

The Impact of Earnings Management on Firm Performance: An Empirical Study of Indian Manufacturing Companies

¹Indu Saini, ²Dr. Mahesh Chand Garg

¹Research Scholar, Haryana School of Business, Guru Jambheshwar University of Science and Technology,
Hisar-125001, Haryana, India

²Professor, Haryana School of Business, Guru Jambheshwar University of Science and Technology, Hisar-125001,
Haryana, India

Email – ¹indusaini90688@gmail.com ²Mc_garg@yahoo.com

Abstract: Different methods have been created globally to identify companies that misrepresent or manipulate their financial statements. These methods of earnings management allow companies attain an advantage over their competitors and enhance their financial performance. This study's main objective is to investigate how earnings management affects the performance of companies that are listed on the National Stock Exchange. Our data collection comprises 217 manufacturing companies listed on the National Stock Exchange from 2022 to 2024. The study examined earnings management using discretionary accruals from the modified Jones model, whereas profitability measures Return on Equity (ROE) and Return on Assets (ROA) are commonly used to analyse firm performance. Regression analysis using panel data—more especially, the fixed effects and random effects models is used in the study. The results show that corporate performance is positively impacted by earnings management. Discretionary accruals are positively correlated with return on equity, return on assets, and liquidity, whereas they are negatively correlated with leverage, firm size, and tangibility. According to the study's findings, managers who focus on manipulating earnings will give a positive impression of the financial health of the organization at this point, but this strategy will have a negative impact on the performance of the firm in the future. The findings of this study may offer significant and valuable information for shareholders and regulators in assessing factors that effectively mitigate earnings management strategies.

Key Words: Earnings Management, Discretionary Accruals, Modified Jones Model, Firm Performance, Regression Analysis.

1. INTRODUCTION

A fundamental component of financial statements is a company's disclosed financial performance results, which significantly impact the assessments of external users (1). Many important decisions such as raising funds, the terms of loans and management compensation are primarily influenced by the operational results that are made available to the public through the financial reports of companies (2). Due to information asymmetry's benefits, managers frequently alter operational results to further their personal agendas (3). The term "Earnings Management" refers to a discretionary financial reporting strategy that manipulates accounting processes or transactions in order to deceive stakeholders regarding a company's true performance (4). The process of managing earnings occurs when managers play with financial statements by using the gaps or weaknesses in accounting rules (5). When companies manipulate their earnings, it makes it hard to trust their financial statements and the information they share (6). This can give a wrong idea about how well the company is doing (7). (8) defines earnings management as "an act of selecting accounting policies from a set of accepted accounting rules to get favorable results". Accrual-based Earnings Management (AEM) and Real Earnings Management (REM) are the two main tools available for managers to manipulate earnings. In REM, businesses may increase sales by altering the terms of credit they offer or by unexpectedly lowering prices for customers (9) and may also postpone investing in projects like R&D and advertising to retain revenue for the current year. To further reduce the Cost of Goods Sold (COGS), businesses may also produce more goods than usual (10). In case of AEM, managers manipulate the figures, either increasing this year earnings by borrowing from the future or reducing them by postponing some earnings to later years (11). They might record

