**Financial Risk and Management Reviews**
*2023 Vol. 9, No. 1, pp. 1-10*
*ISSN(e): 2411-6408*
*ISSN(p): 2412-3404*
*DOI: 10.18488/89.v9i1.3454*


# Determinants of the dividend payout policy of multinational companies in Bangladesh: Evidence from Dhaka stock exchange

**Tarik Hossain**[1+]
**Md. Miraz Khalifa**[2]
**Raju Ahmmed**[3]

[1,2,3]*Department of Accounting and Information Systems, Comilla University, Bangladesh.*
[1]*Email: online.tarik@yahoo.com*
[2]*Email: mdkhmiraz@gmail.com*
[3]*Email: rajuahmmed642@gmail.com*

*(+ Corresponding author)*

**Article History**
Received: 29 November 2022
Revised: 4 July 2023
Accepted: 10 August 2023
Published: 30 August 2023

**Keywords**
Bangladesh
Capital adequacy ratio
Corporate tax ratio
Determinants
Dhaka stock exchange
Dividend payout policy
Multinational national companies.

## ABSTRACT

This study tries to establish the important factors influencing the dividend payout policy of the Multinational Companies (MNCs) in Bangladesh in order to assist investors in making the best possible investment decisions. Data for this study was collected from several MNCs listed on the DSE from 2015 to 2021. The relationship between the dependent variable, Dividend Payout Ratio (DPR) and selected independent variables such as Return on Equity (ROE), Liquidity Ratio (LEQR), Leverage Ratio (LEVR), Firm Size (FS), Dividend Payout Ratio of Previous Year (PDPR), Corporate Tax Ratio (CTR) and Capital Adequacy Ratio (CAR) is evaluated using Pearson's correlation and Ordinary Least Squares (OLS) regression models for data analysis and hypothesis testing. The regression analysis results showed a mixed result. The ROE and CTR are significantly related to DPR. Higher ROE and CTR emphasis a higher dividend for stock holders. The FS is significantly negatively related to DPR. Due to the costs associated with paying for the profits of substantial assets, large firms pay lower dividends. Other variables such as LEQR, LEVR, PDPR, CTR and CAR have no significant impact on the DPR. The investors and the concerned authorities can consider ROE, CTR and FS to forecast the future dividend for the MNCs in Bangladesh.

**Contribution/Originality:** This research is important in finding out the crucial factors influencing the dividend payout policy of Multinational National Companies (MNCs) in Bangladesh. This research is one of the fundamentals in Bangladesh where additionally CTR and CAR are used as independent variables.

## 1. INTRODUCTION

A dividend is a distribution of profits by a company to its shareholders for their investment. It is the proportion of gain provided by the company as the return on investment to the owners of their shareholdings.

The company's dividend payout strategy is influenced by different micro- and macro-economic factors in addition to commercial success. Companies provide dividends considering the present financial conditions and long-term strategic plans. Investors invest their funds to get a return as a dividend or capital gain (Tarik Hossain, 2013; Hossain, Nesa, Dowla, & Akter, 2021). Here dividend is a very integral factor to consider in making investment decisions. Due to uncertain situations, sometimes companies fail to provide handsome dividends to investors. Al-Malkawi, Rafferty, and Pillai (2010) argued that dividends are not only the return on investment but also the symbol of performance. Potential investors always want to ensure that they will get a handsome and stable return from their investment (Hossain, 2020b; Hossain, Chowdhury, & Begum, 2014). There are many theories developed

by different researchers about dividend distribution policy. Most of the theories tried to find out the basis for predicting the dividend of the company. However, no theory can precisely predict the company's future payout. Zameer, Rasool, Iqbal, and Arshad (2013) concluded that DPR defers among the countries due to varying rules, regulations, tax policies and different capital markets and institutions. Dividend payout decision is the managerial decision of distributing to the owners and retaining for expanding business and reinvestment of profit. The choice to pay out dividends is a difficult and crucial one (Abor & Bokpin, 2010) because of the intense competition worldwide that makes it impossible to make large profits (Faruky, Uddin, & Hossain, 2011). Businesses require substantial funding for growth and development in addition to satisfying investors with a sufficient payout. The distribution of dividends and reinvestment are inversely related to each other and collectively significantly influence organizational success. The company should make dividend payout decisions carefully to maximize shareholder wealth. The DPP of companies operating in emerging economies is reasonably different from developed (Glen & Singh, 2004) and underdeveloped countries. It also differs from country to country (Frankfurter & Wood Jr, 2002), economy to economy (Aivazian, Booth, & Cleary, 2003) and from time to time (Sarig, 2004). The types of businesses and corporate formations also affect the DPP. Numerous studies have been done about the factors that determine the DPP both nationally and internationally for various kinds of companies. Many researchers used determinants such as profitability, liquidity, leverage, corporate tax policy, firm size, capital adequacy and the dividend payout ratio of the previous year. In Bangladesh, the majority of research focuses on local businesses. Research on manufacturing businesses listed on the DSE was carried out by Islam and Adnan (2019). Recently, there has not been a DPP study on MNCs in Bangladesh that focuses on DSE. This study will enrich the DPP literature and facilitate investors and concerned stakeholders in making perfect decisions.

