Measurement of Dividend growth of selected steel companies India

Dr.M.Krishnamoorthi
Assistant professor
Department of management Studies
Priyadarshinii Engineering college ,Vaniyambadi

ABSTRACT

The Indian Iron and Steel industry contributes significantly to the overall growth and development of the economy. As per the estimation of the ministry of steel, the industry today directly contributes to 2% of India's GDP. Payment of dividend is desirable because the shareholders contribute in the capital of the company to earn higher returns from their investment and to maximize their wealth. In this, retained earnings are the major sources of internal finance for financing future requirement such as expansion and modernisation of the company. Hence, both business growth and dividends are desirable. On the contrary, higher dividend leads to less provision of funds for growth and higher retained earnings leads to low dividends which majority of shareholders dissatisfies from return on investment, from the analysis it found that the dividend ratios such as Dividend Payout Ratio,Dividend Per Share,Earning Per Share differ significally between largecap companies and midcap companies.

Key words:*Dividend, Dividend Payout Ratio,Dividend Per Share,Earning Per Share, dividend policy, investors*

Introduction

The Indian Iron and Steel industry contributes significantly to the overall growth and development of the economy. As per the estimation of the ministry of steel, the industry today directly contributes to 2% of India's GDP and its weightage in the official index of Industrial Production (IPP) is 6.2%. The industry has been able to shape out a niche for itself globally. From a country with a production of one million tonnes at the time of independence, it has now become the world's 4thlargest producer of crude steel preceded behind China, Japan and the US.

Due to infrastructure creation and urbanization emerging as key growth enabler, the Indian economy is witnessing rising import of steel in recent times. This has resulted in India becoming the big exporter of steel in Financial Year 2013-14 after a gap of six years. There is a need to transform the technological face of the Indian steel industry to achieve international benchmarks as a long-term strategy.

Dividend

According to the Institute of Chartered Accountants of India, "dividend is a distribution to shareholders out of profits or reserves available for this purpose."

Also, it means that the portion of net profit distributed to shareholders, the profits after deducting all expenses, provision made for taxation, and transferring some portion of amount to reserve from the total income of the company. If the company desires to pay dividends to the shareholders, it should have sufficient profit; it should get approval from the Board of Directors and acceptance of the shareholders at the annual general meeting.

Need of the Study

Once a company makes a profit, management must decide to utilize profits. In order to retain the profits within the company for the purpose of expansion and modernization, or it could pay out its surplus profits to the shareholders in the form of dividends. If the company decides to pay dividends, it may formulate a permanent dividend policy; this policy creates a good impact on the company's value in the financial markets to fulfill investor's expectation. It depends on the present and future situation of the company and its financial planning. It also depends on the management decision and preferences of retail and potential investors.

Therefore, that the company needs to concentrate on dividend policy and dividend declarations to retain their existing shareholders or investors and attracting new investor.

Statement of the Problem

Payment of dividend is desirable because the shareholders contribute in the capital of the company to earn higher returns from their investment and to maximize their wealth. In this, retained earnings are the major sources of internal finance for financing future requirement such as expansion and modernisation of the company. Hence, both business growth and dividends are desirable. On the contrary, higher dividend leads to less provision of funds for growth and higher retained earnings leads to low dividends which majority of shareholders dissatisfies from return on investment. Therefore, both decisions are complementary to each other and no decision can be taken independent of the other, the finance manager has to formulate a guidable dividend policy to fix the proportion of dividend payment and retention that can retain the existing shareholders and attract new investors..These possible changes can be analysed in the present study and attempt to make the evaluation of profitability and dividend progress of select steel companies in India.

Review of Literature

Lintner (1956) studied the recognized companies in the United States of America and concluded that the recent earnings power and past dividend records are key determinants of changes in dividend payout, and it helps to maintain the regular increase in dividend policy of the companies.

Warren Bailey (1988) indicated that the premium is largely explained by the relative value of dividend paid and cost imposed on investor by stock dividend payment and shares conversion procedures. Premium for few firms also reflects the relative liquidity of two classes of shares.

Michael Brennan and AnjanThakor(1990) developed a theory of choice among alternative procedures for distributing cash dividend from corporations to shareholders. The majority of a firm's shareholder may support the dividend payment for small distribution. For larger distributions, an open market stock repurchase is likely to be preferred by a majority of shareholders.

