International Journal of Business Ethics in Developing Economies
11 (2) 2022, 20-31
http://publishingindia.com/ijbede/

A Study of the Impact of Corporate Governance on Performance of Banks – Review of Literature

Shailesh B. Gohel*, Nirav Mandavia**

Abstract *This paper reviews the literature of research done regarding the impact of corporate governance variables on performance of the company. There have been various researches done to measure the impact of corporate governance variables on performance of the company. The paper reviews all relevant research literature from the last two decades. Major variables of corporate governance that were studied are: board and board sub-committee composition, chairman and CEO duality, gender diversity, ownership structure, and shareholders' participation. Researchers studied the impact of these variables on financial performance, viz., return on equity (ROE), return on assets (ROA), NPA level, capital adequacy ratio, and earnings per share (EPS).*

Keywords *Corporate Governance, Listing Compliance, SEBI, Indian Banks, Banking Sector, Regulations, Stock Exchanges*

INTRODUCTION

"Corporate governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders", as defined by the Institute of Company Secretaries of India. Corporate governance defines the duties and responsibilities of the company and their management towards their stakeholders.

'Governance' defines control, i.e., how effectively the company is controlled. 'Corporate governance' is the path for achieving prosperity by the company. The concept of good governance is very old in India, dating back to third century B.C., when Chanakya was given four duties of a king, viz. raksha, vriddhi, palana, and yogakshema. In present time, these can be: board of directors/chairman/MD and CEO of company as king; protection of stakeholders as raksha; enhancing the wealth of stakeholders as vriddhi; maintenance of wealth through profitable business as palana; and safeguarding the interests of the shareholders as yogakshema.

Banking is the heart of the economy of any country. Bank business includes deposits and lending. All money transfers in the economy is routed through banks. Hence, it plays a very crucial role in the development of any country. Banks play a very important role as they help in circulating money in the economy. Considering its sensitive nature, banks are more stringently required to follow corporate governance guidelines.

Corporate governance is the root of any organisation. It helps organisations achieve stability and sustainability, and strengthens their performance and transparency towards the stakeholders. It is a wide concept and starts from the incorporation of the company; its impact goes a long way. There are guidelines/regulations specifically framed for strengthening corporate governance framework, and it is evolving day by day. A nation with a high standard of corporate governance progresses significantly towards the achievement of sustainable goals and better governance of people, society, and entity.

REVIEW OF LITERATURE

Literature review is the study and finding of literature available on the research topic. It helps the researchers understand the research conducted in the past, topics covered, findings, and method of research. Literature review helps gain in-depth knowledge and understanding of the research subject.

The researchers have reviewed the following studies related to the topic.

Abobakr (2017) investigated the effect of various corporate governance mechanisms, like board size, block holders, board qualifications, CEO duality, board female, and non-

* Ph.D. Scholar, School of Management, RK University, Rajkot, Gujarat, India.
Email: shaileshbgohel@gmail.com (Corresponding author)
** Associate Professor, School of Management, RK University, Rajkot, Gujarat, India.

executive directors, on banks' performance, viz., return on assets (ROA) and return on equity (ROE), in Egypt, by using the financial information of 25 Egyptian banks, covering a ten-year period from 2006 to 2014. It was found that board qualifications, block ownership, non-executive directors, and presence of women in the board have no impact on bank performance.

Abutaber et al. (2021) investigated the effect of corporate governance variables on financial performance variables by analysing 55 companies listed in the Amman Stock Exchange, for a four-year period, i.e. 2014-2018. Information was collected from the annual financial statement of the firms. A positive and significant impact of audit committee and ownership structure on financial performance was found.

Adegboye et al. (2020) studied the effect of bank externalities and corporate governance structure on non-performing loans (NPAs) in Nigeria, covering a nine-year period from 2009-2017. They have framed corporate governance index of Nigerian banks using statistical principal component analysis to find the impact of corporate governance framework/structure on non-performing loans (NAPs). They have also used panel data analysis to observe the sensitivity of non-performing loans (NPAs) and corporate governance framework. It was found that the corporate governance structure of Nigerian banks has a significant and negative effect on non-performing loans of the banks. Researchers also found that a thorough corporate governance structure boosts the loan quality and bank strength. In addition, they found that rigorous policies imposed by the bank regulators has an adverse impact on non-performing loans.

Ali et al. (2021) investigated the relationship between shareholder-friendliness as an aspect of corporate governance and insolvency risk of financial institutions, using a sample of U.S. financial institutions, covering the period 2005-2010. It was found that corporate governance is positively associated with the financial institutions' insolvency risk. It was also found that stronger corporate governance increases higher insolvency risk for larger financial institutions during a financial crisis.

Alkazali et al. (2021) explored the relationship between corporate governance (i.e., defined by variables like the tasks and responsibilities of the board, right of shareholders, disclosure and transparency, audit control, internal control, and fair treatment of shareholders) and performance of the bank. Information was collected through a questionnaire and the responses obtained from managers of commercial banks in the northern region of Jordan. A significant positive relationship was found between variables of corporate governance and performance of banks. In particular, a positive relationship was found between two principles of corporate governance, i.e., tasks and responsibilities of the board and audit control and internal control, and bank performance, while no significant relationships were found between the other two variables, i.e., right and fair treatment of shareholders and disclosure and transparency. It was summarised that corporate governance plays a very important role in enhancing banks' performance.

Alastair et al. (2020) studied the impact of country-wide corporate governance framework on the profitability of banks in India using a sample of 61 banks, that is, 42 private sector and 19 public sector banks. It was found that country-wide corporate governance has a significant influence on the profitability of banks in India. Private sector banks show better performance over public sector banks, and the influence of country-wide governance on the profitability of private sector banks was positive and more than that on public sector banks.

Alnsour (2020) analysed the role of corporate governance on the performance of selected Jordan Islamic banks using secondary data collected from two questionnaires distributed to 220 respondents. Data of four Jordanian Islamic banks were taken. It was found that corporate governance has a positive huge impact on the Jordanian Islamic Bank's performance.

Alodat et al. (2021) assessed the effect of board of directors, audit committee, and ownership structure on performance of the firm. The study focused on the provisions of ownership structure, specifically foreign and institutional ownership, and their impact on firm performance. For the study, CG measures constructed of 81 non-financial firms listed on the Amman Stock Exchange covering the period 2014–2018 were used. A positive and significant relationship between the audit committee characteristics and board with the firm's performance was found. It was found that both foreign and institutional ownerships had a significant positive relationship with ROE. There is an insignificant and negative relationship between firm performance and ownership types.

