Financial Regulatory Bodies And Bank's Health in Nigeria

Oyetunji, Oyefemi Ismail, Adepoju, Jadesola Abiodun

Department of Accountancy, The Polytechnic, Ibadan-Nigeria

***Abstract*- Nigerian Financial sector has grown significantly, contributing to the growth of the economy for decades and it remains one of the engines of growth especially the banking sector. Over the years, apart from remarkable achievements recorded, the sector also witnessed differs of crisis at various periods which therefore demands financial regulatory authorities to ensure a healthy sector is maintained in order to increase users' confidence in the sector. The paper examines the impacts of financial regulatory bodies on banks' health in Nigeria with particular emphasis on the periods from 1986 to date when the banking sector experience different forms of banking crisis and banking failures; Although, the paper claimed 1989 to 2014 as the period of general banking crisis but failure occurred throughout the period to some banks even down till 2018 ,which put the regulatory authorities on their toes at all the times. Primary data administration of unstructured questionnaire on selected respondents was adopted, and secondary data. It was retroactive and progressive in analysis. It is therefore recommended that periodic monitoring of both internal and external operations are necessary in light of environmental changes. This would facilitate a robust measure of banking health in Nigeria and thus regulating the banking sector in future.**

***Keywords:* Financial Sector, Banks' Health, banking crisis, banking failures, Regulatory bodies.**

I. INTRODUCTION

Financial sector remains one of the crucial engines of growth in the economy. The sector fills in as an impetus for growth and development. An important part of financial system is banking sector of any economy. Banks play significant roles of financial intermediation, arrangement of an effective payments, and or installment framework and encourage adequate pursuits of monetary policies in the country. The nature of the economic transactions being carried out in the recent ages made it difficult for people to do without banking sector; The economy ends up bigger, more intricate and market-oriented, the financial sector will therefore play a vital role in supporting development by channeling household and foreign capital into gainful investments. Hence, there is need for banks to enhance depositors and investors protection, encourage healthy rivalry competitions, and guide against systemic risk. This becomes important as the social cost of the banking crisis is difficult to estimate, as the huge amounts of public money are being used to bail out distressed banks (Sikka, 2009).

All over the world, the need to regulate banking industry becomes paramount in order to smooth the financial operation of the economy. Inadequate disclosure and transparency about financial position of the banks; major failures in corporate governance at banks; uneven supervisions and enforcements; as well as critical gaps in regulatory framework and regulations among others are responsible for banking crisis in Nigeria (IMF,2013).). Poor asset quality, illiquidity, undercapitalization and insolvency in Nigerian banking sector led to closure of seven state owned banks in 1989, and increased to Twenty eight in 1993 and increased to 52 at the end of 1996 and the number dropped to 11 at the end of year 1999 (NDIC,1999). Another problem rose in 2005 coupled with 2008 and 2013 global recession which bite hard on both developed and developing economies including Nigeria .Hence, there is need for proper regulation to prevent reoccurrence of banking problems in the future and to forestall confidence in the public depositors.

Central Bank of Nigeria (CBN) is saddled with the responsibility of promoting a sound financial system in Nigeria. It also ensures monetary stability and lender of last resort (CBN, 1998). The oversight responsibilities of CBN are complimented by the Nigeria Deposit Insurance Corporation (NDIC). NDIC is being preeminently responsible for insuring all deposit liabilities of licensed banks and also vested with the power to examine and conduct investigations into books and affairs of licensed banks but where conflicts exist between BOFIA and NDIC Acts, BOFIA shall prevail. The Corporate Affairs Commission (CAC) is also vested with the power over all registered companies in Nigeria and provides some regulatory oversight over banks especially in respect of filling of certain returns pursuant to the Corporate Affairs Commission (CAMA 2004)

