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***Share price sensitivity towards dividend announcement on
nifty listed companies***

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Abstract:

Dividend announcement is one of the key factors that influences the fluctuation in the share prices. The dividend is the cost of capital to equity shareholders. In recent years the securities and exchange board of India (SEBI) has initiated a number of reforms to make the Indian stock market at par with developed stock markets of the world. Dividend signals information to investors about the firm's future performance.

The impact of dividend announcements on share prices is likely to vary depending on the specific circumstances of each company and the overall market environment. On the one hand, dividend announcements can signal to investors that a company is financially strong and has a positive outlook for the future.

The purpose of this project is to observe whether dividend announcement has impact on share prices of the Nifty listed companies. The objective of this study is to know the impact of dividend announcement on share price in Nifty Listed Companies. In order to achieve the objective of the study, the secondary data was collected through NSE Website. After the data collection, the data was analysed using Paired t-Test.

The major findings from the project are few of the companies show impact of Dividend Announcement while most companies don't show impact of Dividend Announcement. So, it can be concluded that the overall, there is no impact of Dividend Announcement on Share price of Nifty Listed Companies. Investors should carefully consider a company's overall financial health, dividend policy and long-term growth prospects before making investment decisions based on dividend announcements.

Keywords:

Dividends, Share price, Nifty stocks, paired T test,