Alsagr et al. (2018) studied the influence of the corporate governance framework on banks' financial performance, using a sample of nine banks in Saudi during the period 2011 to 2016. They have considered the six corporate governance mechanisms to study their impact on two financial performance measures, i.e. ROE and ROA. It was found using panel data statistical regression that the ownership and the board independence of three of the largest shareholders were the only corporate governance mechanisms that have a negative and significant impact on ROA. It was also found that ownership and the board independence of three of the largest shareholders had a negative and significant impact on ROE, while the size of audit committee and the ownership of the largest shareholder had a positive and significant effect on ROE.

Amos and Sharon (2016) studied how the corporate governance framework, like size of the board, RBI regulations, dual functions of the board, the presence of independent directors, and existence of audit committee, impact the credit risk exposure of the public sector banks in India. They have also studied the relationship between the financial ratios and loan loss provisions of the public sector banks in India, based on a sample of 27 public sector banks in India, including SBI and its associate banks, through regression analysis. It was found that the financial ratios and corporate governance variables have a significant impact on the confidence of banks in keeping the provisions of the unexpected loss. It was also observed that banks with good corporate governance mechanisms are inclined to value the risk involved in the lending and maintaining of the ideal level of provisions for loss arising from loans, which in turn increases the efficiency and profitability of the banks.

Anginer et al. (2018) found that corporate governance is linked to higher systemic risk in the banking industry. In particular, corporate governance that is friendlier to shareholders is a higher risk for top banks, and for banks located in countries with substantial financial security, as banks try to pass the risk to taxpayers.

Basuony et al. (2014) investigated the influence of internal corporate governance framework and control variables like bank age and bank size on banks' financial performance. The study covered both the Islamic banks and conventional banks operating in the seven Arabian Peninsula countries. It was found, using regression analysis, that there is a significant relationship between corporate governance and bank age, board size, number of outside directors, and board activism. It was further found that correlation between firm performance and corporate governance is still not clearly recognised, and that the effect of corporate governance on banks' financial performance is still relatively limited in developing countries.

Beasley (1996) tested the prediction that the inclusion of outside members in larger proportions on the board significantly reduces the possibility of fraud related to financial statements. After analysing 75 fraud and 70 no-fraud firms, it was found that no-fraud firms had higher percentages of outside members on the boards than fraud firms. It was also found that the presence of an audit committee does not significantly affect the possibility of fraud related to financial statements.

Bebchuk et al. (2009) investigated the importance of the 24 provisions of Investor Responsibility Research Center (IRRC) included in the Gompers, Ishii, and Metrick governance index (Gompers, Ishii, & Metrick, 2003). Entrenchment index was formed based on six provisions, i.e., staggered board of directors, shareholder bylaw amendments limit, poison pills, golden parachutes, and supermajority requirements for mergers and charter amendments. It was found that increases in the index level are associated with significant reductions in firm's valuation and large negative abnormal returns during the period 1990-2003. The remaining 18 IRRC provisions were uncorrelated with either negative abnormal returns or reduced firm valuation.

Benvenuto et al. (2021) verified the impact of corporate governance index on financial performance, i.e. general liquidity, return on assets (ROA), size of the company expressed as total assets, and capital adequacy, in the banking sector of developing and developed countries. Moreover, they investigated the interactive effect of corporate governance on a heterogeneous (Italian) and homogeneous (Romanian) banking system. The Romanian banking system represents only 34 banks, while the Italian one includes more than 350 banks. They showed how modification in legislation of corporate governance is influencing these two banking systems. It was found that corporate governance has a positive, significant, and long-lasting impact on capital adequacy and profitability in both countries. A positive impact of corporate governance on a homogenous banking system and a negative impact on a heterogeneous banking system were found.

Bezawada (2020) studied the corporate governance mechanism and analysed the role of board variables like the composition of the board, size of the board, and functioning of the board on the financial performance and asset quality of the banks. He used a sample of 34 commercial banks consisting of 19 public banks and 15 private banks from 2009-2018, accounting for 93 per cent of the total banks in India. It was found that there is a positive significant relationship between busy directors and the number of meetings on banks' financial performance. The percentage of busy directors and the percentage of independent directors have a negative significant relationship on the net non-performing assets (NPAs) ratio. It was also found that the number of meetings and the board size are negatively associated with Tobin's Q significantly. There is a significant positive impact on Tobin's Q for the percentage of busy directors, and there is a significant negative impact of the board size on bank performance.

Bhatt and Bhatt (2017) studied the effect of Malaysian Code on Corporate Governance on the financial performance of the listed entities in Malaysia, using a sample of 113 listed entities. It was found that the performance of the companies are positively and significantly associated with corporate governance. Secondly, corporate governance of the sample companies showed marked improvements after implementation of the MCCG 2012.

Carter et al. (2003) studied the relationship between value of firm and diversity of board of Fortune 1000 companies. For diversity of board, the percentage of women, Asians, African-Americans, and Hispanics on the board were considered. The authors examined whether diversity of board improves financial value. A significant positive relationships was found between the minorities or fraction of women on the board and firm value. It was also found that the percentage of women and minorities on boards increases with the size of the firm and board, but decreases with the increase in insiders.

Core et al. (1999) found that measures of board and their ownership patterns elucidate a significant cross-sectional variation in compensation of the CEO. It was also found that when governance structure is less effective, CEOs earn higher compensation. Another finding was that the component of compensation, which arises from board and its ownership structure, had a significant negative relation with the performance of firm's operation and stock returns. Overall, it was found that firms with weaker governance structures had greater agency problems; CEOs at these firms receive higher compensation; and these firms perform worse.

Dedu and Chitan (2013) investigated the influence of internal corporate governance on banks' financial performance within the Romanian banks, including factors like management body, internal corporate governance index, and ownership structure. The researcher has framed the internal corporate governance index for the internal control framework, corporate structure, risk management, structure of committees, and institutional transparency. It was found that there is a negative relationship between internal corporate governance index and the banks' performance.