The bank Act requires banks to submit audited financial statements to CBN for approval before publication in the national newspaper within four months of the year. The governor of CBN may order a special examination of a bank's book and affairs for any variety of reasons. Also, auditors of the banks have legal duty to report certain matters, including contraventions of legislation and irregularities to central Bank of Nigeria. The coordination of the activities of Banking sector supervisory authorities is conducted under the aegis of CBN/NDIC executive committee on supervision which should ensure that operations of the two supervisory authorities are properly coordinated to remove overlaps, avoid gaps and ensure adequate information sharing on issues of supervisory concern. The code of conducts/ethics and advocacy are prescribed by the self regulatory organizations for their

members ,including Chartered Institute of Bankers of Nigeria (CIBN), the Institute of Chartered Accountants of Nigeria (ICAN) and Association of National Accountants of Nigeria (ANAN), Chartered Institute of Stock Brokers of Nigeria (CISBN).They are empowered to sanction any erring members in line with their code of conducts. The role of Economic Financial Crimes Commission and Independent Corrupt Practices Commission and other related offences (ICPC) on banks especially in respect of money laundering in banking sector cannot be overlooked (EFCC,2004).

Corporate governance is an important factor in the banking industry's regulation and supervision as well as banks compliance. It determines the nation's financial comprehensiveness and development by regulation market mechanism in the country (Jean du *et al*, 2004). Contrarily, poor corporate governance was found as one of the major factors in virtually all known instances of distress experienced by financial institutions (CBN,2005).However , the broad objective of this study is to determine the relationship between banks' awareness and the precautions put in place by the regulatory bodies in monitoring banks' health in Nigeria. While the specific objectives are: To determine the effect of supervisory and regulatory framework on bank's health in Nigeria; To determine the adequacy of monitoring and effectiveness of financial institutions in Nigeria by regulatory bodies; And to determine the impacts of professional bodies and their sanctions on members of the banks in Nigeria . The study examined the following research questions:

1. what is the effect of supervisions on bank's health in Nigeria?;
2. Does the existing monitoring and supervision of financial institutions adequate for bank's health in Nigeria?;
3. Does professional bodies and their sanctions have impacts on banks' health in Nigeria?.

The study also developed the following null hypothesis:

1. H_o Supervisions have no significant effect on banks 'health in Nigeria.
2. $H_{o:}$ The existing monitoring and supervision of financial institutions are not adequate for bank's health in Nigeria?
3. H_o: Professional bodies and their sanctions have no impact on banks health in Nigeria.

Evidences from various past studies stated that the existing laws are not enough as to curtail crisis in banking sector in Nigerian but it should be noted that there are many regulatory bodies and all of them cannot be so weak to maintain a healthy banking status in Nigeria. It is from this perspective that this study will be contributing to the knowledge. The rest of the study is divided into three sections :section Two deals with literature review ,section three and four deal with methodology empirical analysis respectively ,while section five concerns conclusion and recommendations.

II. LITERATURE REVIEW

2.1 Concept of Banking Regulation

Regulation is also viewed as an assemblage of particular tenets of concurred conduct either forced by some legislature unequivocal agreement within the industry that point of confinement the exercises and tasks of financial institutions (Olorushola, 2003). Therefore, financial regulation stands in position to ensure that rules are followed, behavior is sanitized and operations among stakeholders are guided toward effective and efficient financial system. Financial system is a composition of various institutions, markets, instruments and operators that interact within an economy to provide financial services (Uffot, 2003). The broad meaning of the concept of banking regulation and supervision is control over the creation, activity, and liquidation of banks. Such control is extremely different, carried out by specialized banking supervisory specialists. Supervision over the bank's operational exercises aims to protect the interests of depositors and to guarantee effective working of the banking industry. This supervision is the most imperative and fundamental part of the functions of banking supervisory authorities, which is done for the sake of a sound banking framework (Austin, 2006).

The banking sector has been singled out for the special protection because of the vital roles that banks played in preventing bank failures and ensuring that they carry out their activities in they do their work in accordance with more extensive financial and social goals of the nation. Banks regulation and supervision are generally known to processed with the following objectives among others: To reduce the level of risk bank creditors are exposed to, which is otherwise referred to as prudentiality; Systemic risk reduction ,which is the reduction in the level of risk of disruption resulting from adverse trading conditions for banks causing multiple or major bank failures; Avoidance of misuse of banks; protection of banks confidentiality; Monetary and financial stability (Chude, Nkiru and Chude,2014). Idam, (2005) identified two types of regulation in the banking sector as Internal and external. Internal regulation concerns situation whereby control of the banks are exercised from the head office on their various branches across the nation ;while external is the control established by the government through various regulatory bodies like : Central Bank of Nigeria (CBN), Nigerian Deposit Insurance Commission (NDIC), Security and Exchange Commission (SEC), Nigerian Stock Exchange (NSE), Federal Ministry of Finance (FMF), Chartered Institute of Bankers of Nigeria (CIBN), the Institute of Chartered Accountants of Nigeria (ICAN), Bankers Committee, Insurance Company and Clearing House Committee.

