Impairment of assets and market value of share: A study of listed manufacturing companies in Sri Lanka

Sooriyakumaran. L[1] and Velnampy. T[2]

[1] Department of Accountancy, Advanced Technical Institute, Jaffna.

[2] Faculty of Management Studies and Commerce, University of Jaffna, Sri Lanka.

Abstract

Shareholders get a shock when a company reports its biggest impairment charges in its financial statements. In case of Sri Lanka LKAS 36 regularizes the impairment of assets. The objective of the study is to identify the relationship and impact of Impairment Loss (IL) of non-current assets on share price. IL and Share price are independent and dependent variable respectively. The Accounting information (AI) of Earning per Share (EPS), Net Assets Value Per Share (NAVPS), Debt to Equity (DE) and Debt to Total Fund (DTF) were used as mediate variables for this study. Quantitative approach was used for this study during the time period from 2008 to 2014 on 20 listed manufacturing companies which were write down the IL in their financial reports. The impacts were evaluated by inferential statistics of regression and analyzed the relationship by correlation and coefficient within the above variables. Findings of this research revealed that Impairment Loss (IL) significantly correlated with Accounting Information (AI) (r 0.782) and 61% of AI explained by IL (r^2 0.611) at the level of 1% (F value 87.912). AI has positive significant correlation with Share Price (SP) (r 0.548) at the level of 1% also it has contributed to determine the SP by 30% (r^2 0.300) and AI impact on SP at the level of 1% (F value 5.692).Therefore the study could be concluded that IL significantly impacts on share price via accounting information which was published by the financial reports to the public.

Keywords: *Accounting Information, Colombo Stock Exchange (CSE), Impairment Loss and Share Price.*

1. Introduction

Shareholders get a shock when a company reports its biggest impairment charges in its financial statements (JamilKhatri, 2013). When assets' book value (carrying amount) exceeds its fair value (recoverable) is said to be impairment of assets. Internal and external indicators lead to test the impairment of assets in the business entities. An impairment charge is generally an indicator of adverse business conditions. Companies have always been required to recognize impairment losses on assets. After the 2007 company act, impairment test and write down was insisted because of solvency issues, disclosure and accountability and duty of directors on the serious loss of capital (Company act 2007). The objective of general purpose of financial reporting is to provide information about the reporting entity that is useful to existing and potential investors, lenders and other creditors in making decisions about providing resources to the entity. Those decisions involve buying, selling or holding equity and debt

instruments, and providing or settling loans and other forms of credit (Company act 2007). Hence assets' valuation and information of financial statements mainly concentrate on insolvency test of company act. The implementation of LKAS 36 can be better reflected on the value of enterprise assets and on increasing the transparency of financial statements. The financial information should consist of certain qualitative characteristics in order to increase the usefulness of the information provided through financial reporting. Financial reports represent economic phenomena in words and numbers. If it is to be useful, financial information should present the relevant phenomena with a faithful representation. The share price reaction to Accounting Information (AI) has long been an important topic among investors and companies. According to the above scenario, this research investigates the impact of impairment of non-current assets on share prices via accounting information. In this way the study was conducted to identify the correlation and regression among variables of impairment write down amount, Accounting Information (AI) and Share Prices (SP).

In the following manner this study organizes the research work as follows: In the next section researchers discusses the significance of this study then the section 3 provides research questions, section 4 is objectives of research, the section 5 describes literature review, the section 6 elaborates the methodology of the study, the section 7 explains the conceptual model, section 8 is data presentation and analysis, section 9 gives conclusion and finally researchers give their future directions.

2. Significance of this study

During the global financial crisis (GFC) a significant number of firms confronted by unprecedented market volatility, substantial declines in profitability, and sustained falls in stock prices, needed to recognise asset impairments. Due to the rapid changes of economic environment, companies are undoubtedly dealing with challenges in reporting financial issues. All companies such as public and private are subject to increased scrutiny for timely and accurate reporting of impaired assets by auditors for the purpose of decision making of regulators, lenders and investors.

