

## Determinants of Dividend in Indian Banking Sector-A Review

### Ruchi Mangla

Research Scholar, YMCA University of  
Science and Technology, Faridabad, Haryana  
Assistant Professor, Manav Rachna  
International University, Faridabad, Haryana

### Dr. Manisha Goel

Associate Professor, Department of  
Management, YMCA University of Science  
and Technology, Faridabad, Haryana

### Abstract

Dividend decision is very significant financial decision as the decision of dividend affects not only the profitability of the business concerned but also its growth and development in future. In dividend decision, a business decides on the portion of revenue to be distributed as dividends or to be ploughed back into the firm. Dividend policy is the most talked about and researched topic in finance. There is a plethora of research being done on why companies should or should not pay dividends. Various researchers have tried to explain and empirically test the determinants of dividend. In spite of much research, there is no agreement on the common determinants of dividend and the factors affecting dividend seem to vary with country, industrial sector and the type of firm. The article examines the factors affecting dividend policy of banking sector in India.

Key Words: Dividend, Financial Decision, Banking Sector, determinants of dividend

A bank is an institution which supplies financial services to its customer. Banks in India have evolved from traditional banking system, changing its course from nationalization to privatization. Recently there has been a surge in number of foreign banks in the country due to a number of reasons. One of the major tasks of the banks includes the maintenance of faith and credence of its members in the organization India's banking sector has experienced a number of business cycles in past few decades, such as bank runs, crisis in the world economies, etc., despite all this, banks in India have established and maintained a stable structure and system ensuring the confidence in the banking system of the nation. Indian banks are highly stable and hence the depositor can be rest assured about banks safeguarding the money. The profits earned by the bank are an integral part of its success and functionality. Initially the banking sector was judged and analyzed on the profits it made and the role of distribution of profits was intensely ignored. But now the investors are also looking at the sector as a profitable opportunity to invest and earn. They are interested not only in the safeguard of money but also in profit being allocated to them. They are interested in knowing the rate of return earned and distributed to them. So the dividend policy of the bank is a crucial decision for the management of the bank as it involves choosing the adequate proportion of profit to be distributed which influences the value and liquidity of the bank. This article is an attempt to review the factors that majorly affect the dividend policy of banks in India.

### Dividend Policy

A dividend policy is a policy through which a company decides the share of its profits to be paid out as dividends to its shareholders. Dividend policy helps in determining the division of profits into dividend payments and retained earnings of the firm. Firm reinvests the retained earnings of the firm further in enhancing the profitability of the company. Dividend policy is an integral part of any firm as it can help the company to attract investors both for long term as well as short term basis. The price of the stocks of the firm is also affected by the dividend policy. Actually dividend policy is deciding about dividend payout ratio. Dividend pay-out refers to the amount of cash the firm chooses to pay out in the form of dividends. The dividend pay-out ratio is defined as the percentage of the total earnings by the firm that the firm decides to give out as dividend payments. It is the ratio of total dividends by net income after paying taxes. Most of the firms initially pay a low dividend to its investors but as the firm matures, there is a tendency for the firm to raise the dividend payments. There is a high chance of the stock price of a firm to fall if the dividends paid out by the firm decreases since the investors start

looking and investing in the firms paying out higher dividends. Stability of the dividend pay-out ratio indicates a strong and accountable dividend policy of the company.

### **Literature Review**

The reviewers have undertaken the systematic review of literature. Firstly the studies explaining factors affecting dividend in general are taken, then the studies related to banking sector in particular and at last the studies related to Dividend of banking sector in India specifically.

### **Studies explaining determinants of dividend**

Before we move on to the determinants of dividend in banking sector, it becomes absolute necessity to understand the determinants of dividend in general. Here are few of the studies explaining such determinants.

In **1956**, the classic study was done by **Lintner**. He analyzed how U.S. managers make dividend decisions. The study was focused on the behavioral aspect of dividend policy. He concluded that dividends increase when the level of the firm's earning has permanently increased. So the dividends depend not only on the current earnings but also on the past earnings.