Regulation in the banking sector in Nigeria had resulted in two implications; positive and negative. Positive has to do with advantages or benefits associated therewith such as eradication or reduction in the level of corruption, the true

practice of rule of law in the financial system especially laws against money laundering; Increasing confidence in the Corperate banking system (Ighomwenghian, 2010). Uwe, (2010) emphasized that the CBN reforms is geared towards protecting the interest of depositors by ensuring that the right leaders are appointed to lead the banks in other to eliminate all forms of corruption which is asymmetrically opposed to the objectives of the depositors or investors ,which is another reason of restoring confidence of the public. On the other hand , Unemployment , Cash Squeeze and forced loans are among the negative effects .

Sequel to 2009 Nigeria banks crisis, Nigerian banking sector experienced a transition from compliance based to a risk based banking supervision especially in a bid to enhance compliance with Basel core principles of banking supervision (Sanusi, 2012) .Tougher capital requirements may have positive benefits-they may even reduce the consequences of market freezes, and may encourage banks to become smaller to avoid systemic capital requirements.

Corporate governance has been recognized as an important factor in the banking industry's regulation and supervision. It also determines the countries financial comprehensiveness and development by regulating country's market mechanism (Jean Jacques du plessis,2004). On the other side of the coin, CBN, (2005) stated that poor corporate governance was found as one of the major factors in virtually all known instances of distress experienced by financial institutions. However, despite all the rules and regulations of the banks and those from external bodies, employees of the banking sector refuses to abide by the laid down rules and procedures, including ethical conducts and most times without any sanction or penalty.

2.1.1 Banking Reforms

A holistic investigation into what went wrong in Nigeria leading up to the banking crises in 2008 found eight interrelated factors responsible. These were macroeconomic instability caused by large and sudden capital inflows, major failures in corporate governance at banks, lack of investor and consumer sophistication, inadequate disclosure and transparency about the financial position of banks, critical gaps in the regulatory framework and regulations, uneven supervision and enforcement, unstructured governance & management processes at the CBN/ and weaknesses in the business environment (CBN, 2012). Each of these factors is serious in its own right. Acted together they brought the entire Nigerian financial system to the brink of collapse (Anyanwu, 2010).

The Nigerian banking reform, despite its laudable achievements is confronted with certain challenges. First and foremost is the wrong perception of the intent of the reform. The reluctance of Nigerians to accept positive changes in global dynamics is another challenge. There is incontrovertible evidence that the excessive liquidity in the system measured by broad money (M2), narrow money (M1) and currency in circulation is partly attributable to the high cash transactions for economic activities, which has continued to undermine the efforts to achieve price stability. Yet the cashless policy has faced significant resistance, despite its prospect for economic growth and development and the global trend in the intensity of the usage of electronic payments.

Some basic changes have been actualized by developing economies like Nigeria keeping in mind the end goal to guarantee that the banking sector is financially and efficiently healthy. The banking system in Nigeria was recorded better execution in the 1990s since there was sufficient capital base in each bank to play out the monetary tasks. The sector experienced an abnormal state of discontinuity supplemented with a low level of financial intermediation toward the end of 2014 . This drives the banking sector reform by the Central Bank of Nigeria to raise the capital base of the banks from 2 billion naira to 25 billion naira, and constantly decrease the number of banks from 89 to 25 through the procedure of mergers and acquisition in 2006 (Hessen , 2007 as cited Gil-Alan *et al.,*2015). However, some of the 25 commercial banks were characterized with fund mismanagement and over valuation of assets after CBN reform in 2 00 6. This further reduced the number of banks to 22 (CBN, 2014 as cited in Gil-Alana *et al.,* 2015)

2.2 Theoretical Review

Various schools of thoughts have debated on justification for intervention by government in economic and financial transactions due to persistent market failures. While some are of the support side, that many regulations are necessary in order to protect the depositors' funds others believe that the banks are over regulated (Short and O'Driscoll,1983). Regulations come from pressures brought to bear on the government by multifarious interest groups is the view submitted by the public interest theory; Pressure groups in the economy such as business, consumers, workers, environmental groups among others lobby government to pass legislation to protect such group.