Volatility in the financial markets and resulting decline in stock prices have created a "triggering event" for many companies. Accordingly, these companies may be required to test assets for potential impairment on yearly basis. The study identify the relationship and impact among the variables of Impairment Loss (IL), AI and SP. Through identification companies can get the awareness regarding LKAS 36.

3. Research questions

This study is undertaken to explore the answers to the following research questions (RQ):

Do IL of non-current assets have significant impact on the AI of financial statements?

Does AI have significant impact on SP of the listed manufacturing companies in Sri Lanka?

4. Objectives of research

The main objective of the study is to examine the impact of impairment of non-current assets on share price of selected manufacturing companies in CSE. While the sub-objectives are identifying

the impact of an IL on AI and identifying the impact of AI on SP.

5. Literature review

Vijitha and Nimalathasan (2014) examined the impact of Earning per Share (EPS), Net Assets Value Per Share (NAVPS), and Return on Equity (RoE) and Price Earnings Ratio (P/R) on market Share Prices (SP) of manufacturing companies in the CSE by using the linear regression model. The study revealed that the value relevance of AI has the significant impact on the SP and value relevance of AI is significantly correlated with share price. Li-Ling Yang (2014) evaluate the asset impairment react on firm size, corporate debt ratio. It has a negative relationship. Oyerinde (2009) explained the correlation between AI such as EPS, RoE, Earning Yield (EY) and Market Price per Share (MPS). Sooriyakumaran and Velnampy (2014) inspected the impact of impairment of non-current assets on firms' profitability and capital structure by using the ratios of Operating Profit Ratio (OPR), Net Profit Margin (NPM), RoE, Return on Assets(ROA), Long Term Debt/Total Equity (LTD/TE) and Long Term Debt/ Total Assets (LTD/TA). The study concluded that there was a significant correlation and impact among impairment loss and profitability and capital structure. Safahjo, Pourhyidari and Solaimani (2005) examined the empirical relationship between EPS and book value with a stock market value for the eight years period from 1997 to 2002. The study that there was a significant relationship between EPS, Book Value (BV) and price. Sooriyakumaran and Velnampy (2013) analyse the disclosures of impairment of noncurrent assets in applying LKAS 36 and their impact on accounting information of ROA, ROCE, NPM, OPR and EPS during the period from 2008 to 2012. The study found that reported impairment losses had a significant impact upon reported profits.

For the study, the researchers have following hypothesis.

H1. Impairment losses of non-current assets have significant impact on the accounting information of financial statements.

H2. Accounting Information has significant impact on the share prices of the stocks traded on CSE.

6. Methodology

The sample population consists 58 events from 20 companies listed on the CSE which covers during the period 2008 to 2014 using judgmental sampling from the manufacturing sector.

This study is collected the data from accounting books, studies, researches and financial statement of the sample companies. These financial statements are published by the companies' which are listed in CSE. Hence the reliability and validity of the statements are audited.

In this study, researchers analyzed the collected data with descriptive statistics (i.e., Means and standard deviation) and inferential statistics (correlation and linear regression). A well-known statistical package for social sciences (SPSS) 20.0 version and M.S. Excel are used in order to analyze the data.