Dey and Sharma (2021) studied the connection between financial performance and practices of corporate governance of selected public sector banks in India, using secondary data from CMIE Prowess database. The study analysed data of ten public sector banks based on their balance sheet size, covering a period from 2012 to 2019, through correlation and regression model. It was found that financial performance, i.e., return on assets and return on equity, is negatively related to size of board, meetings of board, board committees, and independence of board. A positive relationship was also found between the number of women directors, executive directors, non-executive directors, and banks' performance.

Dike and Tuffour (2021) studied the influence of corporate governance practices on banks' performance using qualitative approach. It was found that it is not only the big board size, but the expertise and resources provided by directors which improves performance. It was found that it is better to have outside directors on the board who contribute their expertise and provide assistance in making important decisions to improve the boards' peformance. Board effectiveness improved by oversight responsibilities, enhanced monitoring, and access to board committees' information, which results in favourable effects on banks' performance.

Doğan Başar et al. (2021) examined the association between corporate governance framework and peformance of the banking industry using generalised method-of-moments (GMM) approach, with data of 33 banks listed in the stock exchange for the period 2012-2017. 'Board Characteristics Index' was developed based on structure of board leadership, characteristic of board member, and structure of board committee. It was found that the governance was significantly and positively related to return on assets as an indicator of banks' financial performance.

Fanta (2013) examined the effect of corporate governance on the performance of commercial banks, in the absence of a stock exchange in Ethiopia, covering a seven-year period from 2005-2011. The researcher has reviewed the relation between internal and external corporate governance factors and banks' performance, i.e. ROA and ROE. It was found that the existence of an audit committee in the board and board size had a significant negative impact on banks' performance, whereas there is a significant positive effect of bank size on banks' performance. Similarly, there is a significant positive effect of capital adequacy ratio on banks' performance.

Faruqi et al. (2019) investigated the impact of corporate governance on banks' performance, and role of cash flows between bank performance and corporate governance in developing and developed countries, after analysing data from 2006 to 2015 of 30 commercial banks of five countries (i.e. Bangladesh, Pakistan, Malaysia, the USA, and Australia). It was found that there was a more significant impact of corporate governance on banks' performance in developed countries than in developing countries. It was also found that investment cash flows mediate the relationship between bank performance and corporate governance in developing countries, while operating cash flows mediate the relationship between corporate governance and bank performance in developing countries only.

Gompers et al. (2003) studied the variation in shareholder rights across firms, by constructing a 'Governance Index' consisting of 24 governance rules that impact the shareholders' rights, in about 1,500 large firms in the 1990s. It was found that the firms with stronger shareholder rights had higher profits, higher value of firm, higher growth in sales, lower capital expenses, and fewer corporate acquisitions.

Handa (2018) examined the role of board framework in the financial performance of selected Indian banks covering the time period 2008 to 2015. The data was analysed through panel regression based on a small sample of 70 companies. It was found that chairman and CEO duality, board committees, directors' average remuneration, and presence of female directors have a significant influence on the bank's performance. It was also found that board variables affect the performance of the banks. Significant effects for CEO duality, female directors' percentage, board committees, and directors' average remuneration were found.

Herbert and Agwor (2021) analysed the impact of corporate governance on performance of commercial banks listed on the Nigerian Stock Exchange. Based on Nigerian corporate governance regulatory requirements, a disclosure checklist was prepared. Corporate governance disclosures of 13 Nigerian commercial banks covering the period 2011 to 2016 were analysed. A positive and significant relationship between corporate governance disclosures and the finance performance of the banks was found, with a positive impact of corporate governance disclosures on the board and whistleblowing policy. No significant relationship between corporate governance disclosures related to risk management framework and the financial performance of the banks was found.

Islam et al. (2015) developed a corporate governance index to measure corporate governance and examined the relationship between corporate governance index and bank performance. Researchers have examined whether there is any improvement in corporate governance practices in Bangladeshi banks by introducing the Code of Corporate Governance in Bangladesh. It was found that corporate governance mechanisms in Bangladeshi banks have improved significantly after the introduction of said code. Further, it was also found through regression analysis that there is no significant relationship between comprehensive measures of corporate governance and Bangladeshi banks' performance.

Jain and Nangia (2014) studied the differences in the corporate governance disclosures by Indian public banks, new private banks, and old private banks, covering the study period from 2006 to 2012. The researchers have framed and analysed 70 parameters for corporate governance disclosure index according to the listing agreement Clause 49 issued by SEBI, and 80 additional parameters based on the voluntary disclosures by these banks. It was found that the new private banks have higher levels of disclosures than public banks and old private banks in India.

Jiang et al. (2012) examined the impact of corporate governance, especially the structure of ownership on bank's performance in China, for the period 1995 to 2008. Study found that there is a significant impact of corporate governance on bank performance; for example, banks with a majority foreign share control are most profitable, while banks having a majority state share control are most unprofitable. They have not found evidence about relations between foreign minority ownership in domestic banks and the bank's performance. It was concluded that banks with more single ownership are found to be more profitable.

Kafidipe et al. (2021) examined corporate governance, risk control, and operational problems of commercial banks in Nigeria. A negative but significant impact on bank's financial performance was found. It was also found that sound corporate governance system increases the stability and loan profitability of banks. There exists a significant relationship between corporate governance and financial performance of the firm. Shareholders, board members, and meetings of board have a negative relationship to financial performance. It was found that increase in directors' shareholding and number of directors on the board results in decreased return on equity of banks in Nigeria.

Kanojia and Bindra (2018) analysed the impact of different aspects of corporate governance on the financial aspect of banks in India, covering the period 2009 to 2015, using panel data techniques on the listed public sector and private sector banks. It was found for public sector banks that the board's duality is highly recognised and NPAs are managed poorly. On the other hand, the private banks encourage more independence for chairman, size of audit committee, and board duality, which are related to variables of corporate governance; maximum number of board size is preferred in these banks with fewer non-executive directors on board. It was also found that the chairman as an independent member is linked to a negative impact on the financial performance of banks, and on the other side, higher capital adequacy ratio has a significant impact on the financial health of the bank.

Kaur (2014) examined the relation between corporate governance and the performance of 13 banks in India which are included in S&P Bankex during the FY2012-2013. The researcher has framed and analysed corporate governance scores consisting of various corporate governance covered under the SEBI regulations. Return on assets (ROA) was used for measuring financial performance. A significant relationship was found between various board committees constituted by the banks and banks' performance.