revenues prematurely or delay recording expenses even after they have been incurred. (12) assess the adverse effects of REM on future financial performance resulting from earnings manipulation repercussions. There are many reasons for which companies might manipulate their earnings. This could be to make their stock prices go up so that managers can get more compensation and feel safer in their jobs (3). Earnings management can be motivated by both opportunistic and non-opportunistic behaviors (13). Indian companies often manipulate earnings for various reasons which can include personal gain for management, bonuses tied to performance and pressure to meet specific earnings goals (14, 15). The rule of law is weak in developing nations, and there are allegations of widespread corruption (16). (17) found that companies are more inclined to manipulate their earnings in countries with weaker laws than in those with stronger legal frameworks. To make sure of better accounting information and stop companies from manipulating their earnings, many countries now require companies must use International Financial Reporting Standards (IFRS) (18). The scope of earnings management is further expanded when asymmetric information is present among managers, investors and other stakeholders (19). (20) argued that information asymmetry and agency costs are the principal variables leading to the prevalence of earnings management. According to the Agency Theory (Jensen & Meckling, 1976), "the separation of ownership in firms increases information asymmetry between managers and owners". Managers take advantage of this gap to further their own goals, such as managing earnings to hide inefficiencies (21). According to (22), ineffective corporate governance practices can also lead to significant agency costs and information asymmetry, which can be linked to inappropriate managerial behavior. According to (23), internal governance weaknesses allow management to take advantage of accounting loopholes to inflate the company's profitability and cover its substantial losses. Effective corporate governance systems may lessen or stop earnings management outbreaks (24). According to (25), higher corporate governance firms have lesser information asymmetry and greater earning quality. (26) underline how good corporate governance is crucial for ensuring fairness, transparency and timely disclosure of important information in companies, thus protecting the interests of minority shareholders. According to (27), obfuscation techniques are used by management to make earnings management more difficult to detect. Managers use varied techniques of earnings management like the cookie jar reserve technique, big bath accounting techniques, aggressive revenue recognition techniques etc. to achieve their targets (28). Under the cookie-jar reserve technique to meet the expectations of stakeholders, companies utilize their large reserves from successful years during difficult times (29). A big bath is when a company makes its bad earnings look worse than they are in one year to make future earnings look better. Aggressive revenue recognition is when companies prematurely record revenue before meeting all the necessary criteria to boost their financial performance (30). It is considered unethical as it can artificially inflate a company's financial performance, misleading investors. If companies prioritize their interests over honesty and quality in financial reporting, they won't operate efficiently and are exposed to failure by such behavior (21).

Based on the issues raised so far, this study intends to measure the impact of earnings management on firm performance and examine whether firm performance will be affected by earnings management or not.

2. REVIEW OF LITERATURE

The worldwide recession and continuous financial fraud occurrences highlighted the importance of figuring out how accounting professionals manipulated revenues to meet certain goals (31). Several business scandals, including the Satyam Computers case (2009), the IL&FS crisis (2018), the DHFL fraud (2019), and the GoMechanic issue (2023), expressed the extensive implications of such techniques. (31) found that over 80% of managers prefer actual earnings management over accrual-based methods to enhance reported profitability. Their investigation revealed that numerous chief financial officers were inclined to postpone long-term investments to enhance short-term outcomes, ignoring possible adverse effects to future performance. Earnings manipulation strategies are essential to recognise as corporate performance measures like return on assets (ROA) are directly affected by net income, which can be manipulated by alteration in the current assets (16). (32), (33) observed that discretionary accruals (DAC) have been widely utilised as a proxy for earnings management. Firm performance was generally evaluated using financial indicators like ROE, ROA, and Tobin's Q. Several studies explored the relationship between earnings management and these metrics (34), (35). For instance, Roychowdhury (2006) demonstrated that manipulation of real activities adversely affected future firm performance. (36) identified significant accrual-based manipulation among BSE 500 companies in India, which distorted actual profitability outcomes. (37) stated that certain high-performing NSE-listed companies practiced income smoothing to maintaining an image of consistent growth for investors. (19) reported that accrued earnings positively impacted current-year performance but, performance suffered in afterward when accruals reversed and cash flows diminished. (38) indicated an inverse relationship between asset growth and abnormal returns, whereas (39) established that accruals negatively forecasted future profitability. (40) observed that high-growth companies with a limited accruals produced better long-term profitability and returns. Several researchers have contended that high-performing organisations have a greater propensity for earnings management because they have an obligation to fulfil

the expectations of investors and maintain a growth path (41), (42). (43), (44) asserted that underperforming enterprises may be more inclined to manipulate earnings to hide unfavourable outcomes. Research has demonstrated that DAC is the most common parameter for accrual earnings management. This study aimed to investigate the impact of discretionary accruals on firm profitability.

3. Objective of the Study

- To examine the relationship between earnings management practices and firm performance in Indian manufacturing companies listed on NSE 500.
- To investigate whether earnings management creates **short-term gains** but **long-term performance decline** in these firms.

4. Data Collection

This study utilizes financial data collected from a selection of listed companies on the National Stock Exchange (NSE) of India, specifically targeting firms included in the NSE 500 index. The data was sourced from the ProwessIQ database maintained by the Centre for Monitoring Indian Economy (CMIE), a widely accepted and reliable platform for corporate financial information in India. To ensure relevance to the study's objectives, only companies operating within the manufacturing sector were included. Firms belonging to the service sector were excluded, as they often lack the full disclosure of financial metrics required for calculating accruals and performance indicators necessary for earnings management studies. A random sampling method was employed to select companies from the manufacturing sector, thereby enhancing the generalizability of the findings and minimizing selection bias.

