

**Title:**

**Impact of dividend policy on stock price volatility (in context of KSE 100  
index)**

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## **Dedication**

**This thesis is dedicated to my parents, for there endless love and support.**

### **Abstract**

The study endeavors to investigate dividend policy and stock price relationship in the setting of Pakistan. For this reason from the textile division of Pakistan thirty organizations listed at Karachi stock exchange for the time of 2009 to 2013 are haphazardly chosen as an example and analyzed. The study is in light of cross sectional analysis. To investigate dividend policy and stock price volatility relationship multiple regression model is utilized in the wake of controlling size of the firm, earning volatility and leverage. So as analyze dividend policy association with stocks price good and bad times I directed this study and I came to the conclusion that there is significant negative relationship between dividend yields, leverage, payout proportion and stock price volatility while there is impressive positive association between size of the firm, earning volatility and stocks price volatility.