

# A STUDY ON DIVIDEND POLICIES OF NALCO

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## ABSTRACT

This work was actively taught aluminum industry of India is one of the companies of NALCO, the analysis of financial management issues. Each manufacturing company faces problems in the economic newspaper process. It is reduced in the Legal formation and only access to the management office of financial companies can be increased. At the same time, the company will ensure customer satisfaction and therefore can improve the productivity and performance of all those.

This analysis of work for NALCO financial development fiscal year 2018 the fiscal year 2019 in the last decade, the work on the project was divided into three parts, by analyzing the relationship between the stages of NALCO development financing, in the second stage, with several examples of such policies, politics, and the influence of the founder and distribution.

The second phase of the report is "the policy limits NALCO". The main objective of every company is to increase the wealth of the package. But with the grant, it is essential to get results and the analysis in this way more effective. In this section, we will do everything possible to develop a policy and legal behavior and models like Walter and Gordon to discuss different models, such as the distribution of payment, interpret the meaning of the invoice, the NALCO context. In the comparison group in the aluminum industry, which is done by analyzing the situation in NALCO.

The result of this project is a sample of the financial situation "Nalco is good and healthy." The company has been favored for decades are notable. Provide the company with a tragedy to do. You can benefit

from the efficiency and liquidity of the company. NALCO problems and employee Mali and Shada in the company, as well as increasing the minimum costs rise a bit against the narrow (BALCO) that can be observed in some areas. NALCO improves in this regard there must be a perfect balance. Divide several problems in distribution through their motivational ideas to create a wealth of shareholders more widely. Nalco also serves as one of the best institutions in India and, of course, it reaches a maximum and extended into the future they will perform.

This warehouse is a bridge between institutions and organizations. This is done by analyzing the meanings of a motivation theory for me to use knowledge design and help. I have to paste more than three months, the story will be the same, I think, help to carry out the role in the future, in the same direction

## 1. INTRODUCTION:

### 1.1 INTRODUCTION TO THE RESEARCH PROJECT

#### a) PURPOSE OF THE PROJECT:

The objective of this project consists of three parts: the National Aluminum Company (NALCO) for a detailed analysis of the Dividend Policies of NALCO.

#### b) SCOPE OF THE STUDY:

In addition to the financial analysis in the study was to evaluate the organization and its employees for growth and evaluation, which will help in terms of benefit and the growth of the various strategies and pensions, as well as determine the benefit plans, for example, to take into account the organization.

According to forecasts and National Aluminum Company Limited (NALCO), this can help in the evaluation.

In this project, the results of these three companies, the industry market share of more than ninety percent, NALCO, Hindalco, and Balco, limited only by the three companies. The data used in the economic analysis of projects, technical analysis, ten years ago, is only limited by the unit that can be used. The sources are willing to work for the best.

### c) RESEARCH METHODOLOGY:

- The study was defined as a mechanism for obtaining records, as well as to analyze information about a variety of issues that are related to ownership.
- Job determines accuracy, freedom, and power.

The researchers work with state and accurate-speed, to have an idea about using the research information. The collection of data is done through a public annual report on the company, brochures, and information about the company, not the possibility of opening the program. Two of the main road and the data used to request the other side. Access to the source of information and a link to information provided at the end of the report.

### d) OBJECTIVES OF THE PROJECT:

This report has broad responsibilities: -

- Education and analyzes political boundaries NALCO.
- Analysis of the most recent analysis of the current situation and the interests of society in this regard.

### e) LIMITATIONS OF THE PROJECT:

Researchers me about the many possibilities, but not free that some terms are listed below:

- The report is in the public space is a basic medium and data communications.
- Work on this project, found in some secret information.

- NALCO is "zero debt" and, thus collecting data for the study, and several different ways, can be a problem.
- If you have a large responsibility, good size, and prepare a report, you can do the same hurdles.

## 2. LITERATURE SURVEY

### 2.1 INTRODUCTION TO DIVIDEND POLICIES

The word "Dividend", which is part of the profit, is distributed to the founder of the company. Therefore, part of the income, and can be defined as a company that receives the payments. "According to the Institute of Accountants Accounts of India", "the distribution package arranged for this purpose is the distribution of benefits or reserves."

Among the founders of the company, according to the net benefit of the property (past or present) is known as the distribution of land.