In **1968**, **Eugene Fama and Harvey Babiak** studied the determinants of dividend payments by individual firms during 1946-64. For this propose, the study used the statistical techniques of regression analysis, simulations and prediction tests. The study concluded that net income seems to provide a better measure of dividend than either cash flow or net income and depreciation included as separate variable in the model.

In **2001**, a research was conducted by **Ronny Manos** on apt dividend policy and capital structure of the firms. This study was aimed at attaching an empirical proof to the functioning of the firms in the light of the dividend policy followed by the firm and the capital structure associated with the firm, mainly developed around emerging markets. The study showed the necessities and implications of the dividend policies inside the firm and the decisions about the capital structure in India. Maximum likelihood technique was also used to express the effect on the dividend payment decisions taken by the firm. The study revealed that dividend policy and capital structure varies across different firms which also differentiates the dividend paid to the shareholders in different firms which were mainly the result of incomplete and imperfect information in the market and also due to the presence of the agency costs within the firms. The results also provided an insight to the private corporation in India and signified the factors affecting the dividends payments negatively which include insider ownership, risk, debts etc.

In the year **2005**, **Sharon L. Kania and Frank W. Bacon** conducted a study focusing on identifying the factors that motivated the dividend decisions adopted by the corporate. The objective of the paper was to analyze the impact on the dividend decisions of the corporate firms imparted by certain financial variables. The research was based on estimating the financial data of 542 publicly traded firms gathered through the database of Multexinvestor.com. The methodology applied was regression using Ordinary Least Square (OLS) and a multivariate regression was carried out to reach the conclusion of the study. The variables chosen for the research were return on equity, current ratio, financial leverage of the firm, insider and institutional ownership, sales growth, beta, capital spending and growth of EPS. The conclusion of the study revealed that leverage, return on equity and the insider ownership is inversely related to payout ratio of a firm. The study also revealed that an increase in the dividend payments by a firm reduces the liquidity of the firm and a large proportion of growth in EPS leads to an enhanced capacity to raise dividend payments by the firm.

In **2010**, another researcher named **Lalu Candra Karami** investigated the impact of financial leverage and the liquidity on the dividend policy of the firm, that is, the dividend payout ratio of the firm. The subject over which the study was established were the 15 chosen companies in Indonesia, listed in stock exchange of LQ45 between the years 2008 to 2010. The methodology applied was performing a multiple regression analysis, conducting an explanatory and quantitative research. The results of the study showed that the financial leverage had an inverse relationship with the dividend payments, as the higher the company is indebted, the lower will be amount left to pay out as dividends to its shareholders. Another result supports the proposition that liquidity had a significant positive

effect on the dividend policy of the company, implying the more the liquidity; the greater is the dividend payout ratio of the firm. This suggested that higher liquidity attracts the investors to invest in a firm, as the investment in the firm is increased; the firm is more capable of giving out higher dividend payments to its shareholders, hence indicating an enhancement of the dividend policy in favor of the investors associated with the company.

In the year **2011**, a study was done by **Aasia Asif, Waqas Rasool and Yasir Kamal** within stock exchange listed companies in Karachi. The study was conducted within 402 companies during the years 2002 to 2008. The methodology that the researchers followed for conducting this research was based on the extended model of Lintner which was formed back in 1956. This model was used to examine the dividend policy that the firms were conforming to in association with independent variables and dummy variables assumed by the researchers, forming a hypothesis, applying these results in a correlation matrix complied by a regression analysis. The aim of the paper was to assert that if the firm has an optimum debt equity ratio, that is, an apt quantity of financial leverage, it leads to the enhancement of the firm's business and leads to a higher rate of profit for the firm. The optimum amount of the leverage is chosen by the management of the firm and it also results in enhancing the profits of the investors which keeps them interested in the firm and maintain their loyalty with the company. To reach the results, a descriptive analysis was done which suggested that the greater the amount of debt borne by a company, the lesser is the dividend paid out to its investors. It also suggested that dividend payments are a crucial part of any firm and financial leverage has a significant impact on the dividend policy of the company. The effect of the changes in earnings of the firm was also measured on the dividend payment decisions made by the firm and it was observed that there was no significance of the former on the latter in a firm.

