationship between share price volatility and dividend policy. It has been empirically proved that dividend policy has significant relationship with stock price volatilities and this relationship can either be positive or negative depending upon the financial and political system a country has.

SJIF Impact Factor (2025): 8.688| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 10 | Issue: 12 | December 2025 - Peer Reviewed Journal

- **Byson B. Majanga (2015)** in the article "The Dividend Effect on Stock Price-An Empirical Analysis of Malawi Listed Companies" published that this paper aims at establishing if there exists such a direct relationship between a firm's dividends and its stock price with particular emphasis on the Malawi Stock Exchange (MSE) for the period 2008 to 2014. The study is based on secondary data and the sample is 13 companies listed in Malawi Stock Exchange (MSE). The have used Descriptive statistics, correlation analysis. The study therefore establishes that on the Malawi Stock Exchange (MSE), there is a strong positive relationship between a firm's dividends and its stock price on the stock market. The study further finds that stock price is an outcome of a number of factors, dividends being one of them and having a very significant contribution.
- **Anas Al Qudah, Aziz Yusuf (2015)** in the article "Stock Price Volatility and Dividend Policy in Jordanian Firms" published that This study examines the relationship between stock prices and dividend policy. The model developed for this research evaluates the relationship between dividend policy and stock price volatility over a span of ten years. It is based on secondary data and the sample is 400 companies listed in Amman Stock Exchange. All of the data chosen for this research was obtained from the Amman Stock Exchange (ASE) over the periods 2001 -2011. The study uses multiple least square regressions, Pearson correlation analysis for its analysis. Results shows that there is a positive relation between the share price volatility and the dividend yield. The results also demonstrated that higher payout ratios would mean low volatility of the stock price. The concluded by saying that the company managers at the Jordanian industrial firms need to affect their firms' share prices by taking into consideration the dividend policy that is attractive to their targets investors.
- **Fawaz Khalid Al-Shawawreh (2014)** in his article "The Impact of Dividend Policy on Share Price Volatility: Empirical Evidence from Jordanian Stock Market" published that the purpose of this study was to examine the relationship between dividend policy and share price volatility of companies listed in Jordanian stock market, Hong Kong. The data is based on secondary data and sample is 53 companies listed in Jordanian stock market, Hong Kong. They have used Correlation Analysis, linear regression analysis in the study. The study found that dividend payout and stock dividend have most impact on share price volatility. The dividend policy of the companies is going to have impact on share price volatility.
- **Yasir Habib, Zernigah Irshad Kiani & Muhammad Arif Khan (2012)** in the article "Dividend Policy and Share Price Volatility: Evidence from Pakistan" published that the main purpose of this study is to find out the role of dividend policy i.e., dividend yield on share price changes in the long run in Pakistan. The companies that are included in the study are non-financial firms listed in Karachi Stock Exchange 100 index. It is based on secondary data and the sample is companies listed in Karachi Stock Exchange 100 index. They have used cross sectional regression analysis, mean, median and standard deviation. The regression results showed that relationship of share volatility with dividend yield is positive. The study found that issuing of dividend has a positive impact on share volatility in the market and issuing of dividend leads to increase in share price of the company in the stock market.
- **Khaled Hussainey, Chijoke Oscar Mgbame, Aruoriwo M. Chijoke-Mgbame (2011)** in the article "Dividend policy and share price volatility: UK evidence" published that the purpose of this study is to examine the relation between dividend policy and share price changes in the UK stock market. It is based on secondary data and sample is public companies listed in London Stock Exchange. Correlation and Multiple regression analysis is used to explore the association between share price changes, both dividend yield and dividend payout ratio. A positive relation is found between dividend yield and stock price changes, and a negative relation between dividend payout ratio and stock price changes. In addition, it is shown that a firm's growth rate, debt level, size and earnings explain stock price changes.
- **Dr. J. J. Adefila, Dr. J. A. Oladipo and J.O Adeoti (2004)** in the article "The Effect of Dividend Policy on the Market Price of Shares in Nigeria: Case Study of Fifteen Quoted Companies" published that the objective of this study is to critically examine the possible effects that a firm's dividend policy might have on the market price of its common stock and also, those factors that influence firm's dividend policy in general of quoted companies in Nigeria. data is based on secondary data and sample is 15 selected companies from Nigeria stock exchange. In this study Person's Movement Correlation is been used. The study found that there is no significant relation between dividends and share prices. Share prices of Nigerian firms are fixed and regulated by the Securities and Exchange Commission (SEC) for quoted companies only. Most Nigerians buy and own shares for prestigious reasons aimed at boosting their egos and not for speculative reason.