5. RESULT AND DISCUSSION

Table 1: Descriptive of variables

	Obs.	Mean	Median	Maximum	Minimum	Std. Dev
DACC	648	0.028	0.021	0.616	-0.400	0.077
ROA	648	0.095	0.087	0.436	0.296	0.070
ROE	648	0.174	0.155	3.840	-2.501	0.268
FS	648	8.937	8.752	13.774	5.001	1.254
LEV	648	0.371	0.332	2.337	0.042	0.219
LQ	648	2.187	1.675	17.107	0.378	1.702
TAN	648	0.260	0.2442	0.728	0.006	0.151

Source: The Authors

The minimum, median, and maximum values of the variables in Table 2 exhibit significant variation. The mean values for ROA and ROE are 9.5% and 17.4%, with standard deviations of 7.0% and 26.8%, respectively. This indicates significant disparities in performance among Indian manufacturing enterprises. Mean of discretionary accruals (DACC), is 2.8%, with a range from -40.0% to 61.6%, reflecting both income-increasing and income-decreasing earnings management practices among enterprises. Firm size averages 8.94 (range 5.00–13.77), leverage 37.1%, liquidity varies widely (0.38–17.11), and tangibility averages 26%, showing one-fourth of assets are tangible.

Table 2: Correlation coefficient matrix

	DACC	ROA	ROE	FS	LEV	LQ	TAN
DACC	1						
ROA	0.305	1					
ROE	0.211	0.550	1				
FS	-0.036	-0.198	-0.036	1			
LEV	-0.165	-0.321	0.031	0.141	1		
LQ	0.157	0.226	-0.022	-0.227	-0.532	1	
TAN	-0.116	-0.075	0.268	0.152	0.1444	-0.213	1

Source: The Authors

Tables 3 exhibit correlations among all variables employed in this investigation. The correlation analysis indicates that earnings management (estimated by DACC) shows a positive association with firm performance indicators, including

ROA (0.305) and ROE (0.211), implying that firms practicing earnings management may observe a significant improvement in performance. ROA and ROE exhibit a strong correlation of 0.550, suggesting that companies with higher returns on assets have the potential to generate greater returns on equity. Firm size (FS) and leverage (LEV) have negative relationships with ROA and DACC, indicating that larger and more leveraged firms may underperform and participate less in earnings management. Large enterprises do not require the management of discretionary accruals (Wuryani, 2012). Liquidity (LQ) exhibits a positive correlation with DACC (0.157) and ROA (0.226), while showing a significant negative relationship with leverage (-0.532), suggesting that enterprises with higher liquidity may engage in greater earnings management and depend less on debt financing. Tangibility (TAN) exhibits a weak positive correlation with ROE (0.268), FS (0.152), and LEV (0.144), indicating that companies with greater tangible assets tend to be larger and more indebted. overall, absence of high correlation values suggests no multicollinearity issues, hence indicating the reliability of these variables for further regression analysis.

Table 3: Random Effects Panel Regression Results (Dependent Variable: ROA)

Variable	Coefficient	Std. Error	t-statistics	P-Value
C(Constant)	0.1994	0.0291	6.8494	0.0000***
DACC	0.2515	0.0238	10.5582	0.0000***
FS	-0.0085	0.0030	-2.8519	0.0045***
LEV	-0.0949	0.0177	-5.3493	0.0000***
LQ	-0.0009	0.0020	-0.4605	0.6453
TAN	0.0057	0.0238	0.2414	0.8093
TAN	0.0057	0.0238	0.2414	0.8093

Source: The Authors

R-Squared- 0.2080

Adjusted R-squared- 0.2018

Durbin-watson statistic- 2.0352

Random Effect (based on Hausman test 0.5724)

Table 4 displays the outcomes of the Random Effects panel regression model, with ROA as the dependent variable. The regression analysis reveals that discretionary accruals (DACC) have a positive and statistically significant impact on firm performance (Das et al., 2018), with a coefficient of 0.2515 and a p-value of 0.0000, indicating that earnings management is positively associated with improved performance outcomes. Firm size (FS) shows a negative relationship (coefficient = -0.0085, $p = 0.0045$), suggest that larger firms tend to have slightly lower performance compared to smaller ones. while leverage (LEV) also has a significant negative impact (coefficient = -0.0949, $p = 0.0000$), implying that higher debt levels reduce firm performance. In contrast, liquidity (LQ) and asset tangibility (TAN) are statistically insignificant with p-values of 0.6453 and 0.8093 respectively, indicating a negligible effect on performance. The Durbin-Watson statistic of 2.0352 indicates no evidence of autocorrelation in the residuals. Additionally, the Hausman test yields a p -value of 0.5724, validating the appropriateness of the Random Effects model specification.