On account of banks, regulation is important to keep up sheltered and sound banking framework that can meet its commitments without difficulty consequently a high dissolvability and liquidity level is anticipated from individual banks than they would conventionally maintain

Oloyede(1994) acknowledges that, by its nature, the banking industry is highly prone to volatility and fragility, either arising from exogenous or endogenous shocks, and is therefore amenable to regulations and supervision.

Nwankwo (2000) argues that the historical evolution of banking in any country provides the rationale for the regulation of banks in that country. The regulatory authorities supervise the banks to ensure that they are conducting their business either in accordance with regulation or more generally in prudent manner in the public interest.

Likewise, the regulators and bank managers may not have sufficient resources or knowledge to do their job properly, and that government agents may not do their job properly because of the moral hazard problem or the principal agent problem ,are some of the reasons why the regulatory process may not work as expected (Mishkin, 2000). Mishkin (2000), therefore submitted that forging a strong bank regulation system will be one way.

In the same line is the theory of moral hazard, which is also known as adverse incentive and the theory has some relevance to a principal agent relationship as stated by Mishkin. Moral hazard become more acute when the bank lends to projects connected to its own directors or managers, which is also known as insider lending. This theory fits into this study because it addresses the strategic characters of bank managers or managements which could be mostly unpredictable and unfavorable.

2.3 Empirical Review

Sufian and Habibullah (2010) Investigate whether economic freedom influences banks' performance in Malaysia using panel data between 1997 and 2007 with the OLS estimation technique. They found that economic freedom and business freedom have a favorable effect on banks' performance while an adverse effect comes from monetary freedom. They concluded further that corruption has a corrosive impact on Malaysian banks' profitability.

Ainwunmi (2017) employs a panel dataset on the cost efficiency of Nigerian commercial banks to test the hypothesis whether internal regulation from the monetary authority affects the performance of commercial banks. The work is carried out through the use of stochastic frontier analysis on 14 commercial banks over 10 years. The study finds that regulation has a negative and significant influence on the total cost while bank output, input prices and bank size have a positive and significant effect.

Igbinosa, Ogbeide,and, Babatunde (2017) examines financial regulation and banking sector performance in Nigeria. The study indicated that financial regulation significantly impacts the banking sector performance while financial regulation has both short-run and long-run dynamic relationships with the banking sector performance in Nigeria. It was also found that the four-period lag of capital adequacy negatively affects banking sector performance and is not statistically significant.

Ezike (2013) examined capital adequacy standards and performance in the Nigerian banking sector. The findings showed that capital adequacy standards exert a major influence on bank performances.

James,et al (2013) studied whether bank regulation, supervision and monitoring enhance or impede bank efficiency? Based on an un-balanced panel analysis of 4050 banks observations in 72 countries over the period 1999–2007, the study found that tighter restrictions on bank activities are negatively associated with bank efficiency, while greater capital regulation stringency is marginally and positively associated with bank efficiency. It was also discovered that strengthening of official supervisory power is positively associated with bank efficiency only in countries with independent supervisory authorities; and that the market-based monitoring of banks in terms of more financial transparency is positively associated withBank efficiency

III. METHODOLOGY

Primary data administration of unstructured questionnaire on selected respondents was adopted, and secondary data. It was retroactive and progressive in analysis.

The study adopted quantitative approach to evaluate the possible relationship or collaboration that exists between banks management and regulatory authorities in relation to bank distress in Nigeria. Twenty five banks emerged as a result of consolidation of the eighty nine previously autonomous bank in Nigeria banking industry.