David (1990)found that special dividend payments generally increase the wealth of target firm's shareholders, regardless of payout type, those firms remaining independent after the outcome of corporate control contest experience an abnormal share price increase over the duration.

Claudio Loderer and David Mauer(1992) investigated that they rely on dividend to obtain a higher price in a stock offering and stock price reaction to dividend and offering announcement does not support either conjecture. Issuing firms are not more likely to pay or increase dividend than no issuing forms. There is little evidence that firms time stock offering announcement right after dividend declarations.

Harry De Angelo, Linda De Angelo, and Douglas Skinner (1992**)** found that dividend reduction depends on whether earnings include unusual item that are likely to temporarily depress income. Dividend reductions are more likely given greater current losses, less negative unusual item, and more persistent earnings difficulties. Dividend policy has information content in the knowledge that a firm has reduced dividends improves the ability of current earnings to predict future earnings.

Lucy Ackert and Brain Smith (1993)found that the apparent evidence of excess volatility when the narrow definition of cash flow (dividend only) is applied and they reject the hypothesis market efficiency when the cash flow measures also include sharing repurchase and take over distribution in addition to ordinary cash dividend.

Upinder and Herb Johnson (1994) studied about stock and bond price reactions to dividend changes. The positive stock response to dividend increases has several potential explanations and they found that the bon price reaction to announcement of large dividend changes is opposites of the stock price reactions.

James Hines (1996)discussed about American corporations earn a significant share of their profits from foreign sources, out of which they appear to pay dividends at rate that are three times higher than their payout rates from domestic profits.

YakovAmihud and Maurizio Murgia(1997) found that the stock price reaction to dividend news in Germany is similar to the United States and this suggests other reason beyond taxation that makes dividend informative.

Kathryn Dewenter and Vincent Warther(1998) studied the comparison of dividend policies of US and Japanese firms and found that Japanese firms face less information asymmetries and fewer agency conflict than US firms and that asymmetries and agency conflict affect dividend policy. Japanese firms experience

smaller stock price reactions to dividend omissions and initiations, they are less reluctant to omit and cut the dividend and their dividend is more responsive to earning changes

Franklin Allen, Antonio Bernardo and Ivo Welch(2000)studied about firms paying dividend attract relatively more institution, which have a relative advantage in detecting high firm quality and in ensuring firms are well managed and suggested the prediction that it is the tax differences between institutions and retailers investors that determines dividend payments.

DoronNissim and Amir Ziv (2001) studied about the relation between dividend changes and future profitability and measured in terms of either future earnings or future abnormal earnings, they found that dividend changes provide information about the level of profitability in same period, incremental to market and accounting data.

Eugene A.Pilotte(2003) examined the possibility that inflation also proxies for variance between real price and dividend ratios and found that the covariance between real price /dividend ratios and inflation is nonzero, the relationship between return and expected inflation differ for the two components of return: dividend yields and capital gain returns

Lubos Pastor and PietroVeronesi (2003) developed a simple approach for valuing stock in the presence of learning about average profitability. The market to book ratio increases with uncertainty about average profitability and found the prediction that younger stock and stock that pay no dividends have more volatile returns. Firm's profitability has become more volatile.

Malcolm Baker and Jeffrey Wurgler(2004) proposed that the decision to pay dividends is driven by prevailing investor demand for dividend payers. Managers cater to investors by paying dividends when investor put a stock price premium on payers and not paying when investor prefer non payers and measured non payers tend to initiate dividends when demand is high. But sometimes payers tend to omit dividends when demand is low.

Miller and Modigliani (1961)explained dividend irrelevance theorem for a (tax free) perfect capital market given the firm's investment policy, how investors are received their income, whether it is through dividend or capital gain, would be irrelevant share price in such a market.

Miller and Scholes (1978) extended the irrelevant argument to allow for differential rates of tax on dividend and capital gains. They argued that all personal tax payable by investor on dividend and capital gains could be laundered by tax minimising strategies.

Miller and Scholes (1982) argued that evidence of significant positive yield effect was biased, with bias arising from the use of a rate of return that was contaminated by the announcement effective of the dividend and concluded that the yield related dividend effect was both statistically and economically insignificant once bias had been eliminated.

