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## **EFFECT OF OWNERSHIP STRUCTURE ON DIVIDEND POLICY OF THE FIRM: STUDY ON COMPANIES LISTED ON NATIONAL STOCK EXCHANGE OF INDIA**

### **Abstract:**

Dividend decision is an important financial decision as it decides the amount of profits that is to be distributed to the shareholders as compared to the profit that is to be retained in the business for future expansion. Literature suggests that dividend payout ratio is related to variables such as leverage, return on equity, liquidity and ownership structure (Truong and Heaney, 2006, Joswiak 2015, Ben- Nazr, 2015, Mancinelli and Ozkan ,2006, Harada and Nguyen, 2011, Gonzalez et.al, 2017). In some cases the independent variables were significant and positively related to dividend payout ratio. In this paper, a study was conducted to find out the effect of ownership structure on dividend payout ratio. Leverage, liquidity, risk and return on equity were taken as control variables. The firms that are listed on National Stock Exchange were taken as sample and a panel data analysis was done. The period of study was from the period of year 2000 till 2017

### **Keywords:**

Dividend policy, ownership structure, payout

**JEL Classification:** G32, G30