3.1 Sampling Techniques

The population of the study is a finite one. The chi square test is performed by defining the numbers of categories and observing the number of cases falling into each category then knowing the expected number of cases fully in each category. The formula for the chi square is stated as:

$X^2=(0_1-E_1)^2$ Where X^2=chi square ,O_1=Observed Frequency, $E_{1=}$Expected frequency

The degree of freedom can be calculated using the formula df=(r-1)(c-1) Where r =number of row; C=number of column.

IV. RESULTS AND DISCUSSION

Question One: Does appropriate and effective precautions are put in place by regulatory bodies and banks in monitoring banking health in Nigeria?

Variables	Frequency	Percentage (%)
Agreed (A)	38	15.2
Strongly Agreed (S.A)	50	20
Disagreed (D)	78	31.2
Strongly Disagreed (S.D)	76	30.4
Undecided	8	3.2
Total	250	100

Source: Research Survey

From the above table, 20% strongly agreed that appropriate and effective precautions are put in place by regulatory bodies and banks in monitoring banking health in Nigeria, 15.2% agreed, 30.4% Strongly disagreed, while the remaining 8 respondents, representing 3.2% undecided.

Question Two: Is supervisory and regulatory framework effective in Nigerian Banking system?

Variables	Frequency	Percentage (%)
Agreed (A)	70	28
Strongly Agreed (S.A)	40	16
Disagreed (D)	74	29.9
Strongly Disagreed (S.D)	64	25.6
Undecided	2	0.8
Total	250	100

Source: Research Survey

From the above table, 16 % strongly agreed that supervisory and regulatory framework are effective in Nigerian Banking system, 28% agreed, 25.6% Strongly disagreed, while the remaining 2 respondents, representing 0.8% undecided.

Question Three: Does involvement of accountancy firms in anti-social practices in Nigerian banking industry exposed or sanctioned erring staff through their professional bodies and finacial regulators?

Variables	Frequency	Percentage (%)
Agreed (A)	132	52.8
Strongly Agreed (S.A)	54	21.6
Disagreed (D)	16	6.4
Strongly Disagreed (S.D)	36	14.4
Undecided	12	4.8
Total	250	100

Source: Research Survey

From the above table, 21.6% strongly agreed that involvement of accountancy firms in anti-social practices in Nigerian banking industry exposed or sanctioned erring staff through their professional bodies and financial regulators, 52.8% agreed, 14.4% Strongly disagreed, while the remaining 12 respondents, representing 4.8% undecided.

Question Four: Did Banks and other financial Institutions Acts (BOFIA 1991) adequate for supervision of financial Institutions in Nigeria?

Variables	Frequency	Percentage (%)
Agreed (A)	74	29.9
Strongly Agreed (S.A)	24	9.6
Disagreed (D)	82	32.8
Strongly Disagreed (S.D)	28	11.2
Undecided	42	16.8
Total	250	100

Source: Research Survey

From the above table, 9.6% strongly agreed Banks and other financial Institutions Acts (BOFIA 1991) are adequate for supervision of financial Institutions in Nigeria?, 29.9% agreed, 11.2% Strongly disagreed, while the remaining 42 respondents, representing 16.8% undecided.

Test of Hypothesis

The chi square (X^2) Test will be employed in testing the hypothesis. The formula has been stated as earlier: $X^2=(0_1-E_1)^2$.

H_0: Supervisions have no significant effect on banks' health in Nigeria.

This will serve as evidence and reference point so as to guide in future events. Question Two will be relevant to determine the set hypothesis:

Is supervisory and regulatory framework effective in Nigerian Banking system?

Variables	Frequency	Percentage (%)
Agreed (A)	70	28
Strongly Agreed (S.A)	40	16
Disagreed (D)	74	29.9
Strongly Disagreed (S.D)	64	25.6
Undecided	2	0.8
Total	250	100

Source: Research Survey

Chi square X2 cal= $\frac{\sum(O-E)^2}{E}$

To get E by = 250/5 =5

	O	E	O - E	$(O-E)^2$	$(O-E)^2$ /E
	70	50	20	400	8
	40	50	-10	100	2
	74	50	24	576	11.52
	64	50	14	196	3.92
	2	50	-48	2304	46.08
Total					71.52

X^2 Cal = 71.52

DOF = (R – 1) (C-1)

= (5 – 1) (2 -1)

= 4 X 1

= 4

At 5 % level of significance = 5/100 =0.05

4 @ 0.05 = 8.627

X^2 tab = 8.627

Decision Rule: Reject Ho if X^2 cal is greater than X2 tab and accept if otherwise. So, since the X^2 cal (71.52) is greater than the X^2 tab (8.627), the null hypothesis Ho is rejected; Thus ,the existing supervisory and regulatory framework is effective in Nigerian Banking system.