In the year **2013**, another research focused on the determinants of dividend policy in Saudi Arabia. The research was conducted by **Dr. Turki SF Alzomaia and Mr. Ahmed Al-Khadhiri**. The objective of the study was to estimate and explore the factors that determine dividends per share of the public non-financial companies listed in Saudi Arabia stock exchanges (TASI). The study was based on analyzing 105 non-financial firms mentioned in the stock market over a period ranging from 2004 to 2010 with the data collection being yearly. The methodology applied was using a regression model along with the panel data to find the impact of earnings per share (EPS), dividend per share of the previous year represented as the previous dividends, growth of the firm, financial leverage, that is, debt to equity ratio, and finally Beta and Capital Size on dividends per share. Multiple regression analysis was conducted and the software employed was SPSS. The results of the study suggested that a company in Saudi stock market decides to raise or reduce the dividend payments it makes according to the profitability of the firm as well as the level of previous dividends, revealing an affirmative relationship of the dividend policy with the previous dividends and profits realized by the firm. It implied that the non-financial companies listed in TASI estimate and fixes their dividends by relying greatly on current earnings per share and past dividend per share.

In **2013**, **Matthias Nnadi, N Wogboroma and Bariyima Kabel** analyzed the determinants of dividend Policy for Listed Firms in the African Stock Exchanges. The study demonstrated that much of the existing theoretical literature on dividend policy can be applied to the emerging capital markets of Africa. Using available financial data of listed firms in the 29 stock exchanges in Africa, the study found similarities in the determinants of dividend policy in African firms with those in most developed economies. In particular, agency costs are found to be the most dominant determinant of dividend policy among African firms. The finding was non-synonymous with emerging capital markets which have a high concentration of private ownership and trading volumes. Agency cost theory may be important in both emerging and developed capital markets but the nature of the agency problem may be different in each case. Other factors such as level of market capitalization, age and growth of firms, as well as profitability also play key roles in the dividend policy of listed African firms.

**Studies related to determinants of dividend in banking sector**

There are various studies being conducted in different countries as far as banking sector and determinants of dividend are concerned. Few of such studies are as follows-

An important research was conducted on the subject expressing the difference between the dividend policy within the banks and other non-banking firms and the data was picked from the banking industry of Brazil. The study was carried by **Renata De Araujo Weber** and **Dr. Jairo Laser Procianoy**. The aim of the study was to find the indicators that affect the dividend policy of a bank and later the effect of these same indicators was tested for the dividend policy in non-banking sector. The study was carried over a period of six years from 2001 to 2006 by taking 181 financial institutions of Brazil under consideration. The test was done by conducting an unbalanced panel data regression analysis, since the use of panel data eliminates the risk of biasness and providing better information with more variable and efficient data. The amount of profits given out by different firms were calculated and in totality the amount was found similar of the dividend payments made by the banking and non-banking industry within the Brazilian economy. It was estimated that in the Brazilian banking sector, the dividend pay-out ratio is most affected by the profitability of the bank and it was also realized that the banks in Brazil are similar to the non-banking corporations in Brazil; there is not much difference between the two sectors of the economy.

In 2008, **Mr. Matthias A. Nnadi** and **Mrs. Meg Akpomi** studied the impact of taxes on the dividend policy in Nigerian banks. The research is conducted by considering various factors that affects the dividend policy of a bank which comprised mainly of dividend payment pattern of the bank, complying with a preset capital structure, leverage of the bank, taxes etc. The methodology adopted was conducting a hypothesis testing and performing a correlation regression analysis between the various indicators and the dividend policy of the banking sector in Nigerian economy. The profits retained by the banks influence the dividend payments positively as the banks function with more stability attracting more investors. Also an affirmative relationship is realized between the profits, taxes and the dividend payout. Liquidity in the banking industry of Nigeria is also a major determinant of the dividend policy of the banks there as it is a function of the profits earned by a bank, that is, more liquidity indicates more profits.