Table 4: Random Effects Panel Regression Results (Dependent Variable: ROE)

Variable	Coefficient	Std. Error	t-statistic	P-value
C(constant)	0.2264	0.1016	2.2288	0.0262*
DACC	0.7729	0.1318	5.8665	0.0000***
FS	-0.0086	0.0101	-0.8433	0.3994
LEV	0.0698	0.0656	1.0644	0.2875
LQ	-0.0054	0.0083	-0.6505	0.5156
TAN	-0.0455	0.0837	-0.5432	0.5872

Source: The Authors

R-Squared- 0.0547

Adjusted R-squared- 0.0474

Durbin-watson statistic- 2.2956

Random Effect (based on Hausman test 0.9691)

Table 5 displays the outcomes of the Random Effects panel regression model, with ROE as the dependent variable. The coefficient of DACC, representing earnings management, is positive and very significant ($\beta = 0.7729$, $p < 0.01$), signifying the strong positive correlation between discretionary accruals and company performance as evaluated by ROE. This indicates that companies involved in earnings management typically report elevated returns on equity,

validating the concept that earnings manipulation can temporarily enhance reported profitability. Among the control variables—firm size (FS), leverage (LEV), liquidity (LQ), and tangibility (TAN)—none exhibit statistical significance, suggesting a negligible impact on ROE in this model. The model's R-squared value is 0.0547, which is small but adequate for firm-level panel data. The Durbin-Watson value (2.2956) indicates the absence of autocorrelation, while the Hausman test ($p = 0.9691$) validates the appropriateness of the Random Effects model.

This study's findings indicate that earnings management positively and significantly affects corporate performance, as assessed by both ROA and ROE. This suggests that managers in Indian manufacturing firms frequently use earnings management techniques to temporarily inflate reported profitability, which express better short-term performance to stakeholders. The results relate with the assertion that earnings management, will provide immediate advantages to improve profitability and investor opinion. This positive correlation should be approached with caution, considering previous research has indicated that the advantages of earnings management are frequently fluctuating and may ultimately harm firm value if aggressively pursued. The control variables reflect inconsistent performance. Firm size and leverage show a negative and significant effect on ROE, although liquidity and tangibility are statistically insignificant. The adverse impact of firm size on ROE indicates that larger enterprises might face greater monitoring and oversight, hence limiting their ability to indulge in advantageous conduct, which eventually diminishes their relative returns. Similarly higher leverage seems to reduce profitability, potentially because of increased their obligations and risk exposure. These findings align with prior research indicating that firms with high debt have greater constraints in implementing aggressive earnings strategies. On the other hand, the lack of significance of liquidity and tangibility suggests that these elements do not substantially affect profitability in the short term for Indian manufacturing enterprises. An additional significant element of this research is its sample period (2022–2024), which signifies the post-COVID-19 recovery phase. The global epidemic caused major financial and operational disturbances in 2020–2021, forcing many companies to modify their accounting and reporting practices. In contrast to research conducted prior to or during 2020, the current findings indicate a greater dependence on earnings management to sustain performance stability and build investor confidence in the post-crisis context. Overall, the findings suggest that while earnings management may temporarily improve performance its long-term effects are doubtful. Therefore, regulators and policymakers should strengthen oversight to make sure such practices do not harm transparency or the sustainable growth of India's manufacturing sector.

6. Conclusion

The purpose of this research project was to investigate the phenomenon of earnings management in Indian companies. This study intends to measure the impact of earnings management on firm performance and examine whether firm performance will be affected by earnings management or not, the study demonstrated that this is true. As such, it is reasonable to conclude that, in the Indian context, engagement in earnings management is more prevalent among companies. The empirical findings reveal that earnings management strategies can enhance firm performance in short run, as reflected positive association with ROA and ROE. This suggests that managers may successfully employ discretionary accruals and other earnings manipulation techniques to present stronger financial outcomes, thereby improving investors perception and market valuation in immediate terms. However, the analysis also aligns with prior research indicating that such benefits are largely temporary and may reverse over time. Persistent or aggressive earnings management erodes the quality of financial reporting, undermines investors trust, and can distort resource allocation, ultimately impairing long term performance. Moreover, excessive manipulation may expose firms to regulatory scrutiny, reputational damage and potential financial collapse, as evidence in high profile corporate failure. The findings underscore the need for balanced governance mechanisms where firms prioritize sustainable value creation over short term performance boosts achieved through opportunistic accounting practices.