MNCs play a vital role in economic development worldwide. Investors like to invest in MNCs to get higher returns and minimize risk. The dividend is an essential way of getting a return on investment in the capital market. Many factors influence the dividend policy of MNCs such as ROE, LEQR, LEVR, CTR, CAR, FS, and PDPR. In Bangladesh, very few studies have analyzed the factors influencing the DPP of the MNCs. This study will add value to the existing literature. The potential investors will be able to know the probable upcoming dividend for their decision-making. The MNCs will also be able to realize the expectations of their owners. This research aims to analyze the impact of different variables on the DPR to find out the potential influence of the DPR on the MNCs in Bangladesh.

### *1.1. Objectives of the Study*

The aim of this study is to establish the aspects influencing the DPP of MNCs in Bangladesh. The specific objectives for this study are as follows:

i. To establish the potential aspects of DPP for MNCs in Bangladesh.

ii. To find out the impact of different determinants on the DPR.

## 2. LITERATURE REVIEW

Several studies focus on the many determinants of dividend payout policy worldwide. However, no specific determinants are found for the companies to determine future dividends. The dividend of the company largely depends on the present conditions of the company and its future plans. Al-Kuwari (2009) found that profitability has a significant affirmative influence and the leverage ratio has a significant negative impact on the DPR. Al-Shubiri (2011) in Jordan concluded that leverage is negatively affected and profitability is positively affected by the DPR. Ahmed and Muktadir-Al-Mukit (2014) found corporate tax and profitability. The current ratio is one of the vital determinants of DPR.

### *2.1. Profitability*

Profitability is the ability of a company to earn profit by employing its capital (Hossain, 2022). It is a sign of successfully operating the business and properly using the assets. Many researchers argue that profitability is the vital determinant of DPR (Alfisah & Kurniaty, 2019; Baker & Jabbouri, 2016; Fama & French, 2001; Fitri, Hosen, & Muhari, 2016). It indicates the ability of the company to pay dividends to its shareholders. When the company cannot generate more profit, it will be very difficult to pay more dividends. In dividend signaling theory, Miller and Modigliani (1961) found an affirmative association between profitability and DPR and also concluded that dividend payout represents a sign of a firm's financial condition and future prospects. It also ensures the wealth maximization of the firm. According to Anil and Kapoor (2008), profitability is the most important sign of DPR. Adaoglu (2000) researched emerging markets and argued that the main determinants of cash dividends are current-year earnings and emerging market firms follow unstable dividend payout policies which is also supported by Mahira (2012) and Islam and Adnan (2019). Le, Nguyen, and Tran (2019); Al-Kuwari (2009); Naceur, Goaied, and Belanes (2006); Patra, Poshakwale, and Ow-Yong (2012); Amidu and Abor (2006) and Jabbouri (2016) found a significant affirmative connection between profitability and DPP. Ritha and Koestiyanto (2013) argued that profitability has a negative influence on the DPR. The profitability of a firm can be measured by its return on equity (ROE).

### *2.2. Liquidity*

The liquidity of a company indicates its ability to pay current and short-term debt obligations (Hossain, 2020a). Standard liquidity is very important for successfully operating a business. High liquidity increases the cost while low liquidity increases the risk. Sometimes companies reduce the dividend to ensure the payment of current debt obligations (Le et al., 2019) as the cash dividend decreases the cash of the firm. Companies mainly consider liquidity positions when making dividend decisions (Alshammari, 2012; Deshmukh, Goel, & Howe, 2013; Islam & Adnan, 2019; Khan & Ahmad, 2017). Okpara and Godwin (2010) also found a significant optimistic relationship between liquidity and DPP.

### *2.3. Leverage*

Leverage is the ratio between the debt and equity of a firm. The leverage ratio focuses on financing and other external sources. More leveraged firms mean more financed from debts and less leveraged firms means more financed from equity. Diverse opinions were found about the influence of leverage on the DPR. Gugler and Yurtoglu (2003) found an opposite relationship between financial leverage and DPP which is also supported by Al-Kuwari (2009) and Alzomaia (2013). Ritha & Koestiyanto 2013)argue that there is a positive relationship between leverage and DPR. Le et al. (2019) suggested reducing the leverage ratio.