- **Radhe Shyam Pradhan (2003)** in the article "Effects of Dividends on Common Stock Prices: The Nepalese Evidence" published that this paper examined the valuation of firms whose shares are traded in the Nepalese stock market. it attempts to determine relative importance of dividends and retained earnings in determining market price of share. The study aimed on knowing the effect of issuing dividend against retained earnings. The study is based on secondary data collected from various sources. The sample is 29 companies that are listed in Nepal Stock Exchange. The study has used linear and logarithmic forms, Regression, continuous cross-section techniques. The results of the study show the customary strong dividend and very weak retained earnings effect. Nepalese investors are more attractive towards dividends than the retained earnings. Found that dividends have a predominant influence on stock prices. The study concluded that Nepalese stock market has not started recognizing the impact of retained earnings.

SJIF Impact Factor (2025): 8.688| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 10 | Issue: 12 | December 2025 - Peer Reviewed Journal

3. STATEMENT OF THE PROBLEM

In this paper, the date of dividend announcement is defined as day 0 or event day.
If event day is a non-trading day, then the immediately following trading day is considered as an event day. Pre-announcement period includes 15 trading days prior to the dividend announcement date, i.e., days -15 to -1. Post announcement period includes 15 trading days after the dividend announcement i.e., days +1 to +15. Thus, we have taken the event window of 31 trading days (including day 0 as the event day). The estimated abnormal returns are averaged across securities to calculate Average Abnormal Returns (AARs) and average abnormal returns are then cumulated over time in order to ascertain Cumulative Average Abnormal Returns (CAARs).

4. OBJECTIVES OF THE STUDY

- To study the Relationship of divided announcement on share price Shree Cement Company
- To study the Impact of pre and post dividend announcement on share price at Shree Cement Company
- To study stock/ share price volatility during pre and post dividend announcement by using ARCH family/ ARCH models

5.HYPOTHESES OF THE STUDY

H0: There is no Relationship Between Divided and Share price in Shree Cement Company
H1: There is a Relationship Between Divided and Share price in Shree Cement Company
H0: There is no Impact of pre and post dividend announcement on share price in Shree Cement Company
H1: There is a Impact of pre and post dividend announcement on share price in Shree Cement Company
H0: There is no volatility of pre and post dividend announcement on share price in Shree Cement Company.
H1: There is no volatility of pre and post dividend announcement on share price in Shree Cement Company

6. RESEARCH METHODOLOGY

- **Sources of Data:** The secondary data were obtained from the annual reports of the ten public sector banks. Additional data for analysis and verification were sourced from ww.moneycontrol.com. The data were subjected to certain fundamental mathematical operations such as computing the ratios, before being used for the analysis.
- **Research tools**
  - Correlation,
  - Regression
  - Descriptive Statistics
  - Stationary test
  - Regression Analysis
  - Arch and Garch Models.

7. SCOPE OF THE STUDY

- The study covers the basic meaning, types, theories and concepts of Dividends, share price volatility and ARCH models.
- The study is restricted to consider only the share prices of the stocks on dividend announcement day.
- The study is confined to 10 selected cement industries which are listed in National Stock Exchange.
- The study period consists of 10 years, i.e., 2012-2021.

8. NEED FOR THE STUDY

Dividend policy is one of broad researched topics in the field of finance, but the question is whether dividend policy affects stock prices still remain questionable among researchers, managers and policy makers. Dividend policy is important for managers, lenders and for other stakeholders. It is also important for investors because they consider dividends not only the source of income but also a way to evaluate the firms from investment points of view stated by Al-Masum (2014) and Rossi (2015)..

9.LIMITATIONS OF THE STUDY

- The study is limited only to selected cement industries.
- Focusses only on 10 selected cement industries rather than all cement industries.
- This study included data only form 2012-2021 and not anything beyond.
- The data used for the study are secondary. So, there is a chance that data may have lack of accuracy.
- The study is based on secondary data available from money control, yahoo finance and screener websites.

SJIF Impact Factor (2025): 8.688| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 10 | Issue: 12 | December 2025 - Peer Reviewed Journal

10. RESULT AND DISCUSSION

Table Shown Correlations of Shree Cement Company from2016-17 to 2020-2021.