DuhaAlKuwari(2009)investigated the determinants of dividend policies for firms listed on Gulf Cooperation Council country stock exchanges and resulted that the main characteristics of firm dividend payout policy and dividend payment related strongly and directly to government ownership, firm size and firm profitability, but negatively to the leverage ratio in addition and as a result of the significant agency conflict interacting with need to build firm reputation, a firm's dividend policy was found to depend heavily on firm profitability.

Jayesh Kumar (2006) analysed the relationship among the ownership structure, corporate governance and dividend payout using large panel of Indian corporate firms, this attempt to use the well established dividend payout model to examine the impact of ownership structure on dividend payout policies in context of an emerging market economy, India. And found that ownership is the important factor that influences the dividend payout policy.

Han Ki, Suk Hun Lee and David Suk (1999) tested the agency cost based hypothesis which predicts dividend payout to be inversely related to the degree of institutional ownership and tax based hypothesis predicting the dividend to be positively related with institutional ownership, provide support for the tax based hypothesis, suggesting a dividend clientele for institution preference for higher dividend.

Faccio Mara, Lary, Lang and Leslie Young (2001) examined group-affiliated corporations in Europe pay higher dividends than in Asia, dampening insider expropriation. Dividend rates are higher in Europe, but lower in Asia, when there are multiple large shareholders, suggesting that they dampen expropriation in Europe, but exacerbate it in Asia.

Bhattacharya,.Fenn and Liang(2001)analysed how corporate payout policy is affected by managerial stock incentives. They found that managerial stock incentives mitigate the agency cost for firms with excess cash flow problem. They also found that a strong relationship between dividend and management stock option.

Kevin (1992) shows that dividend stability is the primary determinate of payout while profitability is only secondary importance.

Bhat, Ramesh and Pandey(1994)found that payments of dividends depend on current and expected earnings as well as the pattern of past dividend, Dividends are used in signalling the future prospects and dividends are paid even there is profitable investment opportunity.

Mohanty and Pitabas(1999) examined the behaviour of payout after the bonus issue and found that bonus issuing firms yielded greater issues to their shareholders than those that did not make any bonus issue but maintained a steadily increasing dividend rate.

Reddy(2002) examined the dividend behaviour and attempts to explain the observed behaviour with help of trade of theory and signalling hypothesis the paper support the earlier findings that dividend omission have information content about the future earnings but does not find any evidence in the support of tax preference theory.

Manos(2003) estimated cost minimisation model of dividend and found that government ownership, insider ownership, risk, debt and growth opportunity have a negative impact on the payout ratio, whereas institutional ownership, foreign ownership, and dispersed ownership have a positive impact on the payout ratio.

Kothari and Walia(2004) guide lined for payment of dividend by Haryana state public enterprises, it is too early to comment on the impact of the guidelines on the working performance of various state public undertakings, However, a strict and stringent compliance as well as proper monitoring will go a long way in making the public sector undertakings accountable and responsible and also improving their performance and profitability.**Research Methodology**

Research Design

. The present study is both descriptive and analytical nature.

Data Collection

The present study purely based on the secondary data only. The related data, suchas profit and loss account statement, balance sheet and some important key ratios were collected from the published annual reports of selected steel companies in India. Other related information was collected from, official website of selected steel companies, NSE,BSE, annual report of the ministry of steelresearch publications and various academic research reports. Further the researcher referred various finance related textbooks and journals.

Sampling

In order to analyse the profitability and dividend performance of steelcompanies, the details of 72companies were collected. From this, the steel companies which satisfied the following criteria which have been shortlisted for further research:

1. The companies listed in NSE and BSE.
2. Availability of data at least for the period of 10 years.
3. The company should have at least three years of continues profit during the study period.
4. The companies declared and paid dividend for a minimum of three years during the study period.
5. The selected steel companies have been classified as large and mid cap companies based on market capitalisation.