Further in 2011, **Nasirudeen Abubakar** intended to determine the factors influencing dividend payout in the banks in Nigeria. The study was carried out for five sample banks out of total 25 banks listed in the Nigerian stock exchange. The indicators used in the study are profit after tax, funds of the investors, liquidity maintained in the bank and the leverage in the bank. A multiple regression analysis and a correlation technique were used to conduct the study with research being both qualitative and quantitative in nature taking a descriptive route. The data used was secondary in nature. The liquidity estimate of a bank is affected by the profits realized in a bank. The funds of the investors influence the dividend payments significantly as altering the funds will alter the payments made to the investors. The financial leverage of a bank affects the dividend policy negatively as a higher indebted bank will not be able to pay high dividends to its investors. The profits earned by the banks in Nigeria have a significant affect on their dividend policies as the more the profits, the more are the chances of having a stable dividend policy which keeps and helps the investors stay loyal to the bank.

In the year 2012, four researchers; **Sajid Gul, Sumra Mughal, Syeda Asma Bukhari and Nabia Shabir** tried to determine the indicators which affect the dividend policy of the banks in Pakistan. The data was collected for 18 banks for the period 2006 to 2011 which were mentioned in Karachi Stock Exchange. The factors that were tested comprised of the size of the bank, profits earned by the bank, financial leverage of the bank and the risk associated with it and the growth rate of the bank. The methodology adopted was finding the correlation coefficient for the factors influencing the dividend policy of the banks in Pakistan. It was concluded that the financial leverage and the risk associated with it showed an inverse impact on the dividend payments made by the bank whereas profits earned, size of the bank and the growth rate of the bank expressed an affirmative relation with the dividend

pay-out ratio of the bank. Hence by comparing the banks paying dividends with the banks not making dividend payments, it was established that the banks giving out dividends are more stable, attract more investors, profitable and also minimize the risk factor for the shareholders.

In year **2013** only, another study was carried out by **Hashim Zameer, Shahid Rasool, Sajid Iqbal and Umair Arshad** in which the Pakistani banking sector was studied to establish the factors that determine the dividend policy of the banks in Pakistan. The study was conducted by doing a regression analysis by applying SPSS in which the data of 27 domestic and foreign banks was used. The approach of the research was explanatory. It was found that the profits realized by the bank, the past dividend payments given by the bank to its investors and the ownership structure of the bank has significantly positive effects on the dividend policy within the banks of Pakistan. On the other hand the liquidity of the bank exhibits an inverse relationship with the dividend policy of the banks. It was also concluded that the factors such as size, agency costs etc. does not affect the dividend policy of the banks in Pakistan.

Further, in **2013**, **Sumaiya Zaman** did a research in Dhaka, Bangladesh estimating the determining factors of the dividend policy for private banks in Bangladesh with a comparison between three factors affecting the dividend policy of the banks which are profits realized by the bank, size of the bank or the growth rate of the bank. The study was established over the estimates collected for the 7 years from 2006 to 2012 done for the 30 commercial banks mentioned in the Dhaka stock exchange in Bangladesh. These banks were tested on their growth rate, size and profits realization yearly for their effects on the dividend payments. The results were reached by applying correlation and multiple regressions. Profits realized by the banks were measured by the yearly return attained on the assets of the bank. Growth of the bank was found by the interest income that the bank received yearly and finally the size of the bank was estimated by totaling the annual assets of the bank. Through regression it was realized that there is an insignificant positive correlation between the indicators of the dividend policy and the dividend payments used in this research paper. The results suggested that the profits realized by the bank affects the dividend pay-out decision of the bank more than the size and growth prospects of the bank but it could not be concluded that this is the sole factor altering the dividend policy of the banks in Bangladesh .

In **2014**, a research was conducted for the Nigerian banks analysing the relationship between dividend payments and corporate performance. This study was done by **Ifeanyi Francis Osegbue, Meshack Ifurueze and Priscillia Ifurueze** for the period ranging from 1990 to 2010 taking 18 banks into consideration. The methodology applied here is doing a regression analysis by carrying out hypothesis testing for the unbalanced panel data set of Nigerian banks yearly including variance inflation factors to test if the explanatory variables are multi-collinear in nature and also checking for the autocorrelation by performing a Durbin Watson test. The effect of some explanatory variables was tested on the dividend policy which comprised of profits realization, cash flows, leverage etc. and it was found that there is no significant relationship between the dividend policy of a bank and the indicators in the Nigerian banking sector. Also the variables were found to be normally distributed. The dividends are paid in Nigeria essentially for maintaining the reputation of the bank and decreasing the problems associated with the agency cost.