Kumar and Sudesh (2019) assessed the impact of corporate governance mechanisms on the performance of selected Indian banks using non-binary approach, and formulating index. They have collected and analysed information of public sector banks listed on the BSE as well as NSE as of 01.04.2014 for the period 2006-2007 to 2015-2016. It was found that corporate governance has a significant impact on basic earnings per share (EPS), while performance measures are not significantly influenced by corporate governance.

Kumari and Pattanayak (2017) analysed the triangular relationship between the corporate governance variables, earnings management mechanism, and company performance by analysing the data from 2003 to 2013. It was found that corporate government mechanisms, like audit practices, board characteristics, and performance-based remuneration, perform the role as variables that restrict the company in earnings management practices. It was also analysed that market-linked company performance variables, like yield, PE ratio, and profit after tax, are related significantly to the corporate governance system and earnings management.

Kyere and Ausloos (2021) examined the impact of corporate governance on financial performance of non-financial listed firms in the United Kingdom using a sample data of 252 firms listed on the London Stock Exchange in 2014. It was found that there was a positive or negative relationship or sometimes no impact of corporate governance mechanisms on financial performance. It was evident that the right corporate governance mechanisms improve the finances of a firm.

Leone et al. (2018) investigated how bank governance structure like board composition, board size, and ownership structure impact the performance, like ROA, by considering the role of risk governance, i.e. risk committee, meetings of risk committee in a year, the size of risk committee, the presence of a CRO (chief risk officer), and the ratio of independent directors in the committee. They have analysed a sample of 31 Italian listed banks covering a ten-year period from 2008 to 2017. It was found that risk governance fully facilitates the relationship between corporate governance and banks' performance. Specially, they found that the size of the board of directors is related positively to the members' presence in risk committee and number of meetings. The ratio of independent directors is related positively to the ratio of independent directors in the risk management committee and, it has a positive impact on performance. And finally, the institutional owners' presence is related positively to the chief risk officer's presence, and bank performance. It was concluded that banks with wider mixed boards of directors have better risk management and related corporate governance framework, and achieve higher performance.

Lu and Wang (2021) investigated the impact of culture background and corporate governance on environmental performance of firm and CSR disclosure. A positive relationship between CSR disclosure and environmental performance was evident. It was found that internal corporate governance practices like non-duality of CEO, gender diversified boards, and ESG committees are linked with higher disclosure of CSR information and better environmental performance. Debt was found to be an effective vehicle for internal governance, which positively impact firms' CSR disclosure and environmental performance. Listed firms perform better in environment and CSR disclosure. Firms in countries having stronger legal systems have fewer voluntary CSR disclosure. It was also found that firms in countries with individualism, long-term orientation, low power distance, high uncertainty avoidance, and femininity perform better environmentally. Firms in countries with collectivistic, low power distance, high uncertainty avoidance, restrained, feminine, and long-term oriented disclose more CSR information.

Lu (2021) examined the relationship between corporate sustainability performance and corporate governance, and also examined whether corporate governance moderates the relationship between corporate financial performance and corporate sustainability performance. A sample of 456 of the largest U.S. public companies were analysed for examining corporate governance and corporate sustainability performance jointly. It was found that firms having stronger corporate governance framework are more likely to have higher corporate sustainability performance, and that corporate governance adds value to the firm. The impact of corporate sustainability performance on corporate financial performance is higher for firms with stronger corporate governance.

Mayur and Saravanan (2017) examined the implications of frequency and composition of meetings and board size on the banks' performance. The researchers used performance parameters like NPA ratio, return on assets, and net write-off ratio. The study covered the time period of five years of 40 banks in India. It was found that there is a curvilinear relationship between the performance of banks and board size. The researchers also found that board size increase is related to good bank performance between low and high board size category. The study did not find any significant relationship between frequency of board meetings and performance and board composition.

Michelberger (2021) analysed the results of recent research conducted on the impact of corporate governance on firms' performance. Two groups of studies were identified, i.e., company-level study to determine the effect of a corporate governance variable like board size, duality of chairman and CEO, and so on, on the performance of the company, and second, the larger sample study covering a longer time period, to determine the overall effect of corporate governance on companies. No consistent effect of corporate governance on firms' performance was found.

Mishra et al. (2021) studied the relationship between corporate governance and Indian firms' financial performance by forming a corporate governance index based on a variety of corporate governance variables like structure of board, director participation and busyness, ownership structure, product market competition, and market for external control.

It analysed the dataset of Indian non-financial firms listed on the National Stock Exchange covering the period 2010-2018 using a system GMM dynamic panel approach. A significant positive relationship of corporate governance index with return on assets and return on net worth were found.

Morshed et al. (2020) investigated the impact of corporate governance in bank performance using data of the top nine public and private banks in Bangladesh for the period 2009 to 2017. They have taken parameters like internal audit committee structure, size of board, and capital adequacy ratio (CAR) as independent variables for measuring the impact of corporate governance, while return on equity (ROE), return on assets (ROA), and earnings per share (EPS) were taken for measuring bank performance. They have used statistical methods like correlation and regression analysis to examine the relationship between bank performance and corporate governance practices. It was found that capital adequacy ratio has the higher impact on bank performance.

Moudud-Ul-huq et al. (2018) studied the impact of corporate governance on the performance of the bank and capabilities of risk-taking by the banks during the financial crisis of 2007-2008. It was found that corporate governance develops benefits related to profitability and risk-taking capacity of the banks.

Musah and Adutwumwaa (2021) examined the effect of various corporate governance variables like board size, CEO duality, independence of board, and gender diversity on the financial performance of Ghana's rural banks, by analysing the data from the annual report of 30 rural banks for a period covering 2010 to 2019. A positive but insignificant relationship between CEO duality and return on equity and return on assets was found. A positive relationship between board size, board independence, and return on equity and return on assets was also found. In addition, there was a negative relationship between gender diversity on boards and return on equity and return on assets.

Mustafa et al. (2016) investigated the relationship between corporate governance and the banks' efficiency in Turkey by analysing a sample of ten Turkish depository banks listed in the Istanbul stock exchange, covering the ten-year period from 2005 to 2015, through statistical techniques like data envelopment analysis (DEA) and panel regression analysis for finding the impact of corporate governance on bank efficiency. It was found that board independence and free float rate have a significant negative impact on the bank's efficiency. It was also found that number of committees, and shareholder and board size have a significant positive relationship with the bank's efficiency. They have concluded that there is no significant relationship between bank efficiency and institutional ownership.

