

REVIEWER'S REPORT

Manuscript No.: IJAR-58864

Title: Inter and Intra-Industry Trends of Dividend Decisions: A Comparative Analysis of Construction-Associated Industries in India.

Recommendation:

Accept as it is

Accept after minor revision.....

Accept after major revision

Do not accept (*Reasons below*)

Rating	Excel.	Good	Fair	Poor
Originality		✓		
Techn. Quality			✓	
Clarity			✓	
Significance		✓		

Reviewer's ID: JPR-130

Detailed Reviewer's Report

1. Overall Evaluation

The manuscript, "Inter and Intra-Industry Trends of Dividend Decisions: A Comparative Analysis of Construction-Associated Industries in India," examines dividend payout and dividend yield trends across steel, cement, paint, and ceramic-tile companies over the period 2012–13 to 2021–22. The topic is relevant to corporate finance and investment decision-making, and the comparative inter- and intra-industry perspective is potentially useful. The manuscript has a clear structure and provides extensive company-level data using CAGR and trend analysis. However, there are substantial methodological and analytical issues that need attention. In particular, the study relies mainly on descriptive measures, while several interpretations attribute changes in dividend ratios to profitability, financial stability, reinvestment, or market conditions without directly testing these factors. There are also inconsistencies in the presentation and interpretation of some values, and the claimed future projections are not adequately explained. Overall, the paper has potential but requires major revision before it can be considered for publication.

2. Strengths

- Relevant research topic:** Dividend policy is an important component of corporate financial decision-making and investor analysis.
- Comparative approach:** The study examines both inter-industry and intra-industry differences, which provides a broader perspective than a single-company analysis.

International Journal of Advanced Research

Publisher's Name: Jana Publication and Research LLP

www.journalijar.com

REVIEWER'S REPORT

3. **Reasonable study period:** The ten-year period provides scope for identifying longer-term dividend trends.
4. **Good company coverage:** The study includes several companies from steel, cement, paint, and ceramic-tile industries.
5. **Use of multiple indicators:** Both Dividend Payout Ratio (DPR) and Dividend Yield Ratio (DYR) are considered, providing two perspectives on dividend decisions.
6. **Clear presentation of company-level results:** Tables and individual company discussions make the findings relatively easy to follow.
7. **Practical relevance:** The findings can be useful for investors, corporate managers, and researchers interested in sector-specific dividend behaviour.

3. Areas for Improvement

1. **Methodological limitations:** The analysis is primarily based on CAGR, year-on-year comparisons, variance/standard deviation, and trend analysis. These methods are useful for descriptive analysis but are insufficient to establish why dividend policies differ across industries. Additional statistical techniques such as panel regression, ANOVA, or other appropriate comparative tests could substantially strengthen the study.
2. **Need for clearer industry comparison:** Although the paper claims to examine inter-industry trends, there is no consolidated statistical table comparing the average DPR, DYR, volatility, and CAGR across all industries. A summary comparison would make the inter-industry conclusions much stronger.
3. **Questionable interpretation of CAGR:** CAGR can be problematic when the beginning or ending value is zero or negative. Several reported DPR/DYR values are zero or negative, particularly for JSW, Asian Paints, Kajaria, and other companies. The authors should explain how CAGR was calculated in such cases and verify the mathematical validity of the reported CAGR values.
4. **DYR interpretation needs correction/clarification:** Dividend yield is normally expressed in relation to the market price of the share. Negative DYR values reported in the tables require careful examination because a negative dividend yield is not normally interpreted simply as "diminished dividend returns." The underlying data and calculation procedure should be verified.
5. **Inconsistency between tables and interpretation:** There are instances where the narrative appears inconsistent with the numerical results. For example, the ceramic-tile discussion states that Kajaria demonstrated a significant positive CAGR in both DPR and DYR, while its annual

REVIEWER'S REPORT

DYR figures subsequently show a substantial decline and negative values in later years. This needs careful verification.

6. **Projections are inadequately explained:** The methodology states that projections for the next 3–5 years were made, while several tables are described as “10-year projections.” The actual forecasting method, equation, projected values, and forecast accuracy are not sufficiently presented. This terminology and methodology should be clarified.
7. **Unsupported causal explanations:** The manuscript frequently attributes dividend movements to profitability, financial restructuring, reinvestment, market conditions, or financial stability without directly testing these variables. For example, changes in DPR are interpreted as evidence of improved profitability or financial stability. Such explanations should either be supported by additional financial variables/statistical analysis or presented explicitly as possible explanations rather than established causes.
8. **Literature review needs strengthening:** The study cites several classical dividend theories, but the literature review is relatively limited. More recent empirical studies, particularly studies concerning Indian companies and industry-level dividend behaviour, should be incorporated.
9. **Sample selection requires justification:** The criteria used to select the companies are not adequately explained. The authors should specify whether the sample was based on market capitalisation, data availability, industry representation, or another criterion. The omission of the granite industry from the detailed analysis also needs explanation, since granite is included in the title, abstract, and objectives.
10. **Language and formatting:** The manuscript requires substantial proofreading. There are several grammatical, typographical, spacing, capitalization, and formatting problems. Examples include “constructionassociated,” “inter industry,” “intra industry,” “202122,” inconsistent company names, and inconsistent table numbering.