Year	Dividend in Rs. (X)	dx=X-A	dx2	Share price on announcement day (Y)	dy=Y-A	dy2	dxdy
2015-2016	8	-4	16	3,425.00	-13,440.05	180634944	53760.2
2016-2017	12	0	0	4,377.95	-12,487.10	155927666	0
2017-2018	10	-2	4	7,750.00	-9,115.05	83084137	18230.1
2018-2019	12	0	0	11,255.00	-5,610.05	31472661	0
2019-2020	16	4	16	16,865.05	0.00	0	0
2020-2021	24	12	144	20,430.00	3,564.95	12708869	42779.4
2021-2022	30	18	324	17,296.75	431.70	186364.89	7770.6
2022-2023	35	23	529	20,656.95	3,791.90	14378506	87213.7
2023-2024	110	98	9604	24,263.05	7,398.00	54730404	725004
2024-2025	60	48	2304	27,975.00	11,109.95	123430989	533278
	Ex=	**197**	**38809**	**Edy=**	**-14,355.75**	**656554540**	**1468036**

$$r = \frac{n(\Sigma xy) - (\Sigma x)(\Sigma y)}{\sqrt{[n\Sigma x^2 - (\Sigma x)^2][n\Sigma y^2 - (\Sigma y)^2]}}$$

Correlation (r) = 0.687880184

Table Shown Correlations of Shree Cement Company from2016-17 to 2020-2021.

Year	Dividend in Rs. (X)	Share price (high) on announcement day (Y)	X2	Y2	XY
2015-2016	8	3425	64.00	11730625	27400
2016-2017	12	4377.95	144.00	19166446.2	52535.4
2017-2018	10	7750	100.00	60062500	77500
2018-2019	12	11255	144.00	126675025	135060
2019-2020	16	16865.05	256.00	284429911.5	269840.8
2020-2021	24	20430	576.00	417384900	490320
2021-2022	30	17296.75	900.00	299177560.6	518902.5
2022-2023	35	20656.95	1,225.00	426709583.3	722993.25
2023-2024	110	24263.05	12,100.00	588695595.3	2668935.5
2024-2025	60	27975	3,600.00	782600625	1678500
	317	**154294.75**	**19,109.00**	**3016632772**	**6641987.45**

$$A = \frac{(\Sigma y)(\Sigma x^2) - (\Sigma x)(\Sigma xy)}{n(\Sigma x^2) - (\Sigma x)^2}$$

$$B = \frac{n(\Sigma xy) - (\Sigma x)(\Sigma y)}{n(\Sigma x^2) - (\Sigma x)^2}$$

SJIF Impact Factor (2025): 8.688| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 10 | Issue: 12 | December 2025 - Peer Reviewed Journal

Regression Values a=-235.4032882, b=1.664660656
Summary Output of Shree Cements

Regression Statistics	
Multiple R	0.997369011
R Square	0.994744944
Adjusted R Square	0.994088062
Standard Error	2.797252492
Observations	10
ANOVA	

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	11849.16328	11849.1633	1514.343316	2.09E-10
Residual	8	62.59697203	7.8246215		
Total	9	11911.76025			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	1.475166823	6.180612923	0.23867646	0.817356844	-12.77735214	15.72768578	-12.7773521	15.72768578
X Variable 1	1.02376119	0.026307919	38.9145643	2.09E-10	0.963095021	1.084427359	0.963095021	1.084427359

Result and Discussion

From the above table we can see that for Shree Cements, the Mean value for Opening is 3394.9, Highest is 3470.915, Lowest is 3350.185 and closing is 3422.18 and the Standard deviation for Opening is 1450.330569, Highest is 1483.176617, Lowest is 1448.342266 and closing is 1487.189837 and the Kurtosis value for Opening is 1.100692924, Highest is 0.734192523, Lowest is 1.095037784and closing is 0.678227491.

Table Shown DS of Shree Cement Company from2016-17 to 2020-2021.

