

[Home](#) > [Finance and Sustainability](#) > Conference paper


# How Does the Par Value of a Share Work?

| Conference paper | First Online: 02 July 2018

| pp 27–35 | [Cite this conference paper](#)



## Finance and Sustainability

[Tadeusz Dudycz](#) 



 Part of the book series: [Springer Proceedings in Business and Economics](#) ((SPBE))

 878 Accesses

## Abstract

This paper examines the impact of par value concept on the capital raised during IPO. The study is based on the sample of the IPO firms which went public on the Warsaw Stock Exchange from 1998 to 2013. The paper shows that the concept of par value, which was invented to protect buyers and lenders against shares being issued without corresponding assets existing, interacts with investor behaviour and can be used to improve the success of a share issue. The paper also shows that this concept is related to the equity structure of the company.

This work was supported by the National Science Centre Poland [grant number: 2017/25/B/HS4/01374].

 This is a preview of subscription content, [log in via an institution](#)  to check access.

### Access this chapter

[Log in via an institution](#) →

### Subscribe and save

Springer+ Basic

€32.70 /Month

- Get 10 units per month
- Download Article/Chapter or eBook
- 1 Unit = 1 Article or 1 Chapter
- Cancel anytime

[Subscribe now](#) →

### Buy Now

^ **Chapter**

**EUR 29.95**

Price includes VAT (Poland)

- Available as PDF
- Read on any device
- Instant download
- Own it forever

[Buy Chapter](#) →

^ **eBook**

**EUR 117.69**

Price includes VAT (Poland)

- Available as EPUB and PDF
- Read on any device
- Instant download
- Own it forever

[Buy eBook](#) →

^ **Softcover Book**

**EUR 160.49**

Price includes VAT (Poland)

^ **Hardcover Book**

**EUR 160.49**

Price includes VAT (Poland)

- Compact, lightweight edition
- Dispatched in 3 to 5 business days
- Free shipping worldwide - [see info](#)

[Buy Softcover Book →](#)

- Durable hardcover edition
- Dispatched in 3 to 5 business days
- Free shipping worldwide - [see info](#)

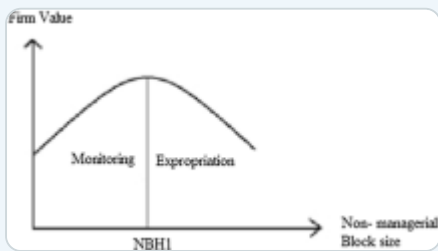
[Buy Hardcover Book →](#)

Tax calculation will be finalised at checkout

**Purchases are for personal use only**

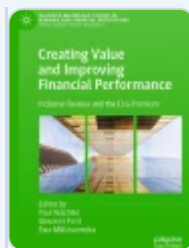
[Institutional subscriptions →](#)

## Similar content being viewed by others



**Large Shareholding and Firm Value in the Alternative Investment Market (AIM)**

Article | 30 November 2018



**Drivers of Shareholder Value Creation in M&A: Event Study of the European Banking Sector in the Post-financial...**

Chapter | © 2023



**An Overview of the Private Equity and Venture Capital Industry in Brazil**

Chapter | © 2020

## References

Brycz B, Dudycz T, Kowalski MJ (2017) Is the success of an issuer an investor success? Evidence from Polish IPOs. *Baltic J Econ* 17(1):57–77

[Article](#) [Google Scholar](#)

Colton HE (1921) Par value versus no par value stock. *Am Bar Assoc J* 7(12):671–673

[Google Scholar](#)

Cook WW (1921a) "Watered stock" - Commissions - "Blue sky laws" - Stock without par value. Mich Law Rev 19(6):583-598

[Article](#) [Google Scholar](#)

Cook WW (1921b) Stock without par value. Am Bar Assoc J 7(10):534-537

[Google Scholar](#)

Dudycz T (2014) Are investors good in evaluating an initial public offering? In: Proceedings of the 9th international conference accounting and management information systems (Amis 2014), pp 495-505

[Google Scholar](#)

Dwight F (1907) The par value of stock. Yale Law J 16(4):247-252

[Article](#) [Google Scholar](#)

Ho YK, Lan LL (1999) The par value of shares: an irrelevant concept in modern company law. Singap J Legal Stud:552-572

[Google Scholar](#)

Morawetz V (1913) Shares without nominal or par value. Harv Law Rev 26(8):729-731

[Article](#) [Google Scholar](#)

Mwenda KK (1999) Policy issues underpinning the concept of par value: a comparative legal study. Mounbatten J Legal Stud 3(1):80-90

[Google Scholar](#)

## Author information

---

### Authors and Affiliations

**Faculty of Computer Science and Management, Wrocław University of Science and Technology, Wrocław, Poland**

Tadeusz Dudycz

### Corresponding author

Correspondence to [Tadeusz Dudycz](#).

## Editor information

---

### Editors and Affiliations

**Corporate Finance and Public Finance, Wrocław University of Economics, Wrocław, Poland**

Agnieszka Bem

**Corporate Finance and Public Finance, Wrocław University of Economics, Wrocław, Poland**

Karolina Daszyńska-Żygadło

**Department of Management, University of Economics Prague, Jindřichův Hradec, Czech Republic**

Taťána Hajdíková

**Department of Investments and Corporate Finance, Corvinus University of Budapest, Budapest, Hungary**

Péter Juhász

## Rights and permissions

---

## Copyright information

---

© 2018 Springer International Publishing AG, part of Springer Nature

## About this paper

---

### Cite this paper

Dudycz, T. (2018). How Does the Par Value of a Share Work?. In: Bem, A., Daszyńska-Żygadło, K., Hajdíkóvá, T., Juhász, P. (eds) Finance and Sustainability. Springer Proceedings in Business and Economics. Springer, Cham. [https://doi.org/10.1007/978-3-319-92228-7\\_3](https://doi.org/10.1007/978-3-319-92228-7_3)

[.RIS↓](#) [.ENW↓](#) [.BIB↓](#)

DOI	Published	Publisher Name
<a href="https://doi.org/10.1007/978-3-319-92228-7_3">https://doi.org/10.1007/978-3-319-92228-7_3</a>	02 July 2018	Springer, Cham
Print ISBN	Online ISBN	eBook Packages
978-3-319-92227-0	978-3-319-92228-7	<a href="#">Economics and Finance</a>
		<a href="#">Economics and Finance (R0)</a>

## Publish with us

---

[Policies and ethics](#) 

## Search

Search by keyword or author



# Navigation

[Find a journal](#)

---

[Publish with us](#)

---

[Track your research](#)

---