7.CONCEPTUAL MODEL

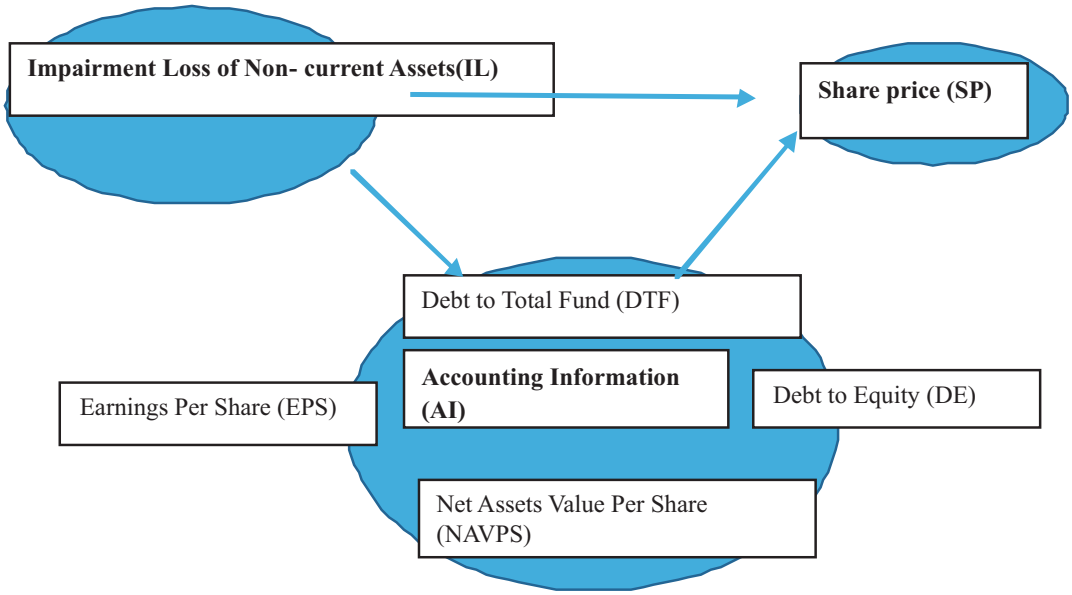

Figure 7.1 Concept model
Source: Developed by researchers

Table 7.1Operationalisation

Concept	Variable	Indicator	Measurement
Impairment of non-current assets	Impairment Loss	Amount of impairment loss	Sri Lankan Rupees
Accounting Information	Capital Structure/ leverage	Debt to Total Fund	= Non-Current Liability /Total Assets
		Debt to Equity	= Non-Current Liability/ Shareholder's Equity
	Capital market	Net Assets Value Per Share (NAVPS)	= Net Assets Value/Shares Outstanding
		Earnings Per Share	=Net Profit / No of shares of outstanding
Stock Value	Share Price	Market value of the shares	Rupees

8. Data presentation and analysis

The variables such as IL, AIand SP are independent, mediate and dependent variables respectively. The analysis has covered up the independent, mediate and dependent variables, correlation and regression analysis to identify the relationship between the variables and the degree of impact on mediate variables by the independent variable.

measured by the changes ( ) between before and after the impairment amount write down on the financial statements in the same year. The value of IL on the AI ratios for the analysis has been calculated on the basis of value arrived before and after the deduction of the IL write down on Accounting Information (AI). The value between the changes ( ) in pairs of the before and after the ratios is considered as IL in ratio ((IL%) for this inferential analysis (Alfons, 2009).

Table 8.1 Descriptive statistics for accounting information, impairment Loss and share price

	N Statistic	Minimum Statistic	Maximum Statistic	Mean Statistic	Std. Deviation Statistic	Skewness Statistic	Kurtosis Statistic
EPS -%	58	-8.80	31.18	4.8483	7.16625	1.558	4.682
NAVPS -%	58	-9.68	954.72	63.8576	131.72854	5.690	37.760
DE -%	58	-3.55	2.56	.3508	.72711	-2.081	15.261
DTF -%	58	.0219	.5211	.155081	.1204978	1.368	1.761
IL in Rs	58	93000	59160000	6995704.0	11651351.92	2.922	9.355
SP in Rs	58	1.70	168.60	49.6879	40.41059	1.030	.818

**. Correlation is significant at the 0.01 level (2-tailed). No 58

The Table 8.1descriptive statistics show that the overall period under the study, the AI measured by EPS, NAVPS, DE and DTF averaged 4.8483, 63.8576, 0.3508, and 0.155081 respectively. From the AI the maximum of EPS is LKR 31.18, and the minimum level is LKR -8.80. EPS indicates that most of the loss making companies measure the impairment of assets and write down the impairment loss in their income statement to bring the company towards the stability from economic crises. EPS, NAVPS, DTF, IL and SP have positive skew. An asymmetrical distribution with a long tail to the left (lower values) has a negative skew. DE has negative skew. EPS, NAVPS, DE, DTF, IL and SP have positive kurtosis.