### *2.4. Corporate Tax*

Corporate tax is the income tax imposed on the company on the basis of corporate income for a period of time. It is a compulsory payment for the company and no direct benefits are received from providing corporate tax. After deducting corporate tax, net income can be distributed to shareholders as a dividend. Higher-income generates higher taxes and also pursues higher dividends. Ahmed and Muktadir-Al-Mukit (2014) concluded in DSE that corporate tax is a strong determinant of DPR. Amidu and Abor (2006) and Rehman and Takumi (2012) also concluded that there is a positive relationship between corporate tax and the DPR.

### *2.5. Capital Adequacy Ratio (CAR)*

Capital adequacy is the availability of capital to smoothly operate the business. The capital adequacy ratio can be measured by dividing the total assets by the total equity of a firm. More CAR means a higher proportion of

capital financed by owners. Rahma and Syarif (2020) found an affirmative influence of CAR on the DPR. Yesyurun (2021) found in Indonesia that CAR has a noteworthy impact on the DPR.

### *2.6. Firm Size*

Firm size represents the volume of a company in terms of specific factors such as total assets and total sales. There are various findings about the relationship between DPP and business size. The life-cycle theory developed by DeAngelo, DeAngelo, and Stulz (2006) concluded that firm size and DPP are positively related. Fama and French (2001) also concluded that small firms pay little or no dividend. Le et al. (2019) found an insignificant relationship between firm size and DPP decisions. Hoque, Hossain, and Saha (2022) argued that FS significantly affected the financial performance of the companies.

### *2.7. Dividend Payout Ratio of the Previous Year*

The previous year's dividend payout ratio is very important for determining the future dividend. Sometimes companies try to maintain the consistency of DPR annually. Owners expect a higher dividend compared to previous years (Hossain, 2021). According to research on the Jakarta Islamic Index by Fitri et al. (2016), the DPR from the prior year had an influence on the DPP decision. Islam and Adnan (2019) studied manufacturing companies listed in the DSE of Bangladesh and argued that most of the firms follow the preceding years' pattern of dividend payment for dividend decision-making. Imran (2011) also found that the dividend of the previous year positively influences the DPR of the company.

### *2.8. Conceptual Scheme*

The conceptual framework which focuses on the interactions between independent, control and dependent variables, is shown below.

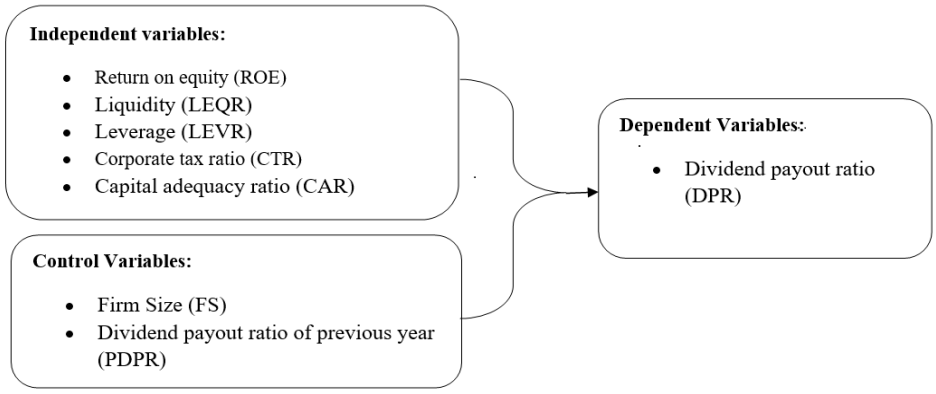


**Figure 1.** Conceptual framework.

Figure 1 illustrates the relationship among the dependent variable DPR, the independent variables ROE, LEQR, LEVR, CTR and CAR and the control variables FS and PDPR.

## 3. RESEARCH METHODOLOGY

### *3.1. Research Instruments*

The variables of this research have been adopted from several research articles in the literature review. Return on Equity (ROE) is adopted by Le et al. (2019) as a proxy for a firm's profitability measures. The variable Liquidity (Leq) has been taken from Okpara and Godwin (2010); Leverage (Lev) from Alzomaia (2013); Firm Size (FS) from Fama and French (2001); Dividend Payout Ratio of Previous Year (PDPR) from Fitri et al. (2016); Corporate Tax Ratio (CTR) from Rehman and Takumi (2012) and Capital Adequacy Ratio (CAR) from Yesyurun (2021). The

dependent variable is used as the Dividend Payout Ratio (DPR) in this research to justify the Dividend Payout Policy (DPP).