	Opening	**Highest**	**Lowest**	**Closing price**
Mean	15126.895	15429.475	14980.185	15195.14
Standard Error	2615.368093	2658.206965	2588.305182	2611.54022
Median	16921.225	17080.9	16720.975	16812.45
Mode	#N/A	#N/A	#N/A	#N/A
Standard Deviation	8270.520093	8405.988501	8184.939656	8258.415295
Sample Variance	68401502.6	70660642.68	66993237.17	68201423.18
Kurtosis	-1.12761813	-1.204437351	-1.124006612	-1.164725251
Skewness	-0.13552122	-0.155301052	-0.139745923	-0.151273362
Range	24586.1	24550	24298.45	24250.5
Minimum	3298	3425	3240	3372.15
Maximum	27884.1	27975	27538.45	27622.65
Sum	151268.95	154294.75	149801.85	151951.4
Count	10	10	10	10

Result and Discussion

From the above table we can see that for Shree Cements, the Mean value for Opening is 3394.9, Highest is 3470.915, Lowest is 3350.185 and closing is 3422.18 and the Standard deviation for Opening is 1450.330569, Highest is 1483.176617, Lowest is 1448.342266 and closing is 1487.189837 and the Kurtosis value for Opening is 1.100692924, Highest is 0.734192523, Lowest is 1.095037784and closing is 0.678227491.

SJIF Impact Factor (2025): 8.688| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 10 | Issue: 12 | December 2025 - Peer Reviewed Journal

Table Shown Arch Model of Shree CementCompany from2016-17 to 2020-2021.

Dependent Variable: WPC				
Method: ML ARCH - Normal distribution (BFGS / Marquardt steps)				
Date: 07/08/22 Time: 08:22				
Sample (adjusted): 3 91				
Included observations: 89 after adjustments				
Failure to improve likelihood (non-zero gradients) after 45 iterations				
Coefficient covariance computed using outer product of gradients				
Pre sample variance: back cast (parameter = 0.7)				
GARCH = C(3) + C(4)*RESID(-1)^2				
Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	59.97220	5.127073	11.69716	0.0000
WPC(-1)	0.931752	0.005866	158.8516	0.0000
	Variance Equation			
C	126.9263	11.86008	10.70197	0.0000
RESID(-1)^2	-0.043144	0.104616	-0.412398	0.6800
R-squared	0.907214	Mean dependent var		869.8326
Adjusted R-squared	0.906148	S.D. dependent var		43.65328
S.E. of regression	13.37331	Akaike info criterion		8.072295
Sum squared resid	15559.56	Schwarz criterion		8.184144
Log likelihood	-355.2171	Hannan-Quinn criter.		8.117378
Durbin-Watson stat	1.980900			

Result and Discussion

Above Table shows Indicates Arch Model of Shree Cement for the period of 5 Months and This time I identified Stock Volatility on Russian and Ukraine war. It is Observed the Coefficient Values are 59.97220and 0.931752. Arch Model applied in the Sun Pharma is Durbin-Watson is for Linearity is 1.980900and also applied Akaike info criterion for stationarity is 8.072295. The R-squared Value is 0.907214for check the Volatility of stocks in this Period. The Hannan-Quinn information criterion (HQC) is a measure of the goodness of fit of a statistical model, and is often used as a criterion for model selection among a finite set of models is 8.117378. The Schwarz Criterion is an index to help quantify and choose the least complex probability model among multiple options is observed 8.184144. Final the model fitted. The standard error of the regression (S), also known as the standard error of the estimate, represents the average distance that the observed values fall from the regression is 13.37331.

11. CONCLUSION OFTHE STUDY

Finally, the research study would be useful to the investors and will serve as a **guide for their future investments.** The attentions of the **investors are focused on the impact of dividend announcements** on share prices so that they can take a rational decision on their investment. The study would be a handy guide to the investors to choose the **timing of their investment**. It would also be useful to the management of the companies in formulating their dividend policy. This study makes a number of contributions to the impact of dividend announcement on share price among the selected companies in cement industry during the study period. The results of paired t-test analysis shows that the dividend do not affect the share prices, i.e., there is no significant change in the share prices after announcing dividend in all the three pairs. High-low share price indicator of Cement Industry exhibits that none of the pairs had found significant difference of mean value during the study period.