The companies' stocks with market capitalisation of Rs. 10,000 crore or more are large cap companies and which are listed below:

Large cap Companies

i. Tata Steel Limited
ii. Steel Authority of India Limited (SAIL)
iii. JSW Steel Limited
iv. Visa Steel Limited

The companies' stocks with market capitalisation between Rs. 2,000crore to Rs.10,000crore are mid cap companiesand which are listed below:

Mid Cap Companies

i. Bhushan Steel Limited
ii. Jindal Steel and Power Limited (JSPL)
iii. Kalyani Steels Limited

Framework for Analysis

The various statistical tools are usedto analyse the profitability and dividend performance of the selected steel companies in India.The study of financial statement such as profit and loss accounts and balance sheets dividend ratios constitutes in theframework of analysis. The frame work of analysis contains data analysis by using of SPSS package with applications of ratio analysis and statistical tool of growth rates (Annual Growth Rate (AGR), Average Annual Growth Rate (AAGR), Linear Growth Rate (LGR) and Compound Growth Rate (CGR)),

Compound Growth Rate (CGR)

The Compound Growth Rate measures average growth or constant rate of growth followed byAnnual Growth Rate (AGR), Average Annual Growth Rate (AAGR), Linear Growth Rate (LGR) over a period. Thus smoothing increases in the rate as one number. The lower rate shows the hidden growthof fluctuations.

Limitations of the Study

The main limitations of the study are related to the period of time, availability of data and the size of the sample covered by the study.

1. The quality of the study purely depends on the accuracy, reliability and quality of secondary data.
2. The study could not be extended to a longer period due to the problem of resources/data availability.
3. The companies are chosen for the study was restricted to a small number due to limitation such as lack of continuous profit earning, non-availability of data of select companies.
4. The present study is largely based on ratio analysis, which has its own limitations also.

Analysis and Interpretation

Dividend Payout Ratio

The dividend payout ratio indicates the relationship between the earnings per equity share and dividends paid to them. This ratio measures managerial ability and status of the company. Also, it clearly depicts the amount of retained in the business and payment of dividend to the shareholders. The higher ratio may lead to favour to shareholders to stay long period in company. This ratio is expressed as follows

$$\text{Dividend Payout Ratio} = \frac{\text{Dividends per Equity Share}}{\text{Earnings per Share}} \times 100$$

Table 1 Growth Rates of Dividend Payout Ratio

	Large cap companies				Mid cap companies		
Growth Rates	**TATA**	**SAIL**	**JSW**	**VISA**	**BHUSHAN**	**JSPL**	**KALYANI**
AAGR	-1.67	10.56	9.77	9.77	-6.69	0.77	3467.34
LGR	-3.49	11.08	3.52	3.52	-19.17	-3.71	9.27
CGR	3.68	100	100	100	18.68	3.4	100

Large Cap Companies

The average annual growth rate, linear growth rate and compound growth rate of TATA are -1.67 percent, -3.49 percent and 3.68 percent respectively SAIL are 10.56 percent, 11.08 percent and 100 percent respectively JSW are 9.77 percent, 3.52 percent and 100 percent respectively BUSHAN are -6.69 percent, -19.17 percent and 18.68 percent respectively The maximum annual growth rate of TATA 14.42, SAIL 63.43, JSW 70.35 and VISA percents were found during the study period .

Mid Cap Companies

The average annual growth rate, linear growth rate and compound growth rate of BUSHAN Company are -6.69 percent, -19.17 percent and 18.68 percent respectively. JINDAL Company are 0.77 percent, -3.71 percent and 3.4 percent respectively KALYANI Company are 3467.34 percent, 9.27 percent and 100 percent respectively.The maximum annual growth rate of BHUSHAN 47.72, JINDAL 47.03 and KALYANI 27712.50 percents were found during the study period

Dividend Per Share

Dividend per share (DPS) expresses the company's total dividends paid out during a year for its equity shareholders. The sum of declared dividends for every ordinary share issued. For this purpose, annual dividend and interim dividend take account for calculation except special dividend declared by the company. The Dividend per share might be calculated by using the following formula.

$$\textbf{Dividend Per Share} = \frac{\text{Total Dividend Amount Declared}}{\text{Total Number of Equity shares.}}$$

Table 2 Growth Rates of Dividend per Share

	Large Cap Companies				Mid Cap Companies		
Growth Rates	**TATA**	**SAIL**	**JSW**	**VISA**	**BHUSHAN**	**JSPL**	**KALYANI**
AAGR	2.12	-1.47	106.11	-66.67	7.78	-2.32	-
LGR	-2.58	2.58	6.28	14.13	-9.87	-23.57	-3.48
CGR	2.96	100	100	100	14.35	26.75	100