In **2014**, another research was conducted by **Christopher Maladjian & Rim El Khoury** which showed how dividend policy is estimated by the financial leverage in the banks. This research was carried out for the banks in Lebanon listed in Beirut exchange stock. Banks in Lebanon have a stable corporate governance structure which makes its functionality more reliable and more sustainable. The study took the data between the years 2005 to 2011 through an unbalanced panel data set of the banks listed in the Beirut exchange stock. The methodology applied here was doing an OLS and panel regressions. The results imply that the dividend payments reduce the conflicts arising due to agency costs in the banks. Usually, a mixed impact of financial leverage on the dividend policy of the firm was found but this study suggested a positive impact of the financial leverage on the dividend policy, indicating that leverage can be used to pay out dividend payments. It was also noticed that despite

there being a positive relation between the two but the impact of the former on the latter is insignificant in the banking sector in the Lebanese economy, hence implying that the financial leverage does not directly influence the dividend payments in the banks in Lebanon.

#### **Studies related to determinants of dividend of banking sector in India**

Now few of the studies done in Indian banking sector goes like this-

**Bodla et al.** in year **2007** analyzed the dividend policy of 33 Indian banks for a period of ten years. The period study ranged from 1996 to 2006. They found that past dividend, earnings and cash flow have a positive impact on dividends of the banks.

**In year 2007, Karam Pal and Puja Goyal** gave a focused overview of the important dividend theories and identified the leading factors that determine the dividend behavior. They analyzed the dividend behavior of Indian Banking Industry using various econometric techniques. It was concluded that lagged dividend, PAT, interest were the most important factors affecting dividend decisions of the industry whereas capital expenditure was not.

**In year 2010, M Sudhahar and T. Saroja** studied the banking industry in India for a period of 10 years i.e. from 1997 to 2007. They took all banks actively traded on Bombay Stock Exchange as their sample. When they tried to find out the factors affecting the dividend of banks then, last year dividends and profit after tax emerged as the strongest factors affecting the dividend positively. This study analyzes the trends and determinants of the dividend policy of banks in India. The banks which are actively traded under Bombay Stock Exchange (BSE) A and B Groups were considered as sample for the study. A multiple regression model, in addition to Lintner model, extended version of Lintner model, such as Brittain's cash flow model, Brittain's explicit depreciation model and Darling's model, were used for testing the independent variables. Brittain's explicit depreciation model is found to be the best model in explaining the dividend policy of the banks. In other words, the last year dividend followed by current year depreciation and current year profit after tax played a positive role in the dividend policy for the current year among Indian banks.

**In year 2011, Rizvi and Khare** investigated the dividend policy of 20 Indian banks selected from BANKEX. The period of their study was 2000 - 2008. They concluded that earning per share was an important determinant of dividend. Risk was also found to be important determinant but had negative impact. Cash flow, debt equity ratio and tax were found to be insignificant. Statistical techniques of correlation and regression were used to explore the relationship between key variables. The results of the study showed positive and significant association between earning per share (EPS) and Dividend Payout Ratio (DP). Thus, EPS found as an important determinant of DP ratio. Stock beta was found to have a negative but significant relationship with Dividend Payout Ratio in the banking sector. The results disclosed insignificant relationship with cash flow from operations, debt equity ratio and tax to profit before tax ratio. This was the first paper to study the determinants of dividend payout ratios of Indian Banking Sector using the BANKEX Index.

**In 2012, P. N. Acharaya and R. P. Mahapatra** studied the dividend behavior of banking sector in India. They tried to examine the validity of the Lintner's dividend behavior model in three major commercial banks of India namely HDFC Bank, ICICI Bank, and State Bank of India. The result of the study disclosed that the Lintner's model is holding good only in ICICI Bank with all specifications. Though it applies to the two other banks also but not with all specifications.

**In year 2012 only, Sura et al** also investigated the application of Lintner's Model in Indian banking sector. They studied banks listed on national stock exchange of India for period from 1996 to 2006 and verified that Lintner's model well applies on Indian banks.