Naushad and Malik (2015) examined the impact of corporate governance measured by board duality, board size, agency cost, and so on, on the performance of selected 24 Gulf Cooperation Council (GCC) banks (which includes banks from six Middle Eastern Countries – Kuwait, Saudi Arabia, Bahrain, the United Arab Emirates, Qatar, and Oman), based on total assets criteria for the FY2012-13. Researches have used Tobin's Q and return on total assets (ROTA) as the statistical measurement for accounting and financial performance, respectively. It was found that smaller board sizes are more capable for managing and monitoring closely in the GCC banking sector; Chief Executive Officer (CEO) dual role is likely to improve the performance of GCC banks; and block holders' presence in GCC banks' ownership structure tends to have a positive impact on the performance of banks. Overall, it was concluded that corporate governance has a significant impact on the accounting and financial performance of GCC banks.

Nugroho (2021) studied the relationship between corporate governance and firm performance. It was found that macroeconomics does not have a significant impact on management of financial risk. It was found that good corporate governance and stock returns do not have a substantial impact on a going concern's audit opinion.

Oino (2018) analysed the influence of corporate governance on the financial performance of IT companies in India. Specifically, it covered the impact of board parameters like composition of board, size of board, and independence of audit committee on financial performance, viz. ROA (return on assets) and ROE (return on equity). It was found that there is a significant positive influence of corporate governance on IT companies' financial performance; and independence of the audit committee showed a significant impact on financial performance.

Oluwole (2021) examined the impact of corporate governance on profitability of commercial banks in Nigeria, covering the period 2009 to 2018, based on the data collected from audited financial statements of the selected Nigerian banks, using fixed-effect regression technique to examine the impact of board variables like size of audit committee, size of board, number of audit committee meetings, and number of board meetings, on earnings per share (EPS) of selected Nigerian banks. A positive significant relationship between board variables, i.e. size of audit committee, size of board, and number of board meetings, and EPS as a measure of profitability of the bank, was found. However, a negative and significant relationship between number of audit committee meetings and EPS was found. It was concluded that corporate governance improves financial performance of commercial banks in Nigeria.

Orazalin et al. (2016) investigated the influence of different parameters of corporate governance, like characteristics of board, board ownership structure, disclosure, and education of CEO, on the performance of Russian banks, using regression model. The study comprised data of large publicly traded Russian listed firms. It was found that corporate governance has a positive impact on banks' performance before and after a period of financial crisis. The financial crisis mandated Russian banks to enhance their corporate governance mechanisms, which resulted in better performance after the crisis.

Panchasara and Bharadia (2013) examined the disclosure practices of corporate governance adopted by Indian banks for the period FY2008 to FY2012, using the financial parameters and non-financial parameters available in the 'Guidance on Good Practices in Corporate Governance Disclosure' issue by International Standards of Accounting and Reporting. The researcher has used regression analysis as the statistical tool to find a positive relationship between corporate governance disclosures and banks' financial performance.

Pandya (2011) studied the impact of corporate governance framework, i.e., independent director proportion and duality of CEO, on financial performance of selected Indian banks. The researcher used return on equity (ROE) and return on assets (ROA) for measuring firm performance. No significant relationship was found between financial performance and the corporate framework of the bank.

Pekovic and Vogt (2021) studied the nexus between the corporate social responsibility (CSR) and financial performance of the firm with respect to the relation between corporate social responsibility and corporate governance (CG). A model was developed to analyse the impact of CG variables like board size, gender diversity on board, ownership concentration, and board independence on corporate social responsibility and firm's financial performance by Tobin's q, analysing a sample of 17,500 observations for a period of 11 years. It was found that size of board and gender diversity react positively to corporate social responsibility and the financial performance of the firm. Corporate social responsibility and ownership concentration negatively affect the financial performance of the firm. In addition, it was found that there was no relationship between board independence and corporate social responsibility and firm's financial performance.

Rashid et al. (2020) investigated the relationship between corporate governance and banks' productivity, by analysing data of 30 banks listed in Bangladesh, deploying a 'Malmquist Productivity Index' with data of the period 2013-2017. It was found that bank's productivity in Bangladesh was significantly impacted by structure of ownership, financial performance, and characteristics of board.

Rehman et al. (2021) studied the impact of risk management on corporate governance and financial performance of firms in emerging markets. It was found that risk management partially facilitates the relationship between size of board and firm's financial performance. It was also found that risk management acts as a partial facilitator between firm's foreign ownership and firm's financial performance.

Rehman et al. (2021) investigated the effect of corporate governance and corporate performance on executives' remuneration in China, using generalised method-of-moments and analysing the sample of 860 non-financial firms listed on the Chinese Stock Exchanges for the period 2004-2018. A positive and significant relationship between corporates' profitability and executives' pay was found. Ownership concentration of corporates is positively linked to executives' pay. CEO duality has a positive relationship with remuneration of executives, while size of board and independence of board had a positive relation with executive pay. It was observed that non state-owned corporates had a negative relationship between board size and remuneration of executive.

Sandhya and Parashar (2019) framed corporate governance index of Indian banks and compared the corporate governance framework of selected Indian public and private sector banks. Private sector banks scored more in corporate governance than public sector banks, except in risk management. A weak positive correlation was found while comparing corporate governance and financial performance, measured by NIM and ROA, and a significant correlation between PBV ratio and corporate governance was found.

Saraswathy (2019) analysed the link between disclosure practices of corporate governance and the banks' financial ratios. The researcher studied the correlation between share prices movements and EPS (earnings per share) of the banks. It was found that that there is a significant correlation between ROA (return on assets) and share prices and EPS.

Sheikh and Alom (2021) studied the corporate governance, board of directors practices, and shipping firms' performance in Bangladesh. They surveyed 24 shipping firms in Bangladesh. It was found that most of the firms' managers were not aware of the board practices and corporate governance. There was lack of transparency in the practices adopted by the board of directors among the shipping firms. The results showed that leadership of board, ownership of board, size of board, and size of firm have a significant impact on performance of the firm. Moreover, board leadership has a significant impact on performance of the firm. It was confirmed that composition of the board has no significant impact on performance of the firm in the context of Bangladeshi shipping firms.

Shukla et al. (2018) explored the impact of board variables on market performance of banks in India. They used a sample of 29 Indian banks covered in the NSE 500 index, for the period 2009-2016. It was found that only three out of ten board characteristics, i.e., average number of boards served by director, duality of CEO, and number of meetings conducted, have a positive impact on market performance of banks in India.