Large Cap Companies

The average annual growth rate, linear growth rate and compound growth rate of TATA Company are 2.12 percent, -2.58 percent and 2.96 percent respectively SAIL Company are -1.47 percent, 2.58 percent and 100 percent respectively JSW Company are 106.11 percent, 6.28 percent and 100 percent respectively VISA Company are -66.67 percent, 14.13 percent and 100 percent respectively. The maximum annual growth rate of TATA 50.00, SAIL 55.00, JSW 850.00 and VISA 174.77 percents were found during the study period

Mid Cap Companies

The average annual growth rate, linear growth rate and compound growth rate of BUSHAN are 7.78 percent, -9.87 percent and 14.35 percent respectively JINDAL are -2.32 percent, -23.57 percent and 26.75 percent respectively KALYANI are-3.48 percent and 100 percent respectively. The maximum annual growth rate of BHUSHAN 150.00 JINDAL 50.00 and KALYANI 50.00 percents were found during the study period

Earnings Retention Ratio

The earnings retention ratio refers to the percentage of net income of the company that retained to grow through expansion etc., rather than paid out as dividends to shareholders. Simply, it is the proportion of earnings kept back in the business as retained earnings. The earnings retention ratio measures the percentage of earnings paid out to shareholders as dividends. It is the opposite of the dividend payout ratio. The retention ratio changes year to year by depending on the company's earnings stability and dividend payment policy. This ratio can be calculated as follows:

$$\textbf{Earnings Retention Ratio} = \text{Net income} - \text{Dividend} / \text{Net income}$$

(Or)

$$= 1 - \text{Payout Ratio}$$

Table 3 Growth Rates of Earning Retention Ratio

	Large Cap Companies				Mid Cap Companies		
Growth Rates	**TATA**	**SAIL**	**JSW**	**VISA**	**BHUSHAN**	**JSPL**	**KALYANI**
AAGR	0.97	-5.14	-0.27	-	0.48	0.24	-3.12
LGR	0.80	-3.02	0.43	-18.94	0.74	0.32	-1.71
CGR	-0.77	2.94	-0.6	100	-0.75	-0.32	1.67

Large Cap Companies

The average annual growth rate, linear growth rate and compound growth rate of TATA are 0.97 percent, 0.80 percent and -0.77 percent respectively, SAIL are -5.14 percent, -3.02 percent and 2.94 percent respectively, JSW are -0.27 percent, 0.43 percent and -0.6 percent respectively, VISA are 18.94 percent and 100 percent respectively. The maximum annual growth rate of TATA 11.94, SAIL 5.86, JSW 23.80 and VISA 1.90 percents were found during the study period

Mid Cap Companies

The average annual growth rate, linear growth rate and compound growth rate of BUSHAN are 0.48 percent, 0.74 percent and -0.75 percent respectively JINDAL are 0.24 percent, 0.32 percent and -0.32 percent respectively KALYANI are -3.12 percent, -1.71 percent and 1.67 percent respectively The maximum annual growth rate of BHUSHAN 3.25, JINDAL 4.46 and KALYANI 35.35 percents were found during the study period

Earnings Per Share

The earnings per share (EPS) shows the relationship in profitability of the firm on per equity share basis. It measures the profit allowed to the equity shareholders on per share basis. By analysing the movement of earnings per share over a period, we can understand the changes in earning power of the firm on per share basis during that period. It is an important and commonly used ratio to identify original shareholders benefits. This ratio can be expressed as follows

$$\textbf{Earnings Per Share} = \frac{\text{Net Profit after Tax Interest and Preference Dividend}}{\text{Number of Equity Shares}}$$

Table 4 Growth Rates of Earning per share

	Large Cap Companies				Mid Cap Companies		
Growth Rates	**TATA**	**SAIL**	**JSW**	**VISA**	**BHUSHAN**	**JSPL**	**KALYANI**
AAGR	2.74	11.52	200.06	-69.77	23.25	-0.64	161.63
LGR	0.8	-2.54	8.46	158.56	5.6	-20.61	-6.6
CGR	-0.87	2.89	-19.57	100	-6.86	25.38	4.5

Large Cap Companies

The average annual growth rate, linear growth rate and compound growth rate of TATA Company are 2.74 percent, 0.80 percent and -0.87 percent respectively SAIL Company are 11.52 percent, -2.54 percent and 2.89 percent respectively JSW Company are 200.06 percent, 8.46 percent and -19.57 percent respectively VISA Company are -69.77 percent, 158.56 percent and 100 percent respectively The maximum annual growth rate of TATA 32.20, SAIL 171.38, JSW 1491.95 and VISA 109.85 percents were found during the study period