In this analysis IL value impact on AI is

According to the result of the Pearson's correlation which is shown in the Table 8.2indicates the relationship between IL and AI. Correlation values show that IL is correlated to the AI ratio of EPS, NAVPS, DE at the level of 0.01, indicating that there is a significant negative correlation between them. Further, the table reveals that IL is negative and significantly correlated to EPS (0.418), NAVPS (0.725) and positive significant correlation between DE and IL (0.716). Large non-current assets impairments amount would increase the DE (BalaDharan, 2008). There is no correlation between IL and DTF (0.020).

When the companies write down the impairment loss, it will reduce the net profit, then it will affect the EPS, NAVPS, DE and DTF

Table 8.2 Correlation analysis between IL and AI

		EPS	NAVPS	DE	DTF
Impairment	Pearson Correlation	-.418**	-.725**	.716**	.020
Loss (IL%)	Sig. (2-tailed)	.001	.000	.000	0.883

**. Correlation is significant at the 0.01 level (2-tailed). No 58

obviously. At this point, because of the significant amount of IL, it is negatively correlate with EPS and NAVPS at the 0.01 level. A significant amount of IL positively correlated with NAVPS at the 0.01 level. When IL increase, it will reduce the equity via net profit. This process leads to increase the DE. Hence IL and DE has positive significant correlation. DTF has no considerable positive correlation with IL. It reveals that IL amount is very low when compared to the amount of total assets of the companies. It indicates that companies' have considerable value of current assets. So, the study considered the impairment loss of non-currents assets only except current assets of the sample companies.

Then, regression analysis was performed to find out the impact of IL on AI.

Dependent Variable: EPS, NAVPS, DE and DTF b. Predictors: (Constant), IL % Table 8.3 shows the regression analysis. R^2 measures that, how much of the variation in the dependent variable can be explained by the independent variables. In this study, it finds that EPS's R^2 =0.175, it means 17.5% of variation of EPS can be explained the changes by IL. Like this 52.5% in NAVPS, 51.3% in DE and 0.1% in DTF shows the contribution of IL in the ratios. Besides adjusted R^2 is very closure to R^2, it suggests the addition of one independent variable makes a contribution in explaining the variation in impairment of assets. The remaining 82.5%, 47.5%, 48.7% and 99.9% variance with attributes to other factors.

Model 1.1:

$EPS = {}_{o} + {}_{1} IL + e$

EPS = 3.280 -1.612 (IL) + e. and R^2 linear is 0.175.

If IL is 0, EPS is to be 3.280 units, further IL is increased by one unit, the EPS will decrease by 1.612 units. Therefore, it can be noted that there is a negative relationship between the two variables.

For model 1.1- F- value is 11.872 and respective p - value is.001 which is statistically

Table 8.3 Model Summary of the independent variable of IL and mediate variable AI

Details	EPS	NAVPS	DE	DTF
R	0.418[a]	0.725[a]	0.716[a]	0.020[a]
R^2	0.175	0.525	0.513	0.001
Adjusted R^2	0.160	0.517	0.504	0.017
F value	11.872	61.929	59.001	0.022
Constant (B)	3.280	31.566	0.444	0.154
Coefficients	-1.612	-74.800	-2.273	2.057
T	-3.446	-7.869	-7.681	0.147
Sig (P)	0.001[b]	0.000[b]	0.000[b]	0.883[b]

a. Dependent Variable: EPS, NAVPS, DE and DTF
b. Predictors: (Constant), IL %

highly significant at the 1% level. In this case it reveals that IL has a highly significant impact on EPS at 1% level (t = -3.446).

For the alternative hypothesis test if F-value is out the region of + and - value of t and greater than 1.645 of t - value then the hypothesis is accepted. Within the region of + and of t - value is rejected area in alternative hypothesis. Here EPS's F - value 11.872 > t - value (-3.446). According to the alternative hypothesis test, $H_{1.1}$ - the IL impact on EPS is accepted. Like this following models are formulated and fit the analysed result.

