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- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill
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CORPORATE GOVERNANCE AND FINANCIAL DISTRESS IN THE BANKING INDUSTRY: A CASE OF NIGERIAN ECONOMY

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ABSTRACT

The Nigerian banking industry occupies a major segment in Nigerian economy of which the growth and development depends on the success of the industry. The industry has contributed in no small measure to the development of the national economy from pre-independence to date. However; the industry has been experiencing a major problem in the area of financial distress. This cankerworm has resulted into the liquidation of some institutions in the economy, investors have lost their investments, depositors money have become irrecoverable which other stakeholders have been adversely affected. A critical issue which is yet to be properly addressed by the operators and regulatory authorities is the problem of corporate governance which has negatively impacted the interest of investors, depositors and stakeholders. The main objective of this paper is to evaluate the relationship between corporate governance and financial distress with a view to installing sound corporate governance in the industry. The work is empirical, descriptive and exploratory .Multivariate Analysis of Variance statistical model was used to analyze the result of the primary data while multiple linear regression analysis was adopted in analyzing the secondary data. The findings were that poor corporate governance in the system is the major factor that has given rise to the financial distress in the banking industry, even after reformation and consolidation that took place. The paper recommends the full recognition of shareholders interest and the application of Organization for Economic Cooperation and Development (OECD) code of corporate governance in Nigerian banking industry. Other recommendations are that the banking institutions should fully comply with fiscal and monetary authorities, display transparency in their reporting system while the regulatory authorities should automate their supervisory systems whereby all banking institutions are linked to CBN and NDIC management information system.

KEY WORDS

Accountability, Distress, Evaluation, Governance, ,Transparency.

INTRODUCTION:

The banking sector is part of Nigerian financial system and financial system refers to the totality of the regulatory and participating institutions, including financial markets and instruments involved in the process of financial intermediation. The major objectives of investing in the banking sector are to provide financial services to the economy and earn compensatory returns on capital employed. The sector is the enabling hub of national and global payments system by facilitating trade transactions within and amongst numerous national, regional and international economic units and by so doing, it enhances commerce, industry and exchange. The Banks and Other Financial Institutions Act no 25 of 1991 defines a bank as one licensed under the Act and banking business as the business of receiving deposits on current, saving or other similar account and pay and collecting cheques.This sector is the channel for effective implementation of monetary and fiscal policy measures designed to achieve stated objectives.Chukwudire (2004:15) analyzed the importance of this sector to the development process of Nigeria which is made more apparent now that the economic reform process is encouraging less of the public sector and more of the private sector. In performing its various functions in the enabling environment provided by the government, fluctuating fortunes occasioned by a number of challenges resulting in a barrage of criticisms and consequent near loss of public confidence. Some of the challenges are policy induced like the effect of the prudential guidelines; others are competition, hostile operating environment, ethical issues, ineptitude of management and board which culminated into the problem of very poor corporate governance.

CONCEPT OF CORPORATE GOVERNANCE:

Corporate governance refers to the control of corporate policy through the power legally vested in a group or groups of people to chart a course of action to be followed by the organization in areas of fundamental importance to its survival, prosperity and proper functioning (Egwuonwa,1997).It encompasses the mode of structure, the power that determines the rights and responsibilities of the various group involved in running the organization, the legitimacy expectation of the business, the method of operating and the overall accountability management and the directors. Corporate governance as a concept has also been viewed overtime from these two perspective: "a narrow one in which it is viewed merely as being concerned with the structures within which a corporate entity or enterprise receives its basic orientation and directory and a broad perspective in which it is regarded as being the heart of both a market economy and a democratic society. The narrow view perceives corporate governance in terms of issues relating to shareholder protection, management control and the popular principal-agency problems of economy theory (Oyejide and Soyibo, 2001). Corporate governance looks at the institutional and policy framework for corporations from their very beginnings in the entrepreneurship, through their governance structures, company law, privatization, to market exit and insolvency. Good corporate governance therefore is the set of rules and practices that govern the relationship between the managers and shareholders of corporations as well as other stakeholders like employees, creditors, tax authorities, trade unions, suppliers and other public authorities. In other words good corporate governance is all about proper conduct of the affairs of the business. The objective of corporate governance is to achieve business excellence and enhance shareholder value, while not neglecting the need to balance the interest of all stakeholders.