### *3.2. Sample, Population and Data Collection*

In Bangladesh, fifteen MNCs listed in the DSE are working. Eleven MNCs are chosen at random to gather data from 2015 to 2021. This study examines the effects of the independent variables on the dependent variable using a total of 77 data entries.

### *3.3. Data Analysis Procedures and Hypotheses*

The statistical software SPSS 16 has been used to process and analyze the collected data. The descriptive statistics are presented and explain the variables. The OLS regression is conducted to test the impact of the independent variables on the dependent variable DPR.

The study will test the following hypotheses:

i. $H_{01}$: Profitability is positively related to the DPR.

ii. $H_{02}$: Liquidity is positively related to the DPR.

iii. $H_{03}$: Leverage is negatively related to the DPR.

iv. $H_{04}$: The corporate tax ratio is positively related to the DPR.

v. $H_{05}$: The capital adequacy ratio is positively related to the DPR.

vi. $H_{06}$: Firm size is positively related to DPR.

vii. $H_{07}$: The DPR of the previous year is positively related to the DPR.

### *3.4. Model Specification*

The DPR is a function of five independent and two control variables such as ROE, LEQR, LEVR, CTE, CAR, FS and PDPR. The model is specified as

Model: $DPR_{it} = \beta_0 + \beta_1 ROE_{it} + \beta_2 LEQR_{it} + \beta_3 LEVR_{it} + \beta_4 CTR_{it} + \beta_5 CAR_{it} + \beta_6 FS_{it} + \beta_7 PDPR_{it} + \varepsilon_{it}$

### *3.5. Data and Variables*

The variables and measurement scales are presented below:

In Table 1, all the variables (dependent, independent and control) are used in this study with abbreviations and measurement scales.

**Table 1.** List of variables.

| Variable | Abbreviation | Measurement |
|---|---|---|
| Dividend payout ratio | DPR | Total common dividend (Cash)/net income after tax and depreciation |
| Return on equity | ROE | Net income divided by shareholder's equity |
| Liquidity | LEQR | Current ratio (Current assets/current liabilities) |
| Leverage | LEVR | Financial leverage ratio (Book value of debt/total assets) |
| Corporate tax ratio | CTR | Corporate tax/Profit before tax |
| Capital adequacy ratio | CAR | Equity capital / Total assets |
| Firm size | FS | Firm size (Natural logarithm of total assets) |
| Dividend payout ratio of the previous year | PDPR | Previous year dividend payout ratio. |

## 4. EMPIRICAL RESULTS AND DISCUSSIONS

### *4.1. Descriptive Statistics*

The descriptive statistics are presented in Table 2.

**Table 2.** Descriptive statistics.

| Variables | Mean | Std. deviation | Variance | Skewness | Kurtosis |
|---|---|---|---|---|---|
| DPR | 0.5946 | 0.33060 | 0.109 | -0.349 | 1.166 |
| ROE | 34.6886 | 40.2788 | 1622.377 | 1.973 | 5.184 |
| LEQR | 1.3232 | 0.69710 | 0.486 | 0.487 | 0.255 |
| LEVR | 0.5613 | 0.15863 | 0.025 | -0.133 | -0.939 |
| CTR | 0.1625 | 1.4793 | 2.188 | -8.242 | 71.261 |
| CAR | 0.4413 | 0.1599 | 0.026 | 0.111 | -0.995 |
| FS | 10.2604 | 0.4998 | 0.250 | 0.283 | -1.215 |
| PDPR | 0.5840 | 0.3506 | 0.123 | -0.302 | 0.772 |

For the variable DPR, the mean, standard deviation, variance, skewness and kurtosis are 0.5946, 0.3306, 0.1090, -0.3490, and 1.166, respectively. The mean, standard deviation, variance, skewness and kurtosis for ROE are 34.6886, 40.27875, 1622.377, 1.973, and 5. 184, respectively. The average LEQ ratio is 1.3232 with standard deviation, variance, skewness, and kurtosis as follows 0.6971, 0.486, 0.487, and 0.255, respectively. The average LEV ratio is 0.5613 with standard deviation, variance, skewness and kurtosis as follows: 0.15863, 0.025, -0.133, and -0.939, respectively. The mean value of the CT ratio is 0.1625 with standard deviation, variance, skewness, and kurtosis as follows: 1.47924, 2.188, -8.242, and 71.261respectively. The average CA ratio is 0.4413 with standard deviation, variance, skewness, and kurtosis as follows: 0.15981, 0.026, 0.111, and -0.995, respectively. The mean value of the FS is 10.2604 with standard deviation, variance, skewness, and kurtosis as follows: 0.49978, 0.250, 0.283, and -1.215, respectively. The average PDPR is 0.5840 with standard deviation, variance, skewness, and kurtosis as follows: 0.35053, 0.123, -0.302, and 0.772, respectively.