Model 1.2:

NAVPS = $_{o}$ + $_{2}$ IL + e

NAVPS = 31.566 -74.80 (IL) + e. and R^2 linear is 0.525.

DE = $_{o}$ + $_{3}$ IL + e

DE =0.444 +2.273 (IL)) + e and R^2 linear is 0.513.

Model 1.4:

DTF = $_{o}$ + $_{4}$ IL + e

DTF =.154 + 2.057 (IL)) + e and R^2 linear is 0.001.

Table 8.4 Regression analysis of Impairment Loss and average accounting information

Model 1.3:

R	R^2	F value	T	Constant (β_o)	(β_i)	Sig
0.782[a]	0.611	87.912	-9.376	3.883	-39.378	.000

a. Dependent Variable: Average AI

b. Predictors: (Constant), IL

The above table shows the regression analysis of IL and average AI to identify the answer for H_1 test. From the analysis, the study can identify that IL significantly correlated with Average AI at 1% and significantly impact on at the 1 % level. It is ensuring that H_1 is accepted, and t test also supported by the findings.

Model 1

Average AI= $_{o}$ + $_{5}$ IL + e

Average AI = 3.883- 39.378 (IL)) + e and R^2 linear is 0.611.

F value of 87.912> t value of -9.376. Hence H1 IL impact on AI is accepted.

Table 8.5 Correlation between accounting information and share price.

		EPS	NAVPS	DE	DTF
SP	Pearson Correlation	.411**	.412**	-.115	-.178
	Sig. (2-tailed)	.001	.001	.390	.182
	N	58	58	58	58

**. Correlation is significant at the 0.01 level (2-tailed).

Table 8.5 clearly describes the relationship for all the pairs of variables. From the output, it can be found that, the correlation coefficient between EPS and SP is 0.411, and NAVPS and SP is 0.412 which are significant at the 1 % level. Similar impact identified by Vijitha and Nimalathsan (2014) in the same sector within the research period of 2008 to 2012. *Anup and Suman (2010) also found that* ***S***P and EPS have positive significant correlation among them. The correlation coefficient between DE and SP is -.115 and DTF and SP is -.178. There is no correlation between these variables. Based on that conclusion can be made that there is a strong positive correlation between EPS, NAVPS and SP at 1% significance level.

Table 8.6 shows the regression analysis. In this study, the study finds R^2=0.169 in EPS. It means 16.9% of variation of SP can be explained the changes by EPS. Like this 17% in NAVPS, 1.3% in DE and 3.2% in DTF shows the contribution of AI ratios in the SP. Besides this,

Table 8.6 Model Summary of Accounting Information and Share Price.

Details	EPS	NAVPS	DE	DTF
R	0.411a	0.412a	0.115a	0.178a
R^2	0.169	0.170	0.013	0.032
Adjusted R^2	0.154	0.155	0.004	0.014
F value	11.393	11.474	0.751	1.828
Constant (B)	38.447	41.610	51.930	58.936
Coefficients	2.319	0.127	-6.391	-59.633
T	3.375	3.387	-0.866	-1.352
Sig(P)	.001[b]	.001[b]	.390[b]	.182[b]

a Dependent variable SP
b Predictors: (Constant), EPS, NAVPS, DE, DTF

adjusted R^2 is very closure to R^2. It suggests the addition of one mediate variable makes a contribution in explaining the variation in share price. The remaining 83.1%, 83%, 98.7% and 96.8% are not explained, because the remaining part of the variance in SP is related to other variables which are not represented in the model. According to the above Table 7 linear equations are formulated as follows.

Model 2.1:

$SP = {}_{o} + {}_{6}EPS + e$

SP = 38.447+2.319 (EPS) + e and R^2 linear is 0.169.

Model 2.2:

$SP = {}_{o} + {}_{7}NAVPS + e$

SP = 41.610+ 0.127 (NAVPS) + e. and R^2 linear is 0.170.

Model 2.3:

$SP = {}_{o} + {}_{8}DE + e$

SP= 51.930 6.391 (DE) + e and R^2 linear is 0.013.