**In year 2015, Sangeeta D. Misra** conducted a study on dividend payout of Indian banks. She took 121 Indian banks as sample of the study and studied 8 years period (2005-2013). She found out that total deposit to total assets ratio positively affected the dividend payout ratio. Using panel data, two regression models were proposed, one showing dividend payout ratio and the other showing dividend rate as a dependent variable. The study considered both bank specific internal variables as well as macroeconomic variables as explanatory variables influencing the dividend policy of Indian banks.

The results of the determinants of dividend payout ratio of Indian banks showed growth rate of real GDP affecting dividend payout ratio positively and significantly, and also showed return on assets and total deposits to total assets ratio of Indian banks affecting their payout ratio negatively and significantly. The results of the determinants of dividend rate showed no variable emerging as a significant determinant, indicating the fact that Indian banks consider dividend payout ratio to be a better measure of their dividend policy.

In 2015, **K.Devanadhen and P. Karthik**, investigated the factors influencing dividend payout of Indian commercial banks. They used fixed effects approach in panel regression to study 19 public sector banks and 10 private sector banks during the period from 2007 to 2014. Profitability, size, liquidity, leverage, growth opportunities and risk were the factors considered in influencing dividend payout. Profitability had a negative effect on dividend payout. Risk found to have a positive effect on dividend payout. The liquidity of the banks had a negative effect on dividend payout. Size, leverage and growth opportunities were found unrelated to dividend payout of the listed Indian commercial banks.

Another study by **Dinesh Kumar Sharma and Ritu Wadhwa** explored the factors influencing dividend payout of Banks in India. The study considered 42 banks in India selected from banking sector of PROWESS database of CMIE for the period of 2006-2015. Profitability, liquidity and risk were the factors considered in influencing dividend payout decision. Profitability had a positive effect on dividend payout and it concluded that higher the profit of the bank, more they prefer to pay out the dividend. The liquidity of the banks found to have a positive effect on dividend payout and it confirmed that higher the liquidity of the bank, more they prefer to pay out the dividend. But risk and leverage did not significantly impact the dividend payout decision of the selected banks in India.

### **Conclusion**

Having analyzed the various studies it may be concluded that the classic Lintner model is still able to better describe the determinants of dividend in corporate. Permanent increase in the level of earnings surely increases the dividend payment and most of the researchers agree to it. In addition to it various other factors also emerged as determinants of dividend. One such factor is cash flow or liquidity. Some researchers found it to be insignificant while few attached a direct relationship between liquidity and dividend payout. Other such factors are agency costs, risk, debt, ownership, leverage, profitability, age and growth. But there is no single set of determinants agreed upon by the researchers and authors.

As far as the determinants of dividend in banking sector are concerned there are various researches done in different countries. Researches proved that banking dividends are not different from dividends of non-banking corporations. A positive relationship was found between profits, retained earnings, taxes, size, liquidity, growth rate, past dividends and the dividend paid. Financial leverage was found to have different effect on dividend paid. Few researches established negative relationship between financial leverage and dividend while others found the relationship to be positive.

In case of Indian banking sector most of the studies verified the application of Lintner model and many of the determinants similar as in banking sector of other countries. Again the relationship of financial leverage and dividend is not so clear. In some researches the relationship found is positive while in other it is negative.

### **References:**

1. Abubakar, Nasirudeen. *The Determinants of Dividend Payout in the Nigerian Banking Industry*. Diss. 2011.
2. Acharya, P. N., and R. P. Mahapatra. "Validity of Lintner's Dividend Behaviour Model in Indian Banking Sector: An Empirical Analysis." *Management Insight* 8.1 (2013).
3. Alzomaia, Turki SF, and Ahmed Al-Khadhiri. "Determination of dividend policy: The evidence from Saudi Arabia." *International Journal of Business and Social Science* 4.1 (2013).
4. Asif, Aasia, Waqas Rasool, and Yasir Kamal. "Impact of financial leverage on dividend policy: Empirical evidence from Karachi Stock Exchange-listed companies." *African Journal of Business Management* 5.4 (2011): 1312.