#### ❖ Types of Dividends :

- I. Cash Dividends:** This is the type of benefit. Money was worth it, after the dividend income paid in cash to be paid.
- II. Share Repurchases:** Companies can buy back shares. The organizers pay much of the income tax.
- III. Stock Split:** Increase the number of shares in public companies. The company's market price will remain the same as the first, and there is a healthy change.
- IV. Bonus Issue:** They have to depend on the number of shares that the message of the founder of the company shares without being issued. The funds issued to increase the number of published numbers and property of the company, and will not change the price.
- V. Right Issue:** only work with players who are at a certain price that the company would have to buy a certain number.

"Dividend Policy" emphasizes the policy of the company back to the people, so it can be paid through the revenue part of the founder and the

event.

Because they document policy of distribution co-companies, financial publications, it has become thanks. The main objective of "financial management" and a large community to raise the price of the action is translated into the property vocabulary.

No compensation is paid by the company and a good appearance and organization. Non-salary benefits, the company, and thus obtains the price of the share.

The acquisition of policies to contribute money to contribute capital and now the future panorama for the different, since the members of the board and the president of the Supreme Court, is a serious problem. And for the impact on the price of this group. By distribution policy, it is ambiguous in this situation, often called Puzzle.

## 2.2 IMPORTANCE OF THE STUDY

- The main objective of every company is to increase the wealth of the package. But the way to contribute to prosperity, but the analysis will be more popular.
- All companies, whether for profit or a non-governmental organization, are part of the investment decision. The importance of the investment budget decision and future potential, evaluating important decisions has resulted in the need to focus on the importance of the company.
- The balance between compensation and profit to estimate the impact of the company's actions and more popular.
- In this study, Nalco and different areas of action, with the taking of a detailed analysis of the problems of organizations of costs, benefits and development, and all stakeholders can improve corrective purpose.
- This report refers to the breakdown of the company and the NALCO and industry benefit to understand the importance of financial problems, and stakeholders to achieve the growth prospects of the economy.

- Ideas and create the basis for the conclusion of the comparative analysis of the different theories, education manager needed for the properties now.

## 4. DATA ANALYSIS & INTERPRETATION

### 10 Year's Dividend

**Dividend Policy:** Department of consumer litigation O.M. U.S. 7 (5), Coord / 2004 and O.M. U.S. 7 (2) of the E-Coord / 2005 dated 09/27/2004 and 11/23/2005 to be implemented by the Ministry of Economy established O.M. 3 (3) -B (b) / 2015 dated 05.01.2016 in the transmission instructions CPSEs. This application came, at least 30% of the net value of each CPSE pat, or to pay for the distribution of 5% per year, in any case, the legal and regulatory provisions, taking into account the maximum contribution. More than ten years ago, the following table contains information on training and effectively paid.

(Rs. In Crore)

Year	Dividend as 30% of PAT	Dividend as 5% of Net Worth	Dividend Payable	Actual Dividend
2008-09	331.69	488.50	488.50	322.16
2009-10	244.27	519.75	519.75	161.08
2010-11	320.79	558.25	558.25	257.72
2011-12	254.85	585.75	585.75	257.72
2012-13	177.85	596.65	596.65	322.15
2013-14	193.61	606.10	606.10	386.59
2014-15	396.56	539.85	539.85	451.02
2015-16	219.31	645.35	645.35	467.13
2016-17	200.60	510.30	510.30	541.22
2017-18	402.73	525.25	525.25	595.78

- During the 2008-09 financial years, the company is after taxes Patan (patent). 9,770.00 And the cost is Rs.1272.27. The table on the distribution policy will require more than 30% of Pat. Manual R31.391 or 5% of the net value is Rs. 488.5 by hand. Therefore, the two hospitals were high 488.50 will be paid. However, the actual allocation of Rs.322.16.
- Distribution of 2009-10 adopted a policy on smoke distribution. 519.75 a maximum of 30% of the pat, is Rs.244.27 and 5% of the net value, is Rupee.519.75. However, the real distribution of smoke. 161.08 Manually.
- To benefit from the same distribution policy, approved in the last decade. But the company paid for the general meeting and is used to appear in front of them. However, in the last two years, the company paid more than the

contributions paid.