Shungu et al. (2014) investigated the role of corporate governance on the performance of banks in Zimbabwe, by analysing the data gathered during the period 2009 to 2012 of five commercial banks. The authors used multi-regression statistical model to measure the relationship between corporate governance characters like size of board, composition of board, internal committees of board, and diversity of board, and banks' performance. A causal relationship between corporate governance and bank performance was found. In addition, there was a positive relationship between composition of board, diversity of board, and bank performance, although there was also a negative relationship between size of board, committee of board, and performance of banks.

Shwairef et al. (2021) studied the effect of corporate governance on environmental reporting, using data collected from top management of 197 large companies in Malaysia. It was found that the managers' strategic position facilitates the impact of four aspects of corporate governance, i.e., size of board, board independency, presence of CSR committee, and institutional ownership, on the reporting of environmental aspects.

Sulimany et al. (2021) examined the impact of corporate governance and financial sustainability on share price of firms listed under the food and beverage sector in the Saudi Stock Exchange. It was found that financial sustainability facilitates the relationship between corporate governance, i.e., size of board, and shareholder value, i.e., share price of firms in Saudi Arabia.

Tu et al. (2014) examined the influence of corporate governance on banks' performance in Vietnam by constructing a corporate governance index covering the period 2010 to 2012. Researchers used ROE (return on equity) and ROA (return on assets) to measure the bank's performance. There was a positive correlation between disclosure, shareholder meetings, the role of the board, and shareholders with bank performance in banks in Vietnam. It was found that there is no relationship between bank performance and supervisory board.

Younas et al. (2021) examined the impact of corporate governance index on the financial distress of non-financial firms listed on the Pakistan Stock Exchange, covering the period 2003-2017. It was found that there was a positive impact of corporate governance index on the risk of firms' financial distress. This means good corporate practices perform the role of a catalyst to reduce the risk of Pakistani firms' financial distress. It was found that there was a significant positive impact of institutional ownership on Pakistani listed firms' financial distress. It was revealed that there was a significant negative relationship between size of board and CEO duality, and financial distress indicator.

Zaitul et al. (2019) examined the impact of corporate governance on bank performance pre- and during the global financial crisis of 2008, using data for the period 2006 to 2009 of 27 listed banks in Indonesia. Researchers have used three parameters, like family, board, and foreign ownership as the internal corporate governance mechanisms, and audit quality for the external corporate governance framework. It was found that during pre-global financial crisis, there was no role of corporate governance. In addition, it was found that the corporate governance practices were poor during the global financial crisis in 2008, especially in 2009.

Zhou et al. (2021) explored the impact of corporate governance quality on the firms' financial leverage, using a sample of non-financial firms listed in China for the period 2000-2018. It was found that improved quality of corporate governance has a robust and negative impact on firm's financial leverage. In addition, it was found that the firm's financial leverage significantly reduces the firm's financial performance, especially at the time of economic downturn; this could be balanced by improving the quality of corporate governance.

ANALYSIS

Based on the above literature review, it was found that corporate governance of an entity is significantly associated with various key parameters of an entity, like financial performance, profitability, ownership structure, boosting the loan quality and bank strength, insolvency risk of financial institutions, board qualifications, ownership, presence of non-executive directors, presence of women presentation, tasks and responsibilities of the board, audit control and internal control, audit committee characteristics, board independence, efficiency of a company, systematic risk, bank age, board size, number of outside directors, board activism, fraud prevention, capital adequacy, stock return, presence of outside directors on board, enhanced monitoring, chairman and CEO duality, board committees, directors' average remuneration, and female directors. These parameters have a significant influence on the bank's performance. Further, it was found that board variables affect the performance of the banks. There were significant effects of CEO duality, female director percentage, board committees, director remuneration, stability and loan profitability of banks, ratio of independent directors, CSR disclosure, and so on.

It is observed from the past studies that researchers have covered limited variables of corporate governance and financial performance. Corporate governance of any entity is governed through regulatory guidelines/rules/regulations issued by the respective regulator of the country, around the globe. These guidelines largely define the practise/ framework that needs to be followed by the listed entity. In India, corporate governance guidelines are defined and prescribed by SEBI (LODR) Regulations, 2015 and Companies Act, 2013. These guidelines are not only limited to board governance; they cover a whole set of regulations to which every listed company is bound to adhere. It is observed that detailed research of compliance by the listed entity of these regulations in India have not been covered by any researchers yet. There are many variables of corporate governance that are as yet unexplored. Hence, there is scope for a detailed study of compliance of Indian corporate governance regulations.

CONCLUSION

It can be summarised that corporate governance variables have a significant impact on the performance of the company. Corporate governance variables, like board and board sub-committee composition, chairman and CEO duality, gender diversity, ownership structure, and shareholders' participation, have an impact on the financial performance of the firm, viz. return on equity (ROE), return on assets (ROA), NPA level, capital adequacy ratio, and earnings per share (EPS). Scope and compliances of corporate governance are increasing day by day. It is not the same as it was two decades before. It is widely accepted worldwide and regulators are broadening and tightening the standard of corporate governance. It is for the betterment of the entity and stakeholders to adhere to the highest standard of corporate governance. Nowadays, it is not just related to board, it covers risk, governance, and compliance-related aspects of an entity as a whole. There are other variables of corporate governance, like ESG disclosures, corporate social responsibility, board evaluation, and so on, that can be explored to further study their impact on financial performance.

REFERENCES

Abobakr, M. G. (2017). Corporate governance and banks performance: Evidence from Egypt. *Asian Economic and Financial Review, 7*(12), 1326-1343.

Abutaber, T., Bzur, A., Odeh, M., Alathamneh, M., Al-Okaily, M., & Afaneh, M. (2021). The effect of corporate governance indicators on enhancing the financial performance of industrial listed companies on the Amman stock exchange. *Accounting, 7*(2), 415-422.

Adegboye, A., Ojeka, S., & Adegboye, K. (2020). Corporate governance structure, bank externalities and sensitivity of non-performing loans in Nigeria. *Cogent Economics & Finance, 8*(1), 1816611.

Ali, S., Hussain, N., & Iqbal, J. (2021). Corporate governance and the insolvency risk of financial institutions. *The North American Journal of Economics and Finance, 55,* 101311.