5. Bodla, B. S., Karam Pal, and Jasvir S. Sura. "Examining application of Lintner's dividend model in Indian banking industry." *The ICFAI Journal of Bank Management* 6.4 (2007): 40-59.
6. Devanadhen K and KarthikP, "Determinants of Dividend Policy of Public and Private Commercial Bank in India: A Panel Data Approach" *Journal of Arts, Science and Commerce* 4-3(2015) 111-121
7. Fama, Eugene F., and Harvey Babiak. "Dividend policy: An empirical analysis." *Journal of the American statistical Association* 63.324 (1968): 1132-1161.
8. Gul, Sajid, et al. "Agency cost, corporate governance and ownership structure (the case of Pakistan)." *International Journal of Business and Social Science* 3.9 (2012).
9. Kania, Sharon L., and Frank W. Bacon. "What Factors Motivate The Corporate Dividen Policy." (2005).
10. Lalu Candra Karami, S. E. "THE INFLUENCE OF LEVERAGE AND LIQUIDITY ON DIVIDEND POLICY (Empirical Study on Listed Companies in Indonesia Stock Exchange of LQ45 in 2008-2010)." *Jurnal Ilmiah Mahasiswa FEB* 1.1 (2012).
11. Lintner, John. "The valuation of risk assets and the selection of risky investments in stock portfolios and capital budgets." *The review of economics and statistics* (1965): 13-37.
12. Maldajian, Christopher, and Rim El Khoury. "Determinants of the dividend policy: an empirical study on the Lebanese listed banks." *International Journal of Economics and Finance* 6.4 (2014): 240
13. Manos, Ronny. *Dividend policy and agency theory: evidence on Indian firms*. Institute for Development Policy and Management, University of Manchester, 2002.
14. Misra, Sangeeta D. "Determinants of bank profitability in India." *International Journal of Indian Culture and Business Management* 10.2 (2015): 193-211.
15. Nnadi, Matthias A., and MARGARET E. AKPOMI. "The effect of Taxes on dividend policy of banks in Nigeria." (2005).
16. Nnadi, Matthias, Nyema Wogboroma, and Bariyima Kabel. "Determinants of dividend policy: Evidence from listed firms in the African stock exchanges." *Panoeconomicus* 60.6 (2013): 725-741.
17. Osegbue, Ifeanyi Francis, Meshack Ifurueze, and Priscillia Ifurueze. "An analysis of the relationship between dividend payment and corporate performance of Nigerian banks." *Global Business and Economics Research Journal* 3.2 (2014): 75-95.
18. Pal, Karam, and Puja Goyal. "Leading Determinants of Dividend Policy: A Case Study of the Indian Banking Industry." *Decision (0304-0941)* 34.2 (2007).
19. Rizvi, Saima, and Sumi Khare. "Determinants of Dividend Payout Ratios-A Study of the Indian Banking Sector." *Indian journal of finance* 5.2 (2011): 24-31.
20. Sharma, Dinesh Kumar, and Ritu Wadhwa. "Determinants of Dividend Policy Decision: An Analysis of Banks in India." (2017).
21. Sudhahar, M., and T. Saroja. "Determinants of dividend policy in Indian banks: An empirical analysis." *IUP Journal of Bank Management* 9.3 (2010): 63.
22. Sura, Dr, et al. "Factors Influencing Dividend Policy Decisions in Banking Sector: An Indian Evidence." (2012).
23. Weber, Renata de Araújo, and Jairo Laser Procianoy. "Are banking dividends different?: evidence from the Brazilian banking sector." *Encontro Brasileiro de Finanças (9.: 2009 jul./ago.: São Leopoldo, RS)[Anais]. São Paulo: Sociedade Brasileira de Finanças (SBFin), 2009.[recurso eletrônico]* (2009).
24. Zaman, Sumaiya. "Determinants of Dividend Policy of A Private Commercial Bank in Bangladesh: Which is The Strongest, Profitability, Growth or Size?." *Proceedings of 9th Asian Business Research Conference (December, 2013), BIAM Foundation, Dhaka, Bangladesh.* 2013.
25. Zameer, Hashim, et al. "Determinants of Dividend Policy: A case of Banking sector in Pakistan." *Middle-East Journal of Scientific Research* 18.3 (2013): 410-424.