### *4.2. Correlations Analysis*

The correlation results of the variables are displayed in Table 3. Here the dependent variable DPR is positively correlated with ROE, LEQR, LEVR, CTR and PDPR and negatively related to CAR and FS.

**Table 3.** Correlations results.

| Variables | DPR | ROE | LEQ | LEV | CTR | CAR | FS | PDPR |
|---|---|---|---|---|---|---|---|---|
| DPR | 1 | | | | | | | |
| Sig. (2-tailed) | | | | | | | | |
| ROE | 0.334** | 1 | | | | | | |
| Sig. (2-tailed) | 0.004 | | | | | | | |
| LEQR | 0.075 | -0.257* | 1 | | | | | |
| Sig. (2-tailed) | 0.524 | 0.024 | | | | | | |
| LEVR | 0.054 | 0.344** | -0.745** | 1 | | | | |
| Sig. (2-tailed) | 0.646 | 0.002 | 0.000 | | | | | |
| CTR | 0.361** | 0.146 | 0.094 | -0.206 | 1 | | | |
| Sig. (2-tailed) | 0.002 | 0.206 | 0.415 | 0.073 | | | | |
| CAR | -0.055 | -0.353** | 0.749** | -0.992** | 0.227* | 1 | | |
| Sig. (2-tailed) | 0.642 | 0.002 | 0.000 | 0.000 | 0.047 | | | |
| FS | -0.270* | 0.010 | -0.616** | 0.410** | -0.103 | -0.420** | 1 | |
| Sig. (2-tailed) | 0.020 | 0.930 | 0.000 | 0.000 | 0.374 | 0.000 | | |
| PDPR | 0.098 | 0.220 | 0.014 | 0.159 | -0.210 | -0.160 | -0.231 | 1 |
| Sig. (2-tailed) | 0.445 | 0.078 | 0.914 | 0.206 | 0.093 | 0.204 | 0.064 | |

**Note:** **. Significant at 1%.
*. Significant at 5%.

The values that are one percent significant are indicated by '**' and the values that are 5% significant are indicated by '**'. The relationship of DPR with ROE, CTR, and FS is two-tailed significant while the relationships with LEQR, LEVR, CAR, and PDPR are insignificant. The correlation of ROE with CAR, FS and PDPR is positive and LEQR and CTR are negative. The relationship between ROE with LEQR, LEVR and CAR is significant. The correlations of LEQR with LEVR, and FS are negative and with CTR, CAR and PDPR are positive whereas the relationship of LEQR with LEVR, CAR and FS is two-tailed significant. The association of LEVR with FS and PDPR is affirmative and with CTR and CAR is negative while the association with CAR and FS is two-tailed significant. The correlation of CTR with CAR is two-tailed and significantly positive and the relationship with FS and PDPR is negative and insignificant. The correlation of CAR with FS and PDPR is negative and the relationship with FS is significant. The correlation of FS with PDPR is negative and not significant.

**Table 4.** Model summary.

| R | R square | Adjusted R square | Std. error of the estimate | Change statistics | | | Durbin-Watson |
|---|---|---|---|---|---|---|---|
| | | | | R square change | F change | Sig. F change | |
| 0.549[a] | 0.302 | 0.213 | 0.293 | 0.302 | 3.396 | 0.004 | 1.708 |

**Note:** a. Predictors: (Constant), PDPR, LEQR, CTR, ROE, FS, LEVR, CAR.
Dependent Variable: DPR.

### *4.3. Regression analysis*

Table 4 represents the model summary of regression analysis for the dependent variable DPR and the independent variables PDPR, LEQR, CTR, ROE, FS, LEVR and CAR. The F-value is 3.396 which is significant at the 1% significance level and the Durbin-Watson value is 1.708. In this study, regression analysis can be conducted for the dependent variable DPR. The R, $R^2$ and adjusted $R^2$, $R^2$ change values are 0.549, 0.302, 0.213, and 0.302 respectively.

Table 5 represents the coefficients of regression for the dependent variable DPR. The standardized beta coefficient of ROE is 0.216. This value is significant at the 10 percent confidential level. At a 10% significance level, the ROE of the MNCs positively influences the DPR. So H01 is accepted. The profitability of the MNCs positively impacts the dividend payout policy. The independent variable LEQR has 0.136 standardized beta coefficients but is insignificant. The H02 is rejected due to an insignificant confidential interval level. Liquidity does not influence the DPR of MNCs in Bangladesh. The independent variable LEVR has -0.441 standardized beta coefficients but is not significant.

