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## ABSTRACT

the objective of this study is to examine the dividend policy of the textile sector of Pakistan and its impact on the wealth of the shareholders. for that purpose 20 textile firms are selected as sample for the sake of investigation listed on the stock exchange of pakistan. total 132 firms are listed on the stock exchange of pakistan only 26 were paying dividends out of which only 20 are selected. the independent variables of the study are dividend payout ratio, growth in asset and profitability (ROE) where as the dependent variable is the earning per share. to analyze the relationship of dividend policy and the shareholder wealth three tests are applied regression analysis, correlation and statistics descriptive.

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