Hypothesis Two : The existing monitoring and supervision of financial institutions are not adequate for bank's health in Nigeria.

Variables	Frequency	Percentage (%)
Agreed (A)	38	15.2
Strongly Agreed (S.A)	50	20
Disagreed (D)	78	31.2
Strongly Disagreed (S.D)	76	30.4
Undecided	8	3.2
Total	250	100

Source: Research Survey

Chi square X2 cal= $\frac{\sum(O-E)^2}{E}$

To get E by = 250/5 =50

	O	E	O - E	$(O-E)^2$	$(O-E)^2$ /E
	38	50	-12	144	2.88
	50	50	0	0	0
	78	50	28	784	15.68
	76	50	26	676	13.52
	8	50	-42	1764	35.28
Total					67.36

X^2 Cal = 67.36

DOF = (R – 1) (C-1)

= (5 – 1) (2 -1)

= 4 X 1

= 4

At 5 % level of significance = 5/100 =0.05

4 @ 0.05 = 8.627

X^2 tab = 8.627

Decision Rule: Reject Ho if X^2 cal is greater than X2 tab and accept if otherwise. So, since the X^2 cal (67.36) is greater than the X^2 tab (8.627), the null hypothesis Ho is rejected; Thus, the existing monitoring and supervision of financial institutions are adequate for bank's health in Nigeria.

Hypothesis Three: Professional bodies and their sanctions have no impact on banks health in Nigeria.

Variables	Frequency	Percentage (%)
Agreed (A)	132	52.8
Strongly Agreed (S.A)	54	21.6
Disagreed (D)	16	6.4
Strongly Disagreed (S.D)	36	14.4
Undecided	12	4.8
Total	250	100

Source: Research Survey

Chi square X2 cal= $\frac{\sum(O-E)^2}{E}$

To get E by = 250/5 =50

	O	E	O - E	$(O-E)^2$	$(O-E)^2$ /E
	132	50	82	6724	134.48
	54	50	4	16	0.32
	16	50	-34	1156	23.12
	36	50	-14	196	3.92
	12	50	-38	1444	28.88
Total					190.72

X^2 Cal = 67.36

DOF = (R – 1) (C-1)

= (5 – 1) (2 -1)

= 4 X 1

= 4

At 5 % level of significance = 5/100 =0.05

4 @ 0.05 = 8.627

X^2 tab = 8.627

Decision Rule: Reject Ho if X^2 cal is greater than X2 tab and accept if otherwise. So, since the X^2 cal (190.72) is greater than the X^2 tab (8.627), the null hypothesis Ho is rejected; Thus, Professional bodies and their sanctions have impact on banks health in Nigeria.

V. CONCLUSION AND RECOMMENDATIONS

The study is able to examine the impact of financial regulatory bodies have on bank's health in Nigeria taken into consideration various evidences of past cases in Nigeria. Regulatory bodies established in Nigeria under various laws were examined and their effects analysed. From the theoretical point ,it was discovered that under the moral hazard theory ,the negative influences of banks officials especially top management staff contribute majorly to the crisis that springs up in Nigerian banking sector not the existing laws and regulatory framework in existing were not capable of restraining the crisis so that financial sector will be healthy. Moral hazard theory ,which anchored this study was able to recognize that it become s more acute when insiders transactions were involved.

The study therefore is of opinion that periodic monitoring of both internal and external operations are necessary in light of environmental changes .On the spot checks are also necessary to curtail problems arising from risky investments so as to protect not only the depositors but the public users of financial system in Nigeria.

REFERENCES

[1] Akinkunmi,M.(2017) Regulatory Impact of Bank Performance in Nigeria: Application of Stochastic Frontier Analysis. *Applied Economics and Finance* (4); 2332-7294

[2] Anyanwu, C. M. (2010). An Overview of Current Banking Sector Reforms and the Real Sector of the Nigerian Economy. Central Bank of Nigeria Economic and Financial Review, 48 (4), 31- 56.