Mid Cap Companies

The average annual growth rate, linear growth rate and compound growth rate of BUSHAN Company are 23.25 percent, 5.60 percent and -6.86 percent respectively JINDAL Company are -0.64 percent, -20.61 percent and 25.38 percent respectively KALYANI Company are 161.63 percent, -6.60 percent and 4.5 percent respectively. The maximum annual growth rate of BHUSHAN 100.70, JINDAL 68.92 and KALYANI 1203.95 percents were found during the study period

Findings and Recommendation

- The Dividend payout ratio of TATA, SAIL, JSW, VISA and KALYANI show favour with excellence in managerial ability and status of companies, that can be maintained for long periods.BHUSHAN and JSPL show lower ratio, hence they should increase their payout ratio for the welfare of investors.
- Dividend per share isan important and commonly used ratio to identify original shareholder benefits. SAIL, VISA, BHUSHAN and KALYANI declared belowRs.5as a dividend. It shows that the companies not caring of investor benefits, it is suggested to declare higher dividend as much as possible because it may lead to shareholders to stay longer period.
- The higher earnings retention ratios are found in VISA, BHUSHAN and JSPL. It shows that these companies are giving more importance to their growth like expansion, modernization. At the same time,

these companies should take care of investor benefits by paying of higher dividend, earnings retention depending on the company's earnings stability and dividend payment policy.

- SAIL, VISA and KALYANI recorded their Earnings per share at lower levels due to minimum profit allowed to the equity shareholders on per share basis. These companies should take care of its profitability maintenance to increase market share by attracting new investors.

Conclusion

The dividend progress plays important role in the financial activities of the company and also its affect profitability, liquidity, capital structure, flow of fund, share valuation, and investor satisfaction with regard to wealth maximization. It helps companies to maximize the market value in the capital market. The present study concludes that many of the companies following proper dividend policy and paying regular dividend, that will lead to investors' satisfaction towards better income generation on investment, also it will help to retain existing investor for long period and acquire new investor to mobilize fund for future projects.

References

Andy Naranjo, M. Nimalendran& Mike Ryngaert. (1998). Stock Returns, Dividend Yields, and Taxes. *The Journal of Finance*, 53(6), 2029-2057.

Annual report, (2012-2013).Ministry of Steel, Government of India.

Bhat, Ramesh &Pandey, I.M. (1994). Dividend Decision: A Study of Managers Perception. *Decision*, 21, 67-86.

Bhattacharya, Sudipto, (1979). Imperfect Information, Dividend Policy &The Bird In The H&Bell. *The Journal of Economics*, 10, 259-270.

Claudio, F. Lorderer& David C. Mauer. (1992). Corporate Dividend and Seasoned Equity s: An Empirical Investigation. *Journal of Finance*, 47(1), 201-225.

David J. Denis, (1990). Defensive Changes In Corporate Payout Policy: Share Repurchases & Special Dividends. *The Journal of Finance*, 45(5), 1433-1456.

Delmar, F., Davidson, P., & Gartner, W. (2003).Arriving at the High Growth Firm.*Journal of Business Venturing*, 18(2), 189-216.

Duha Al-Kuwari, (2009). Determinants of the Dividend Policy in Emerging Stock Exchanges: The Case of GCC Countries. *Global Economy & Finance Journal*, 2(2), 38-63.

Durand, D. & A.M. May. (1960). The Ex-dividend Behaviour of American Telephone & Telegraph Stock, *Journal of Finance*, 15(1), 19-31.

Eugene A. Pilotte. (2003). Capital Gains, Dividend Yields, & Expected Inflation. *The Journal of Finance*, 58(1), 447-466.

Faccio Mara, Lary, H.P. Lang& Leslie Young, (2001) Dividend & Ex-proportion.*American Economic Review*, 9(1), 54-78.

Fenn, George W. &Nelie Liang.(2001). Corporate Payout Policy & Managerial Stock Incentives.*The Journal of Financial Economics*, 60, 45-72.

Franklin Allen, Antonio E. Bernardo & Ivo Welch, (2000). A Theory of Dividends Based on Tax Clienteles. *The Journal of Finance*, 55(6), 2499-2536.