#### EPS & DPS DATA ANALYSIS (Rs.in Crore)

Year	Earnings Per Share (EPS)	Dividend Per Share(DPS)	Retained by the Company
2008-09	19.75	5.00	14.75
2009-10	12.64	2.50	10.14
2010-11	4.15	2.50	1.65
2011-12	3.30	1.00	2.30
2012-13	2.30	0.13	2.17
2013-14	2.49	1.50	0.99
2014-15	2.84	1.75	1.09
2015-16	2.84	1.81	1.03
2016-17	2.98	2.10	0.88
2017-18	6.94	2.31	4.63

1. In the fiscal year 2008-09, the smoking company for profit. 19.75 and \$ 5.00 per share of the company. Patan is provided for the founding of the United States, the company received 14.75 for profit sharing.
2. 2009-10 share of Rs.12.64 of the company's undistributed profits down. Compared to the previous year due to the low weight per hour of salary, the participation of the company in the distribution of the last year and a half per day, a paid R1,5,5. On the contrary, the company's profit is Rs 10.14 per share.
3. Earnings per share declined every year. It was only in 2010-11 Rs.4.15. To meet the company, but their participation in the last year, they have decided to pay the same rate

of profit. Before the general meeting, as well as its pay, the company has an interest of 1.65 beds per share.

to their needs, and sometimes cash. However, over a year, the company had the cash flow shown in the table above.

### **OPENING & CLOSING CASH BALANCE ANALYSIS**

(Rs. In Crore)

Year	Opening Cash Balance	Closing Cash Balance	Increase / (-) Decrease of Cash
2008-09	3516.46	2869.04	-647.42
2009-10	2869.04	3152.35	283.31
2010-11	3152.35	3795.23	642.88
2011-12	3795.23	4168.35	373.12
2012-13	4168.35	3504.38	-663.97
2013-14	3504.38	4048.29	543.91
2014-15	4048.29	4627.98	579.69
2015-16	4627.98	4933.53	305.55
2016-17	4933.53	4499.86	-433.67
2017-18	4499.86	4394.47	-105.39

1. Opening of the 2008-09 fiscal year, the balance of the company's financial flow mark at Rs 3516.46. SHS 14.75 for profit sharing. Instead, to participate in the opening balances of the company for the last profit several good due to higher expenses and purchase of. During the reference year, the company, as well as the property was acquired. Thus, in 2008-09, more than the final balance. 2,869.04 indicates that the company has a turnover of Rs.647.42 manually.
2. In 2009-10, one year before the end of the evaluation, the initial balance of Rs 2,869.04. Rs.10, 14 per part of the company's profits Rs.3152.35 accounted for the rest of the closing. Smoking is still the company that had a cash outflow. 283.31 costs and, based on weight.
3. During the last decade, every year in-store profits. However, the company's high costs and money to buy according

### **5. Summary and Conclusion**

The researchers studied the distribution of venture capital company India during the period 1990-2001 and try to explain the above behavior.

Trends indicate that the number of companies paying dividends during the survey has shown a trend since 1995 and below. There is still an improvement in the number of DPS, except in 2001. RPS More than a hundred shows a pattern that fits 1997 and shows a downward trend.

The analysis also shows that only a few companies produce dividend series at one level. Mortgage lenders include back-to-back loans that regularly pay high and even average dividends over time. The founder always pays extra money.

Allowing the development of the electronics industry, raw materials and industrial types is widespread, but not the best textile company.

A study of the effects of changes in tax administration shows that business theory in India is wrong since Indian companies generally do not increase the dividend on dividends instead of interest rates.

Examining the payers' behavior and not paying dividends shows that they are more important and much larger than usual. But development does not seem to give companies in India the pay is high. Also, the company chose to finance the money to build basic assets.

The analysis shows that the average income for a company's loss capital has made a difference over the past 3 years and 3 years, with startup trends suggesting that the exchange.

Analysis of other cases where partitions are not the worst, such as counting missing and non-partitions, showing that the current particle ratio for corruption is important for companies that have a permanent record.

Other analyzes concluded that the effects of change would be affected by current and current earnings trends, but not by current results.

Scientists are now calculating dividends only so as not to replicate. Marketing or stock marketing measures are recognized in the Indian context and this can have a positive impact on the separate Indian companies, as some companies pay for transfer per division. Therefore, in the current study, only cash dividends are calculated recently and the dividend is not the company quay, which can prevent the generalizability of the results. Also, a non-market survey investigates the occurrence and was a seismic investigator of the relationship between the division and the company's financial decisions.

#### **Future countries:**

Future researchers can study market response to segmentation claims, not about the potential for business categories, such as floating costs, and the relationship between allocation decisions and financial and investment decisions.

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