

Title: Related Party Transactions and Audit Fees: Indian Evidence

Speaker: Narendra Nath Kushwaha, Ahmedabad University

Area: F&A

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Abstract:

We examine the effect of related party transactions (RPTs) on audit fees in Indian public companies. RPTs can be used to manipulate financial statements as well as transfer wealth between firms and their related parties, and the presence of RPTs increases audit risk. We find that related party sales are associated with a 17.4 percent increase in audit fees, indicating that such transactions increase the audit risk and require significant additional audit effort.

Speaker Profile:



Professor Narendra Nath Kushwaha is an Assistant Professor at Amrut Mody School of Management, Ahmedabad University. After receiving PhD in Finance and Accounting from the Indian Institute of Management Tiruchirappalli in 2021, he worked as a Post-Doctoral Fellow at the Indian Institute of Management Bangalore till July 2022. He has briefly worked in the industry at Bank of New York Mellon India, Pune. His research focuses on the intersections of accounting and corporate governance. He has published an article in the Journal of Accounting, Auditing and Finance and a case study (along with the teaching note) in Ivey Publishing. One of his research projects was awarded a grant under the NSE-IGIDR Corporate Governance Research Initiative 2017-18.

Webpage Link: <https://ahduni.edu.in/academics/schools-centres/amrut-mody-school-of-management/faculty/narendra-nath-kushwaha/>