REFERENCES

1. Hieu, P. D., & Anh, H. H. (2024). Capital structure and practices of accrual-based earnings management among non-financial Vietnamese listed firms. *Investment Management and Financial Innovations*, 20(4), 182-193. 2023.16
2. Kinyanzii, J. M. (2023). Influence of financial management practices on the financial performance of public secondary schools in kathiani sub-county (Doctoral dissertation). South Eastern Kenya University Repository. 123456789/7335
3. Healy, P. M., & Wahlen, J. M. (1999). A Review of the earnings management literature and its implications for standard setting. *Accounting Horizons*, 13(4), 365–383.
4. Sawarni, K. S., Narayanasamy, S., & Padhan, P. C. (2023). Impact of earnings management on working capital management efficiency. *Finance Research Letters*, 54, 103778.

5. Jena, S. K., Mishra, C. S., & Rajib, P. (2020). Do Indian companies manage earnings before share repurchase? *Global Business Review*, 21(6), 1427-1447.
6. Baskaran, S., Nedunselian, N., Ng, C. H., Mahadi, N., & Abdul Rasid, S. Z. (2020). Earnings management: A strategic adaptation or deliberate manipulation? *Journal of Financial Crime*, 27(2), 369–386.
7. Le, Q. L., & Nguyen, H. A. (2023). The impact of board characteristics and ownership structure on earnings management: Evidence from a frontier market. *Cogent Business and Management*, 10(1), 2159748.
8. Scott, W. R. (2003). *Financial Accounting Theory* (3rd ed.). Upper Saddle River, NJ: Prentice Hall.
9. Malikov, K. T., & Zalata, A. M. (2024). Earnings management by acquiring firms in cash mergers. *Accounting and Business Research*, 55(1), 1-30.
10. Das, R. C., Mishra, C. S., & Rajib, P. (2017). Real versus accrual-based earnings management: Do Indian firms prefer one over the other? *Paradigm*, 21(2), 156-174.
11. Abernathy, J. L., Beyer, B., & Rapley, E. T. (2014). Earnings management constraints and classification shifting. *Journal of Business Finance & Accounting*, 41(5-6), 600-626.
12. Tabassum, N., Kaleem, A., & Nazir, M. S. (2015). Real earnings management and future performance. *Global Business Review*, 16(1), 21-34.
13. Zalata, A. M., Ntim, C. G., Alsohagy, M. H., & Malagila, J. (2022). gender diversity and earnings management: The case of female directors with financial background. *Review of Quantitative Finance and Accounting*, 58(1), 101–136.
14. Shah, S. F., Rashid, A., & Malik, W. S. (2020). Potential Substitution Between Accrual Earnings Management and Real Earnings Management Among Pakistani Listed Firms. *Global Business Review*, 25(1), 180-197.
15. Agrawal, K., & Chatterjee, C. (2015). Earnings management and financial distress: Evidence from India. *Global Business Review*, 16(5_suppl), 140S-154S.
16. Gill, A., Biger, N., Mand, H. S., & Mathur, N. (2013). Earnings management, firm performance, and the value of Indian manufacturing firms. *International Research Journal of Finance and Economics*, 116(1), 121-131.
17. Dyreng, S. D., Hanlon, M., & Maydew, E. L. (2012). Where do firms manage earnings?
18. Githaiga, P. N. (2024). Sustainability reporting, board gender diversity and earnings management: Evidence from east Africa community. *Journal of Business and Socio- Economic Development*, 4(2), 142-160.
19. Kumar, M., Vij, M., & Goswami, R. (2021). Effect of real earnings management on firm performance: *Evidence from India. Vision*, 27(3), 386-396.
20. Sun, L., & Rath, S. (2009). An empirical analysis of earnings management in Australia. *International Journal of Human and Social Sciences*, 4(14), 1069-1085.
21. Bawuah, I. (2024). Audit committee effectiveness, audit quality, and earnings management: evidence from Ghana. *Cogent Business and Management*, 11(1), 2315318.
22. Bhojraj, S., & Sengupta, P. (2003). Effect of corporate governance on bond ratings and yields: The role of institutional investors and outside directors. *Journal of Business*, 76(3), 455–475.
23. Di Miceli da Silveira, A. (2013). The Enron scandal a decade later: Lessons learned?
24. Oreshile, S. A. (2025). Does Enterprise Risk Management Quality Constrain Real Earnings Management Practices? Evidence from Sub-Saharan Africa. *Global Business Review*, 0(0).
25. Kanagaretnam, K., Lobo, G. J., & Whalen, D. J. (2007). Does good corporate governance reduce information asymmetry around quarterly earnings announcements? *Journal of Accounting and Public policy*, 26(4), 497-522.
26. Li, B., Qizi, Z., Shahab, Y., Wu, X., & Ntim, C. G. (2024). High-speed rail network and earnings management techniques usage trade-off: The moderating effects of governance and religion. *Managerial Auditing Journal*, 39(1), 26–49.
27. Rahman, M. M., Moniruzzaman, M., & Sharif, M. J. (2013). Techniques, motives and controls of earnings management. *International Journal of Information Technology and Business Management*, 11(1), 22-34.
28. Nia, M. S., Huang, C. C., & Abidin, Z. Z. (2015). A review of motives and techniques and their consequences in earnings management. *Malaysian Accounting Review*, 14(2).
29. Wokukwu, K. (2015). Creative accounting: Unethical accounting and financial practices designed to boost earnings and to meet financial market expectations. *Journal of Business and Economic Policy*, 2(1), 39-48.
30. Anjum, N., Saif, M. I., Malik, Q. A., & Hassan, S. (2012). Earnings management and firms' profitability evidence from Pakistan. *European Journal of Economics, Finance and Administrative Sciences*, 47, 13-18.
31. Graham, J.R., Harvey, C.R., Rajgopal, S. (2005), The economic implications of corporate financial reporting. *Journal of Accounting and Economics*, 40(1-3), 3-73.
32. Bansal, M., & Ali, A. (2021). Differential impact of earnings management on the accrual anomaly. *Journal of Asset Management*, 22(7), 559-572.