Alkazali, A., Al-Eitan, G., & Aleem, A. (2021). The role of corporate governance in enhancing the performance of Jordanian commercial banks. *Accounting, 7*(6), 1471-1478.

Almaqtari, F. A., Hashid, A., Farhan, N. H., Tabash, M. I., & Al-Ahdal, W. M. (2022). An empirical examination of the impact of country-level corporate governance on profitability of Indian banks. *International Journal of Finance & Economics, 27*(2), 1912-1932.

Alnsour, I. R. (2020). The effect of corporate governance on banks performance: An empirical study on Jordanian Islamic Banks. *PalArch's Journal of Archaeology of Egypt/Egyptology, 17*(6), 286-307.

Alodat, A. Y., Salleh, Z., Hashim, H. A., & Sulong, F. (2021). Corporate governance and firm performance: Empirical evidence from Jordan. *Journal of Financial Reporting and Accounting.*

AlSagr, N., Belkhaoui, S., & Aldosari, A. (2018). The effect of corporate governance mechanisms on bank performance evidence from Saudi banking sector. *Asian Economic and Financial Review, 8*(8), 1111-1125.

Amos Layola, M., Sophia, S., & Anita, M. (2016). Effect of corporate governance on loan loss provision in Indian public banks. *Amity Journal of Corporate Governance, 1*(1), 1-15.

Anginer, D., Demirguc-Kunt, A., Huizinga, H., & Ma, K. (2018). Corporate governance of banks and financial stability. *Journal of Financial Economics, 130*(2), 327-346.

Basuony, M. A. K., Mohamed, E. K. A., & Al-Baidhani, A. M. (2015). The effect of corporate governance on bank financial performance: Evidence from the Arabian Peninsula. *Corporate Ownership and Control, 11*(2).

Beasley, M. S. (1996). An empirical analysis of the relation between the board of director composition and financial statement fraud. *Accounting Review,* 443-465.

Benvenuto, M., Avram, R. L., Avram, A., & Viola, C. (2021). Assessing the impact of corporate governance index on financial performance in the Romanian and Italian banking systems. *Sustainability, 13*(10), p. 5535.

Bezawada, B. (2020). Corporate governance practices and bank performance: Evidence from Indian banks. *Indian Journal of Finance and Banking, 4*(1), 33-41.

Bhatt, P. R., & Bhatt, R. R. (2017). Corporate governance and firm performance in Malaysia. *Corporate Governance: The International Journal of Business in Society.*

Carter, D. A., Simkins, B. J., & Simpson, W. G. (2003). Corporate governance, board diversity, and firm value. *Financial Review, 38*(1). doi:https://doi.org/10.1111/1540-6288.00034

Core, J. E., Holthausen, R. W., & Larcker, D. F. (1999). Corporate governance, chief executive officer compensation, and firm performance. *Journal of Financial Economics, 51*(3), 371-406.

Dedu, V., & Chitan, G. (2013). The influence of internal corporate governance on bank performance-an empirical analysis for Romania. *Procedia – Social and Behavioral Sciences, 99,* 1114-1123.

Dey, S. K., & Sharma, D. (2020). Nexus between corporate governance and financial performance: Corroboration from Indian banks. *Universal Journal of Accounting and Finance, 8*(4), 140-147.

Dike, V. O., & Tuffour, J. K. (2021). Effect of corporate governance practices on bank performance: The perspective of board members. *Corporate Governance and Sustainability Review, 5*(1). doi:https://doi.org/10.22495/cgsrv5i1p6

Doğan Başar, B., Bouteska, A., Büyükoğlu, B., & Ekşi, İ. H. (2021). The effect of corporate governance on bank performance: Evidence from Turkish and some MENA countries banks. *Journal of Asset Management,* 1-10.

Fanta, A. B. (2013). Corporate governance and impact on bank performance. *Journal of Finance and Accounting, 1*(1). doi:https://doi.org/10.11648/j.jfa.20130101.12

Faruqi, F., Ahsan, T., Mirza, S. S., & Rao, Z. U. R. (2019). Corporate governance, cash flows, and bank performance: Developed and developing countries. *Multinational Finance Journal, 23*(1-2), 1-36.

Gompers, P., Ishii, J., & Metrick, A. (2003). Corporate governance and equity prices. *Quarterly Journal of Economics, 118*(1). doi:https://doi.org/10.1162/00335530360535162

Handa, R. (2018). Does corporate governance affect financial performance? A study of select Indian banks. *Asian Economic and Financial Review, 8*(4), 478-486.

Herbert, W. E., & Agwor, T. C. (2021). Corporate governance disclosure and corporate performance of Nigerian banks. *Journal of Research in Emerging Markets, 3*(3), 14-36.

Islam, J., Sathye, M., & Hu, H. (2015). Examining the relationship between corporate governance and bank performance in Bangladesh. *South African Journal of Business Management, 46*(4), 43-52.

Jain, S., & Nangia, V. K. (2014). Corporate governance disclosures: Emerging trends in Indian Banks. *IUP Journal of Corporate Governance, 13*(1), 19-46.

Jiang, C., Feng, G., & Zhang, J. (2012). Corporate governance and bank performance in China. *Journal of Chinese Economic and Business Studies, 10*(2), 131-146.

Kafidipe, A., Uwalomwa, U., Dahunsi, O., & Okeme, F. O. (2021). Corporate governance, risk management and financial performance of listed deposit money bank in Nigeria. *Cogent Business & Management, 8*(1), 1888679.

Kanojia, S., & Bindra, H. K. (2018). Corporate governance, board of directors and financial performance: Evidence from Indian listed banks. *Amity Business Review, 19*(1).

Kaur, J. (2014). Corporate governance and financial performance: A case of Indian banking industry. *Asian Journal of Multidisciplinary Studies, 2*(2).

Kumar, N. (2019). Does corporate governance affect bank performance? Empirical evidence from India. *Prabandhan: Indian Journal of Management, 12*(3), 7-23.

Kumari, P., & Pattanayak, J. K. (2017). Linking earnings management practices and corporate governance system with the firms' financial performance: A study of Indian commercial banks. *Journal of Financial Crime.*

Kyere, M., & Ausloos, M. (2021). Corporate governance and firms financial performance in the United Kingdom. *International Journal of Finance & Economics, 26*(2), 1871-1885.

Leone, P., Gallucci, C., & Santulli, R. (2018). How does corporate governance affect bank performance? The mediating role of risk governance. *International Journal of Business and Management, 13*(10), 212.