Model 2.4:

$SP = {}_{o} + {}_{9}DTF + e$

SP = 58.936 - 59.633 (DTF)+ e and R^2 linear is 0.032.

And moreover, when we analyse that how far average of AI correlated on SP, the following table 8.7 shows the results.

Table 8.7 Model Summary of combined accounting information and share price

Details	Combined AI
Pearson Correlation	.548**
R^2	.300
Adjusted R^2	.248
F value	5.692
T	4.175
Constant	37.692
Sig	.001[b]

**. Correlation is significant at the 0.01 level (2-tailed).

Table 8.8 Coefficientsbetween combined AI and SP.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	37.692	9.028		4.175	.000
EPS	1.956	.659	0.347	2.970	.004
NAVPS	.105	.037	0.341	2.837	.006
DE	-3.428	8.027	-0.062	-0.427	.671
DTF	-19.121	49.368	-0.057	-0.387	.700

a.Dependent Variable: SP

The table 8.7, combined of AI significantly correlated with the SP as 0.548 at the level of 1%. It exposed that all the combined AI variables are correlated with SP as significantly.

The model summary shows the impact of AI and SP. According to that R^2 is 0.300. It means that there is 30% of the impact of the AI on the SP. It indicates that the value relevance of AI has 30% impact on share price.

F -value is 5.692 (P=. 001) which is statistically highly significant at the 1 percent level, it indicates that combined accounting information has a highly significant impact on SP (t = 4.175) at the level of 1%. F -value 5.692 is greater than +/-4.175 of t value. Hypothesis H_2 of AI impact on SP is accepted.

Table 8.8 illustrates the coefficient value of regression analysis. It clearly shows what extent each AIproxiesimpact on SP. Based on that, the P - value for beta coefficient of EPS is 0.004 and NAVPS is 0.006 which are highly significant at the 1 % level. It means the EPS and NAVPS significantly impact on SP. But the P - value for beta coefficient of DE is 0.671 and DTF is 0.700 which are not significant. From the table 10 the regression model can be retrieved as follows.

Combined Model 2

$$SP = \beta o + \beta_{10} EPS + \beta_{10} NAVPS + \beta_{10} DE + \beta_{10} DTF + e$$

SP = 37.692 +1.956 (EPS) +.105 (NAVPS) -3.428 (DE) -19.121 (DTF) + e

If EPS, NAVPS, DE and DTF are 0, Share Price is to be 37.692 units, further EPS is increased by one unit, the SP will increase by 1.956 units, NAVPS is increased by one unit, the SP will increase by 0.105 units, DE is increased by one unit, the SP will decrease by 3.428 units and DTF is increased by one unit, the SP will decrease by 19.121 units. Therefore, it can be said that there are positive and negative relationship between variables some are significant and insignificant.

In the combined model the study note that all of the corresponding F - Value is significant in respect to their consequent P - values. F-value is 5.692 and respective P - value is .000. Here it can be noted that insignificant value of DTF and DE adjusted by other significant variables. Hence H_2 AI impact on SP is accepted.

9. Conclusion

This study examined impairment of non-current assets impact on share prices via accounting of CSE for a period of 2008 to 2014.This study addresses two major empirical issues.

- β How impairment of non-current assets impact on accounting information?
- β How accounting information impact on share price?

The present study has been undertaken to examine the empirical relationship among IL, AI, SP for the period from 2008-2014. The result