**Table 5.** Regression coefficients.

| Model | Unstandardized coefficients | | Standardized coefficients | T | Sig. |
|---|---|---|---|---|---|
| | B | Std. error | Beta | | |
| (Constant) | 3.359 | 2.233 | 3.359 | 1.504 | 0.138 |
| ROE | 0.002 | 0.001 | 0.216 | 1.668 | 0.100 |
| LEQR | 0.065 | 0.094 | 0.136 | 0.683 | 0.497 |
| LEVR | -0.919 | 1.858 | -0.441 | -0.495 | 0.623 |
| CTR | 0.082 | 0.028 | 0.365 | 2.901 | 0.005 |
| CAR | -1.463 | 1.884 | -0.707 | -0.777 | 0.441 |
| FS | -0.173 | 0.100 | -0.261 | -1.724 | 0.090 |
| PDPR | 0.021 | 0.119 | 0.022 | 0.174 | 0.862 |

**Note:** Dependent variable: DPR.

The H03 is also rejected because of the insignificant confidential interval level. The leverage ratio of the MNCs negatively affects the DPR but the interference is insignificant. The standardized beta coefficient of CTR is 0.365. This value is significant at a 5% confidential level. At a 5% significance level, the CTR of the MNCs positively

influences the DPR. Thus, $H_{04}$ is accepted. The corporate tax ratio of the MNCs positively impacts the dividend payout policy. The independent variable CAR has -0.707 standardized beta coefficients and the p-value is 0.441 which is insignificant. The H05 is rejected due to the insignificant confidential interval level and the negative impact of CAR on the DPR. The standardized beta coefficient of FS is -0.261 with a p-value of 0.090. At a 10% significance level, the FS of the MNCs negatively influences the DPR. The $H_{06}$ is rejected because of the negative impact of FS on the DPR. The firm size of the MNCs significantly negatively affects the dividend payout policy. The standardized beta coefficient of PDPR is -0.022 with a p-value of 0.862. This value is insignificant. Thus, $H_{07}$ is rejected because of an insignificant confidential interval. The previous year's dividend payout ratio does not influence the DPR of the MNCs in Bangladesh.

## 5. CONCLUSION

The MNCs operating in Bangladesh are very important for the country as well as investors. The multinational company has become large and strong due to its huge opportunities for capital, skills and markets. MNCs are taken into consideration by potential investors in order to make profitable investments. Investors can invest in MNCs by considering the following influential factors in dividend payout policy. First, the ROE is positively significant for DPR. The ROE represents the profitability of the firm. More ROE indicates more profitability which means more dividends. Secondly, the CTR significantly influences the DPR of MNCs. Higher taxes paid by the MNCs pay for higher dividends. Third, the FS is negatively related to the DPR which represents that the smaller firm pays more dividends and vice versa. Fourth, the liquidity ratio, leverage ratio, capital adequacy ratio, and previous year dividends cannot significantly influence the DPP of the MNCs. Further research should be conducted to provide insights into the important aspects of DPP for multinational corporations operating in Bangladesh.

**Funding:** This research is supported by Comilla University, Bangladesh (Grant number: Co.U/Reg./Research Related Project-485/2013/17895(41)).
**Institutional Review Board Statement:** Not applicable.
**Transparency:** The authors state that the manuscript is honest, truthful, and transparent, that no key aspects of the investigation have been omitted, and that any differences from the study as planned have been clarified. This study followed all writing ethics.
**Competing Interests:** The authors declare that they have no competing interests.
**Authors' Contributions:** The conception, design, analysis and interpretation of the results, T.H.;collected the data, M.M.K. and R.A. All authors have read and agreed to the published version of the manuscript.

## REFERENCES

Abor, J., & Bokpin, G. A. (2010). Investment opportunities, corporate finance, and dividend payout policy: Evidence from emerging markets. *Studies in Economics and Finance*, *37*(3), 180 - 194.

Adaoglu, C. (2000). Instability in the dividend policy of the Istanbul stock exchange (ISE) corporations: Evidence from an emerging market. *Emerging Markets Review*, *1*(3), 252-270.

Ahmed, M. R., & Muktadir-Al-Mukit, D. (2014). Determinants of dividend payout ratio: Evidence from Dhaka stock exchange. *ASA University Review*, *8*(2), 281-289.