Lu, J., & Wang, J. (2021). Corporate governance, law, culture, environmental performance and CSR disclosure: A global perspective. *Journal of International Financial Markets, Institutions and Money, 70,* 101264.

do Nascimento Ferreira Barros, A., Rodrigues, R. N., & Panhoca, L. (2019). Information on the fight against corruption and corporate governance practices: Evidence of organized hypocrisy. *International Journal of Disclosure and Governance, 16*(2), 145-160.

Mayur, M., & Saravanan, P. (2017). Performance implications of board size, composition and activity: Empirical evidence from the Indian banking sector. *Corporate Governance: The International Journal of Business in Society, 17*(3), 466-489.

Michelberger, K. (2016). Corporate governance effects on firm performance: A literature review. *Regional Formation & Development Studies,* (20).

Mishra, A. K., Jain, S., & Manogna, R. L. (2021). Does corporate governance characteristics influence firm performance in India? Empirical evidence using dynamic panel data analysis. *International Journal of Disclosure and Governance, 18*(1), 71-82.

Morshed, M. N., Kabir, S. M. H., Muhibbullah, M., Afroz, R., & Asuhaimi, F. B. A. (2020). Effects of corporate governance on banking performance of commercial banks in Bangladesh. *International Finance and Banking, 7*(1). doi:https://doi.org/10.5296/ifb.v7i1.15710

Moudud-Ul-Huq, S., Zheng, C., & Gupta, A. D. (2018). Does bank corporate governance matter for bank performance and risk-taking? New insights of an emerging economy. *Asian Economic and Financial Review, 8*(2), 205-230.

Musah, A., & Adutwumwaa, M. Y. (2021). The effect of corporate governance on financial performance of rural banks in Ghana. *International Journal of Financial, Accounting, and Management, 2*(4).

Mustafa, S. O. B. A., İşıl, E. R. E. M., & Ceylan, F. (2016). The impact of corporate governance practices on bank efficiency: A case of Turkey. *Süleyman Demirel Üniversitesi Sosyal Bilimler Enstitüsü Dergisi,* (25), 305-322.

Naushad, M., & Malik, S. A., (2015). Corporate governance and bank performance: A study of selected banks in GCC region. *Asian Social Science, 11*(9), 226.

Nugroho, M. (2021). Corporate governance and firm performance. *Accounting, 7*(1), 13-22.

Oino, I., & Itan, M. (2018). Impact of corporate governance on banks financial performance. *Journal of Business Management and Economics, 6*(8), 1-9.

Oluwole, F. O. (2021). The impact of corporate governance on banks profitability in Nigeria.

Orazalin, N., Mahmood, M., & Lee, K. J. (2016). Corporate governance, financial crises and bank performance: Lessons from top Russian banks. *Corporate Governance: The International Journal of Business in Society.*

Panchasara, D. B. M., & Bharadia, M. H. S. (2013). Corporate governance disclosure practices and firm performance: Evidence from Indian banks. *Paradigm, 17*(1-2), 88-98.

Pandya, H. (2011). Corporate governance structures and financial performance of selected Indian banks. *Journal of Management & Public Policy, 2*(2).

Pekovic, S., & Vogt, S. (2021). The fit between corporate social responsibility and corporate governance: The impact on a firm's financial performance. *Review of Managerial Science, 15*(4). doi:https://doi.org/10.1007/s11846-020-00389-x

Rashid, M., Ur, H., Zobair, S. A. M., Chowdhury, M., Iqbal, A., & Islam, A. (2020). Corporate governance and banks' productivity: Evidence from the banking industry in Bangladesh. *Business Research, 13*(2), 615-637.

Rehman, H., Ramzan, M., Haq, M. Z. U., Hwang, J., & Kim, K. B. (2021). Risk management in corporate governance framework. *Sustainability, 13*(9), 5015.

Rehman, A. U., Ali, T., Hussain, S., & Waheed, A. (2021). Executive remuneration, corporate governance and corporate performance: Evidence from China. *Economic Research – Ekonomska Istraživanja,* 1-26.

Sandhya, S., & Parashar, N. (2019). A study on corporate governance practices of selected banks in India. *Indian Journal of Finance, 13*(2). doi:https://doi.org/10.17010/ijf/2019/v13i2/141686

Saraswathy, A. (2019). Correlations between corporate governance practices and financial performances in Indian banks. *International Journal of Engineering and Advanced Technology, 8*(5). doi:https://doi.org/10.35940/ijeat.E1219.0585C19

Sheikh, W., & Alom, K. (2021). Corporate governance, board practices and performance of shipping firms in Bangladesh. *The Asian Journal of Shipping and Logistics, 37*(3), 259-267.

Shukla, A., Sivasankaran, N., & Dasgupta, S. A. (2018). Do board characteristics impact the market performance of Indian Banks? *Asian Economic and Financial Review, 8*(11), 1365-1383.

Shungu, P., Ngirande, H., & Ndlovu, G. (2014). Impact of corporate governance on the performance of commercial banks in Zimbabwe. *Mediterranean Journal of Social Sciences, 5*(15). doi:https://doi.org/10.5901/mjss.2014.v5n15p93

Shwairef, A., Amran, A., Iranmanesh, M., & Ahmad, N. H. (2021). The mediating effect of strategic posture on corporate governance and environmental reporting. *Review of Managerial Science, 15*(2), 349-378.

Sulimany, H. G., Ramakrishnan, S., Chaudhry, A., & Bazhair, A. H. (2021). Impact of corporate governance and financial sustainability on shareholder value. *Studies of Applied Economics, 39*(4).

Tu, T. T. T., Son, N. H., & Khanh, P. B. (2014). Testing the relationship between corporate governance and bank performance - An empirical study on Vietnamese banks.

Younas, N., UdDin, S., Awan, T., & Khan, M. Y. (2021). Corporate governance and financial distress: Asian emerging market perspective. *Corporate Governance: The International Journal of Business in Society.*

Zaitul, Z., Melmusi, Z., & Ilona, D. (2019). Corporate governance and bank performance: Global financial crisis 2008. *Journal of Reviews on Global Economics, 8,* 625-636.

Zhou, M., Li, K., & Chen, Z. (2021). Corporate governance quality and financial leverage: Evidence from China. *International Review of Financial Analysis, 73,* 101652.