Relationship between Ways to Increase Capital and Stock Return in Companies Listed in Tehran Stock Exchange

Venus Ghiasy¹, KhosroFaghi Makrani²*, Ali Zabihi³

Department of Accounting, Sari Branch, Islamic Azad University, Sari, Iran
Department of Accounting, Semnan Branch, Islamic Azad University, Semnan, Iran
Department of Accounting, Aliabad Katoul Branch, Islamic Azad University, Aliabad Katoul, Iran

Abstract
The aim of conducting the current research is surveying the relationship between ways to increase capital and stock return in companies listed in Tehran Stock Exchange. In order to reach research aims, 150 companies from the active companies listed in Tehran Stock Exchange were chosen as the sample through random sampling between years 2007-2012. In this research the independent variables are capital increase from receivables from shareholders and from the shareholders retained earnings and dependent variable is return on common stock. Results showed a positive and significant relationship between ways to increase capital both from receivables from shareholders and from the shareholders retained earnings and stock returns. It is possible to use ways such as receivables from shareholders and shareholders retained earnings as the effective ways to increase stock returns.

Keywords: Capital increase, Return on common stock, Receivables from shareholders, retained earnings.

References