Aivazian, V., Booth, L., & Cleary, S. (2003). Do emerging market firms follow different dividend policies from US firms? *Journal of Financial Research*, *26*(3), 371-387. https://doi.org/10.1111/1475-6803.00064

Al-Kuwari, D. (2009). Determinants of the dividend policy of companies listed on emerging stock exchanges: The case of the gulf cooperation council (GCC) countries. *Global Economy & Finance Journal*, *2*(2), 38-63.

Al-Malkawi, H.-A. N., Rafferty, M., & Pillai, R. (2010). Dividend policy: A review of theories and empirical evidence. *International Bulletin of Business Administration*, *9*(1), 171-200.

Al-Shubiri, F. N. (2011). Determinants of changes dividend behavior policy: Evidence from the Amman stock exchange *Far Fast Journal of Psycholgy and Business*, *4*(2), 1-15.

Alfisah, E., & Kurniaty. (2019). Factors of dividend payout ratio and influence on company value (Case Study on LQ 45 Companies in Indonesia Stock Exchange on the 2011-2015). *Asian Journal of Business and Management*, *6*(6), 77-84.

Alshammari, T. (2012). *Dividend policies in Kuwait*. Paper presented at the Proceedings of the Las Vegas International Academic Conference.

Alzomaia, T. A. A. K. (2013). Determination of dividend policy: The Evidence from Saudi Arabia. *Journal of Business and Social Science*, *4*(1), 5-18.

Amidu, & Abor, M. D. J. (2006). Determinants of dividend payout ratios in Ghana. *Journal of Risk Finance*, *7*(2), 136-145.

Anil, K., & Kapoor, S. (2008). Determinants of dividend payout ratios-a study of Indian information technology sector. *International Research Journal of Finance and Economics*, *15*(1), 63-71.

Baker, H. K., & Jabbouri, I. (2016). How Moroccan managers view dividend policy. *Managerial Finance*, *42*(3), 270-288. https://doi.org/10.1108/mf-07-2015-0211

DeAngelo, H., DeAngelo, L., & Stulz, R. M. (2006). Dividend policy and the earned/contributed capital mix: A test of the life-cycle theory. *Journal of Financial Economics*, *81*(2), 227-254. https://doi.org/10.1016/j.jfineco.2005.07.005

Deshmukh, S., Goel, A. M., & Howe, K. M. (2013). CEO overconfidence and dividend policy. *Journal of Financial Intermediation*, *22*(3), 440-463. https://doi.org/10.1016/j.jfi.2013.02.003

Fama, E. F., & French, K. R. (2001). Disappearing dividends: Changing firm characteristics or lower propensity to pay? *Journal of Financial Economics*, *60*(1), 3-43. https://doi.org/10.1016/s0304-405x(01)00038-1

Faruky, K. N. B., Uddin, A., & Hossain, T. (2011). Understanding the challenges of climate change on business: A study on RMG sector in Bangladesh. *World Review of Business Research*, *1*(1), 34-49.

Fitri, R. R., Hosen, M. N., & Muhari, S. (2016). Analysis of factors that impact dividend payout ratio on listed companies at Jakarta Islamic index. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, *6*(2), 87–97.

Frankfurter, G. M., & Wood Jr, B. G. (2002). Dividend policy theories and their empirical tests. *International Review of Financial Analysis*, *11*(2), 111-138. https://doi.org/10.1016/s1057-5219(02)00071-6

Glen, J., & Singh, A. (2004). Comparing capital structures and rates of return in developed and emerging markets. *Emerging Markets Review*, *5*(2), 161-192. https://doi.org/10.1016/j.ememar.2004.01.001

Gugler, K., & Yurtoglu, B. B. (2003). Corporate governance and dividend pay-out policy in Germany. *European Economic Review*, *47*(4), 731-758. https://doi.org/10.1016/s0014-2921(02)00291-x

Hoque, E., Hossain, T., & Saha, T. (2022). Predicting the bankruptcy of cement companies in Bangladesh: A study on Dhaka stock exchange. *International Journal of Business, Economics and Management*, *9*(5), 162–174. https://doi.org/10.18488/62.v9i5.3207

Hossain, T. (2013). An empirical study on investment decision using CAPM in the instruments of banking companies under DSE. *G-Science, JSERD*, *10*(1), 1427-1431.