Han Ki. C, Suk Hun Lee & David Y. Suk. (1999). Institutional Shareholders & Dividends.*The Journal of Finance & Strategies Decision*, 12(1),53-62.

Harry De Angelo, Linda De Angelo, & Douglas J. Skinner, (1992). Dividends & Losses, *The Journal of Finance*, 47(5), 1837-1863.

Horngren, Sundem, & Stratton, (2007).Introduction to Management Accounting.13th edition, Dividend and Retaings, 678-680.New Delhi, Prentice-Hall of India Pvt.Ltd.

James R. Hines JR, (1996). Dividend & Profits: Some Unsubtle Foreign Influences. *The Journal of Finance*, 51(2), 661-689.

James, C. Van Horn. (2008). Financial Management and Policy, 12th edition, Dividend and share repurchase: theory and practice, 327-358. New Delhi, Pearson Prentice Hall of India Private Limited..

Jayesh Kumar. (2006). Corporate Governance & Dividends Payout in India.*Journal of Emerging Market Finance*, 5(1), 15-58.

Kathryn L. Dewenter& Vincent A. Warther, (1998) Dividends, Asymmetric Information, & Agency Conflict: Evidence from a Comparison of the Dividend Policies of Japanese &U.S Firms. *The Journal of Finance*, 53(3), 879-904.

Kevin, S. (1992). Dividend Policy: An Analysis of Some Determinants. *Finance India*, 6(2), 253-259.

Kevin. S. (2012). Security Analysis And Portfolio Management, 11th edition. Company Analysis,88-93. New Delhi, PHI Learning private Limited.

Kothari.S&Walia, K. L. (2004). Guidelines for Payment of Dividend by the Haryana State Public Enterprises. The Journal of Business Perspective, 5(2) 89-96

Lintner, J. (1956). Distribution of Incomes of Corporations Among Dividends, Retained Earnings & Taxes. American Economic Review, 46, 97-113.

Lucy F. Ackert& Brain F.Smith, (1993). Stock Price Stability, Ordinary Dividends, & Other Cash Flow to Shareholders. *The Journal of Finance*, 48(4), 1147-1160.

Lucy F. Ackert& Brain F.Smith, (1993). Stock Price Stability, Ordinary Dividends, & Other Cash Flow to Shareholders. *The Journal of Finance*, 48(4), 1147-1160.

Maheshwari, S.N. (2006). Elements of Financial Management, 10th edition, Dividend Policy, A.88-109.New Delhi, Sultan Chand & Sons.

Malcolm Baker & Jeffrey Wurgler.(2004). A Catering Theory of Dividend.*The Journal of Finance*, 59(3), 1125-1165.

Manos& Ronny, (2003). Dividend Policy and Agency Theory: Evidence from Indian Firms. *South Asia Economic Journal*, 4(2), 276-300.

Miller, M &. Modigliani, F. (1961). Dividend Policy, Growth & Valuation of Shares.*Journal of Business*, 34(4), 411-431.

Miller, M. & Scholes, M. (1978).Dividend& Taxes.*Journal of Financial Economics*, 6(4), 333-364.

Miller, M. & Scholes, M. (1982). Dividend & Taxes: Some Empirical Evidence. *The Journal of Political Economy*, 90(6), 1118-1142.

Mohanty, Pitabas, (1999). Dividend & Bonus Policy of Indian Companies: An Analysis. *Vikalpa*, 24(4), 35-42.

Myers, S.C. (1984). The Capital Structure Puzzle.*The Journal of Finance*, 39(3), 575-592.

Nimalendran& Mike Ryngaert, (1998).Stock Returns, Dividend Yields, & Taxes.*The Journal of Finance*, 53(6), 2029-2057.

Pandey, I.M. (2009) Essentials of Financial Management, Dividend Decisions, 61-95. New Delhi, Vikas publishing House Pvt. Ltd.

Upinder, S. Dhillon& Herb Johnson, (1994).The Effect of Dividend Changes on Stock & Bond Prices.*The Journal of Finance*, 49(1), 281-289.

Websites

www.nseindia.com
www.bseindia.com
www.moneycontrol.com
www.tatasteel.com
www.sail.co.in
www.jsw.in
www.visasteel.com
www.bhushan-group.org
www.jindalsteelpower.com