12. REFERENCES

1. ***Sudarshan Roy (2021)*** *in the article "Dividend Pay-Out and Share Price Movement: An Empirical Study in India; Time's Journey, Vol. 10, No. 1/January 2021*
2. ***Bahtiar Usman, Henny Setyo Lestari, Syofriza Sofyan (2020)*** *in the article "The Effect of Dividend Policy on Share Price Manufacturing Companies in Indonesia; Advances in Economics, Business and Management Research, volume 169*
3. ***Duy T. Nguyen, Mai H. Bui, and Dung H. Do (2020)*** *in the article "The Relationship of Dividend Policy and Share Price Volatility: A Case in Vietnam; Annals of Economics and Finance · January 2009*
4. ***Rumana Haque, A. T. M. Jahiruddin, Farhana Mishu (2019)*** *in the article "Dividend Policy and Share Price Volatility: A Study on Dhaka Stock Exchange; Australian Academy of Accounting and Finance Review Volume 4 Issue 3*
5. ***Narinder Pal Sing, Aakash Tandon (2019)*** *in the article "The Effect of Dividend Policy on Stock Price: Evidence from the Indian Market; Asia-Pacific Journal of Management Research and Innovation, 1–9*
6. ***Musaed S. Alali, Sundus K. Al-Yatama, Nour M. AlShamali, Khuloud M. Al Awadhi (2019)*** *in their article "The Impact of Dividend Policy on Kuwaiti Insurance Companies Share Prices; World Journal of Finance and Investment Research Vol. 4 No. 1*

SJIF Impact Factor (2025): 8.688| ISI I.F. Value: 1.241| Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)
EPRA International Journal of Research and Development (IJRD)
Volume: 10 | Issue: 12 | December 2025 - Peer Reviewed Journal

7. ***Muhannad Akram Ahmad, Ashraf Mohammad Salem Alrjoub, Hussein Mohammed Alrabba (2018)*** *in the article "The Effect of Dividend Policy on Stock Price Volatility: Empirical Evidence from Amman Stock Exchange; Academy of Accounting and Financial Studies Journal Volume 22, Number 2, 2018*
8. ***Ahmed Butt Iftikhar, Nabeel-Ud-Din Jalal Raja, Khan Nisar Sehran (2017)*** *in the article "Impact of Dividend Policy on Stock Prices of Firm; International Scientific Journal Theoretical & Applied Science Volume: 47 Issue: 03*
9. ***Rozaimah Zainudin, Nurul Shahnaz Mahdzan, Chee Hong Yet (2017)*** *in the article "Dividend policy and stock price volatility of industrial products firms in Malaysia"*
10. ***Dr.V. Chitra, Dr. T. Hemalatha (2017)*** *in the article "Impact of Dividend Announcements on Share Price Behavior Among the Selected Companies in Cement Industry in India; Journal of Management and Science, Vol.7. No.3*
11. ***Athambawa Jahfer, Abdul Hameed Mulafara (2016)*** *in the article "Dividend policy and share price volatility: Evidence from Colombo Stock market; Int. J. Managerial and Financial Accounting, Vol. 8, No. 2, 2016*
12. ***Tuigong Wilson Kibet, Jagongo A. O, Ndede F.W. S (2016) in the article Effects of Dividend Policy on Share Price of Firms Listed at the Nairobi Securities Exchange, Kenya, Research Journal of Finance and Accounting Vol.7, No.8, 2016***
13. ***Syed Akif Shah, Umara Noreen (2016)*** *in the article "Stock Price Volatility and Role of Dividend Policy: Empirical Evidence from Pakistan, Global Journal of Management and Business Research Volume XII Issue V Version I*
14. ***Byson B. Majanga (2015)*** *in the article "The Dividend Effect on Stock Price-An Empirical Analysis of Malawi Listed Companies; Accounting and Finance Research Vol. 4, No. 3; 2015*
15. ***Anas Al Qudah, Aziz Yusuf (2015)*** *in the article "Stock Price Volatility and Dividend Policy in Jordanian Firms; Research Journal of Finance and Accounting Vol.6, No.22, 2015*
16. ***Fawaz Khalid Al-Shawawreh (2014)*** *in his article "The Impact of Dividend Policy on Share Price Volatility: Empirical Evidence from Jordanian Stock Market; European Journal of Business and Management, Vol.6, No.38, 2014*
17. ***Yasir Habib, Zernigah Irshad Kiani & Muhammad Arif Khan (2012)*** *in the article "Dividend Policy and Share Price Volatility: Evidence from Pakistan; International Journal of Economics and Financial Issues, 2016, 6(2), 461-472.*
18. ***Khaled Hussainey, Chijoke Oscar Mgbame, Aruoriwo M. Chijoke-Mgbame (2011)*** *in the article "Dividend policy and share price volatility: UK evidence, The Journal of Risk Finance, Vol. 12 No. 1*