



A Study on Impact of Stock Split on Stock Returns in Indian Capital Market

Rajeshkumar D. Kiri

V. M. Patel Institute of Management, Ganpat University, Gujarat, India.

Abstract:

This study investigates the stock price response to the information content stock splits in the Indian stock market. The Stock split announcement yields abnormal returns around the date of stock split. More positive abnormal return observed in the pre stock split event. The study found that Indian stock market is semi strong in nature because the abnormal returns observed due to the stock split event in the share prices of the company.

Keywords: Stock splits, abnormal returns, event study