33. Bansal, M. (2024). Earnings management: a three-decade analysis and future prospects. *Journal of Accounting Literature*, 46(4), 630-670.
34. Aqabna, S. M., Aga, M., & Jabari, H. N. (2023). Firm performance, corporate social responsibility and the impact of earnings management during covid-19: Evidence from MENA region. *Sustainability*, 15(2), 1485.
35. Sulistiani, N. T., Ramadhanti, W., & Setyorini, C. T. (2024). The influence of financial performance and CSR on company value with earnings management as a mediating variable. *Ratio: Reviu Akuntansi Kontemporer Indonesia*, 5(1), 1-15.
36. Sireesha, B., & Lakshmi, C. (2017). Earnings management and firm performance: Evidence from selected Indian companies. *International Journal of Economic Research*, 14(9), 155–167.
37. Goel, S., & Narula, S. (2020). Earnings management and firm performance: Evidence from Indian firms. *International Journal of Emerging Markets*, 15(6), 1105–1120.
38. Cooper, M, H. Gulen, and M. Schill, 2008. “Asset growth and the cross-section of stock returns,” *Journal of Finance*, 63(4), pp. 1609-1651.
39. Fama, E.F. and K.R. French, 2006. “Profitability, investment and average returns,” *Journal of Financial Economics*, 82(3), pp. 491-518.
40. Chu, J. (2012). Accruals, growth, and future firm performance. *Accruals, growth and future firm performance*. University of Cambridge, Cambridge, England.
41. Das, R. C., Mishra, C. S., & Rajib, P. (2018). Firm-Specific Parameters and Earnings Management: A Study in the Indian Context. *Global Business Review*, 19(5), 1240-1260.
42. Jiang, W., & Anandarajan, A. (2009). Shareholder Rights, Corporate Governance and Earnings Quality. *Managerial Auditing Journal*, 24(8), 767-791.
43. Chang, J. C. (2008). Earnings Informativeness, Earnings Management and Corporate Governance under The Sarbanes-Oxley Act of 2002. Morgan State University.
44. Kothari, S. P., Leone, A. J., & Wasley, C. E. (2005). Performance matched discretionary accrual measures. *Journal of Accounting and Economics*, 39(1), 163–197.