[3] Austin, I.I. (2006). The impact of regulation and supervision on the activities of bank in Nigeria". Research project submitted to St. Clement University. Unpublished Central Bank of Nigeria (1990): Prudential Guidelines for Licensed Banks.

[4] Companies And Allied Matters Acts, (2004).

[5] Central Bank of Nigeria,(1998). CBN Report Volume 2 'Structure of Nigerian Economy'

[6] Central Bank of Nigeria , (2005).The 25 Banks Emerged, from a Motley Crowd of 89 Banks Existing as of December31, 2005.www.cbnbank.org

[7] central Bank of Nigeria. (2015). Consolidated Banking Supervision Annual Reports (2009-2014).

[8] Chude, Nkiru P and Chude, D.I.(2014) The Relationship between Regulatory Inconsistencies and Nigerian Banking Industry. Global Journal of Management and Business Research: Finance 14 (4)

[9] Ezike, J. E. (2013). Capital adequacy standards, Basle Accord and bank performance: The Nigerian Experience (A case study of selected banks in Nigeria). *Asian Economic and Financial Review,* 3(2), 146 – 159.

[10] Economic and Financial Crimes Commission, (2004)

[11] Gil-Alana, Y. O. S., & Adepoju, A. A. (2015). Fractional integration and structural breaks in bank share prices in Nigeria. *Review of Development Finance* 5 (1), 13–23.

[12] Ighomwenghian, K. (2010). The Pains of Sanusi's reforms'Available online at allafrica//allafrica.com

[13] Igbinosa, S., Ogbeide,S and, Babatunde, A. (2017) Empirical Assessment on Financial Regulations and Banking Sector Performance. *Journal of Central Banking Theory and Practice,* 143-155

[14] International Monetary Fund (2013). Nigerian Publication of Financial Sector Assessment Program Documentation-Detailed Assessment Compliance of the Bassel Core Principles for Effective Banking Supervison.IMF Country report No. 13/146 .May, International Monetary Fund, Washinton, DC, Internet: http//www.imf.org

[15] James R., Chen, L. Yue, M. Jesús, S.and Frank M. S(2013) Do bank regulation, supervision and monitoring enhance or impede bank efficiency? *Journal of Banking & Finance* 2879–2892

[16] Jean Jacques du et al (2004) Principles of Contemporary Corporate Governance; Cambridge University Press2nd Edition

[17] Mishkin, S. F. (1997). Understanding Financial Crises: A Developing Country Perspective Annual World Bank Conference on Development Economics, Ed. M. Bruno and B. pleskovic, The World Bank, Washington DC.

[18] Nationa Deposit Insurance Corporation, (1999). A Decade of Deposit Insurance in Nigeria: Issues And Challenges

[19] Nwankwo GO (2000). Prudential Regulation of Nigerian Banking. Lagos: University of Lagos Press.

[20] Oloyede, A. (1994) "Banking regulation in Nigeria: an analytical perspective". Central Bank of Nigeria Economic and Financial Review, Vol. 32, No. 3, pp. 279-291

[21] Olorunshola, A. J. (2003). Financial System Regulation in Nigeria: Theoretical Framework and Institutional Arrangements. Publication of CBN Training Centre, Lagos. No.3, pp. 18-25.

[22] Uffot, L., (2003). "The Nigerian Financial System and the Role of CBN" Publication of CBN Training Centre, Lagos. No3, pp 6-16

[23] Uweh, J. (2010). CBN Unveils face of banking reforms retrieved on the 26thh of June 2010 available Online at www. Businessworldng.com/net/articles

[24] Sanusi.L. (2012) Banking Reforms and its Impacts on Nigerian Economy. Being a Lecture Delivered at the University of Warwick's Economic Summit, UK .

[25] Sikka,P (2009) .Financial Crisis and Silence of the Auditors. Accounting and society,34:868-873

[26] Sufian, F., & Habibullah, M. S. (2010). Developments in the efficiency of the Thailand banking sector: a DEA approach. International *Journal of Development Issues,* 9(3), 226–245.