Hossain, T. (2020a). The effect of working capital management on profitability: A study on manufacturing companies in Bangladesh. *International Journal of Research in Business and Social Science*, *9*(6), 114-122. https://doi.org/10.14710/dijb.3.1.2020.36-46

Hossain, T. (2020b). Determinants of profitability: A study on manufacturing companies listed on the Dhaka stock exchange. *Asian Economic and Financial Review*, *10*(2), 1496-1508. https://doi.org/10.18488/journal.aefr.2020.1012.1496.1508

Hossain, T. (2021). The value relevance of accounting information and its impact on stock prices: A study on listed pharmaceutical companies at Dhaka stock exchange of Bangladesh. *Journal of Asian Business Strategy*, *11*(1), 1-9. https://doi.org/10.18488/journal.1006.2021.111.1.9

Hossain, T. (2022). Impact of corporate governance on performance of selected commercial banks in Bangladesh: A comparative approach. *Journal of Asian Business Strategy*, *12*(1), 10–21. https://doi.org/10.18488/5006.v12i1.4413

Hossain, T., Chowdhury, H. J., & Begum, F. (2014). Khadi cottage industry in Bangladesh: A study on Comilla. *The Journal of Rural Development*, *39*(2), 121-141.

Hossain, T., Nesa, T., Dowla, M. S. U., & Akter, F. (2021). The impact of Covid-19 pandemic on the stock market performance: A study on Dhaka stock exchange. *International Journal of Business, Economics and Management*, *8*(5), 390-408.

Imran, K. (2011). Determinants of dividend payout policy: A case of Pakistan engineering sector. *The Romanian Economic Journal*, *41*(14), 47-59.

Islam, M. S., & Adnan, A. T. M. (2019). Factors influencing dividend policy in Bangladesh: Survey evidence from listed manufacturing companies in Dhaka Stock Exchange. *European Journal of Business Science and Technology*, *4*(2), 156–173. http://dx.doi.org/10.11118/ejobsat.v4i2.132

Jabbouri, I. (2016). Determinants of corporate dividend policy in emerging markets: Evidence from MENA stock markets. *Research in International Business and Finance*, *37*(C), 283-298. https://doi.org/10.1016/j.ribaf.2016.01.018

Khan, F. A., & Ahmad, N. (2017). Determinants of dividend payout: An empirical study of pharmaceutical companies of Pakistan stock exchange (PSX). *Journal of Financial Studies & Research*, *2017*, 1-16. https://doi.org/10.5171/2017.538821

Le, T. T. H., Nguyen, X. H., & Tran, M. D. (2019). Determinants of dividend payout policy in emerging markets: Evidence from the ASEAN region. *Asian Economic and Financial Review*, *9*(4), 531-546. https://doi.org/10.18488/journal.aefr.2019.94.531.546

Mahira, R. (2012). Factors affecting dividend payout: Evidence from listed non-financial firms of Karachi stock exchange. *Business Management Dynamics*, *1*(11), 76-92.

Miller, M. H., & Modigliani, F. (1961). Dividend policy, growth, and the valuation of shares. *The Journal of Business*, *34*(4), 411-433. https://doi.org/10.1086/294442

Naceur, B. S., Goaied, M., & Belanes, A. (2006). On the determinants and dynamics of dividend policy. *International Review of Finance*, *6*(1-2), 1-23. https://doi.org/10.2139/ssrn.889330

Okpara, G. C., & Godwin, C. (2010). A diagnosis of the determinant of dividend pay-out policy in Nigeria: A factor analytical approach. *American Journal of Scientific Research*, *8*(1), 57-67.

Patra, T., Poshakwale, S., & Ow-Yong, K. (2012). Determinants of corporate dividend policy in Greece. *Applied Financial Economics*, *22*(13), 1079-1087. https://doi.org/10.1080/09603107.2011.639734

Rahma, A. A., & Syarif, A. D. (2020). The determinant of dividend payout ratio: Long-term analysis in buku empat's banks during periods 2008 – 2017. *Dinasti International Journal of Management Science*, *2*(2), 245-254. https://doi.org/10.31933/dijms.v2i2.449

Rehman, A., & Takumi, H. (2012). Determinants of dividend payout ratio: Evidence from Karachi stock exchange (KSE). *Journal of Contemporary Issues in Business Research*, *1*(1), 20-27.

Ritha, & Koestiyanto, H. D. E. (2013). Faktor-faktor yang mempengaruhi dividend payout ratio. *E-Journal Manajemen dan Bisnis*, *1*(1), 1-15.

Sarig, O. (2004). A time-series analysis of corporate payout policies. *Review of Finance*, *8*(4), 515-536. https://doi.org/10.1093/rof/8.4.515

Yesyurun, P. (2021). The determinants factor of dividend payout ratio: An empirical study of Bank Buku IV in Indonesia. *Enrichment: Journal of Management*, *11*(2), 218-224.

Zameer, H., Rasool, S., Iqbal, S., & Arshad, U. (2013). Determinants of dividend policy: A case of banking sector in Pakistan. *Middle-East Journal of Scientific Research*, *18*(3), 410-424.