Table-8.9: Summary of Testing Hypotheses

No.	Hypothesis	Tools	Sig	Alternative hypothesis	Conclusion
H_1	IL has significant impact on AI.	regression	.000 [b]	-9.376 (t)>1.645 & 87.912 >+/-9.376	Supported
$H_{1.1}$	IL has significant impact on EPS.	regression	.001 [b]	-3.446 (t)>1.645 & 11.872>+/-3.446	Supported
$H_{1.2}$	IL has significant impact on NAVPS.	regression	.000 [b]	-7.869 (t)>1.645 & 61.929 >+/-7.869	Supported
$H_{1.3}$	IL has significant impact on DE.	regression	.000 [b]	7.681 (t)>1.645 & 59.001>+/-7.681	Supported
$H_{1.4}$	IL has significant impact on DA.	regression	.850 [b]	.147 (t)<1.645	Rejected
H_2	AI has significant impact on SP.	regression	.001[b]	4.175 (t)>1.645 & 5.692 >+/- 4.175	Supported
$H_{2.1}$	EPS has significant impact on SP.	regression	.001[b]	3.375 (t) <1.645 11.393 > +/- 3.375	Supported
$H_{2.2}$	NAVPS has significant impact on SP.	regression	.001 [b]	3.387 (t)>1.645 & 11.474 >+/-3.387	Supported
$H_{2.3}$	DE has significant impact on SP	regression	.676 [b]	-0.866 (t)<1.645	Rejected
$H_{2.4}$	DA has significant impact on SP.	regression	.515[b]	-1.352 (t)<1.645	Rejected

reveals that the AI such as EPS, NAVPS, and DE are significantly correlated with IL at 1% significance level. From the regression analysis, it is concluded that IL significantly impacts on AI and the value relevance of accounting information has the significant impact on share price at 1% significance level. Hence impairment loss of non-current asset writes down significantly impacted on accounting information and then accounting information significantly impacted on share price. Therefore we have concluded that the impairment of non-current assets impact on share prices of listed companies in CSE.

10. Future direction for the study

It was emphasized at the beginning of this study that in Sri Lanka, there have been fewer attempts taken to study of IL write down the announcement and impact on share price. This research was initiated to do within the manufacturing companies. Future research could be extended on this phenomenon to other sectors or all sectors in the CSE.

They also will allow to carry out comparative analysis between companies operating in different sectors (industries) as well as allow for comparing the range and quality of the disclosures made by the public companies.

The analysis have been done during the period 2008 to 2014. Analysis period can be increased by researchers for further period.

References

BalaDharan. (2008). CRA International Inc. Preparing For Goodwill Impairments. Law, 360.

Chowdhury, A., &Chowdhury, S. P. (2010). Impact of capital structure on firm's value: Evidence from Bangladesh. *Business and Economic Horizons*(3), 111-122.

JamilKhatri. (2013).global head of accounting advisory services, KPMG.http://www. business today. in/moneytoday/ investment/impairment-charges-can-affect-a-company-stock-price/story/ 197163.html

LKAS 36. (2012) Impairment of assets.

Logeswary, S., &Velnampy, T. (2014). Impact of Impairment Loss on Profitability and Capital Structure of Listed Manufacturing Companies in Sri Lanka.

Marsha H. Alfons (2009). Goodwill Impairment & Earnings Management: Do firms use goodwill impairemnts in big bath accounting?

Oyerinde, D. T. (2009). Value relevance of accounting information in emerging stock market in Nigeria. In *Proceedings of the 10th Annual International Conference. International Academy of African Business and Development (IAABD), Uganda*.

Safahjo, M., Pourhyidari, M., &Solaimani, G. (2005). Investigation of relationship between earning per share and book value with stock market value. *Account. Audit. Review*, *42*(3), 3-19.

Sooriyakumaran, L., &Thirunavukkarasu, V. (2013). Disclosures and impacts of impairment of non-current assets in the financial statements: A study on listed manufacturing companies in Colombo Stock Exchange (CSE) in Sri Lanka. *Merit Research Journal of Accounting, Auditing, Economics and Finance*, *1*(6), 122-133.

Companies Act, No. 7of 2007

Vijitha, P., &Nimalathasan, B. (2014). Value relevance of accounting information and share price: A study of listed manufacturing companies in Sri Lanka. *Merit Research Journal of Business and Management*, *2*(1), 1-6.

Yang, L.L., & Chiu, T.S.(2014). An Empirical Test of Stock Market Reaction for Recognizing Assets Impairment: The Case of Taiwan. *Journal of International Management Studies*, *9*(2), 75.