The four pillars of corporate governance are accountability, fairness, transparency and independence and they play out to prevent corporate collapse. These four pillars are key attributes of good corporate governance which the banking industry must cultivate with new zeal in order to provide stakeholders with the necessary information to judge whether their interests are being taken care of. Central Bank of Nigeria (CBN) asserted that there are many deficiencies in the information disclosed, particularly in the areas of risk management, risk concentration, performance measures which need to be addressed. Central Bank of Nigeria asserted in their Corporate Governance code that "Financial scandals around the world and the recent collapse of major corporate institutions in the USA and Europe have brought to fore, one again the need for the practice of good corporate governance, which is a system by which corporations are governed and controlled with a view to increasing shareholders value and meeting the expectations of other stakeholders. For the financial industry ,the retention of public confidence through the enthronement of good corporate governance remains of utmost importance given the role of the industry in the mobilization of funds, the allocation of credit to the needy sectors of the economy ,the payment and settlement system and the implementation of monetary policy,"

Central Bank of Nigeria highlighted the weakness in corporate Governance of banks in Nigeria to include the following:

a. Disagreement between the Board and Management giving rise to Board squabbles.

B .Ineffective Board oversight functions.

c. Fraudulent and self-servicing practices among members of the board, management and staff.

d. Overbearing influence of Chairman or MD/CEO, especially in family-oriented banks.

e. Weak internal controls.

f. Non-compliance with rules,laws and regulations guiding banking business.

g. Passive shareholders.

h. Poor risk management practices resulting in large quantum of non-performing credits including insider-related credits.

FOCUS:

This paper focuses on the phenomenal financial distress in the industry occasioned by very poor corporate governance in the Nigerian banking industry. This phenomenal distress has led to the liquidation of many banking institutions, lost of deposits and investments by many investors and loss of confidence by the general public from pre-independence to date. The statistic below supports this discovery:

Table 1 Number of Liquidated distressed banks in Nigeria

Sno	Item	No of banks
1	Pre-independence	22
2	1992	3
3	1994	4
4	1998	26
5	2005 Consolidation	14

Source: Central Bank of Nigeria 2002, 2006.

The following post-consolidation effects occurred from poor corporate governance.

a. On January 5, 2007, Central Bank of Nigeria sacked the board and management of Spring Bank plc for technical distress and falsification of mergers and acquisition reports.

b. On March 10,2008 Central Bank of Nigeria sacked the Managing Director of Wema Bank plc for technical distress and lack of transparency in reporting.

c .On August 12,2009,the Central Bank of Nigeria sacked the Managing Directors of the following banks for technical distress in their institutions: Intercontinental Bank Plc.,Afribank Plc., Finbank Plc.,Oceanic bank Plc.,and Union bank Plc.

d. In October 2009, the Central Bank of Nigeria sacked the Managing Directors of the following banks; Spring bank Plc, Equatorial bank limited and BankPHB Plc for technical distress discovered in their institutions.

e. Central Bank of Nigeria had to inject N620billion into these banks as bail-out capital until they would recapitalize.

Sanusi (2009) stated that the removal of the banks' chiefs was due to the excessive high level of non-performing loans, which was attributable to poor corporate governance practices, lax credit management practices.Sanusi stated further that the problem of the banks was that they were built around single personalities which weakened corporate governance.

The objectives of this paper are two-fold:

1. To evaluate the relationship between corporate governance and performance, this will positively impact sustainability and stability of business in the banking industry.
2. To assess corporate governance as determinant factor for corporate existence to ensure increased capital, liquidity, profitability and efficiency in resources management in the banking industry.

The key research questions that are attributable to proffering solution to this problem are:

1. How can corporate governance impact corporate existence to enhance the increase in capital, liquidity, profitability and efficiency in resources management?
2. Does corporate governance have any relationship with sustainability, stability and performance in the banking industry?

RESEARCH HYPOTHESES:

Two hypotheses for this work were formulated in null forms and tested statistically.
Hypothesis 1: Corporate governance, strategic planning and performance do not affect sustainability and stability in the banking industry.
Hypothesis 2.Corporate governance is not a determinant factor for corporate existence and has no positive impact on performance for capital, liquidity, profitability, asset quality, dividend paid and tax paid in the banking industry.

LITERATURE REVIEW:

Chukwudire (2004:16-18) asserted that though the board has the primary responsibility, best results are achieved through collaborative governance-involving all interested parties. Good corporate governance emphasizes the need for transparency, full disclosure, fairness to all stakeholders and effective monitoring of the state of corporate affairs. That recent corporate scandals at the national and international levels have brought issues of corporate governance to the fore. Examples of such scandals include the wholesale liquidation of some banking institutions in Nigeria. In consequence, the minds of governments, regulators, investors, companies and the general public are agitated by the level of weaknesses in the corporate governance systems and the need to address the issue. He further explained that the organization for Economic Cooperation and Development (OECD) pioneered the work on the establishment of a code of best practices for corporate governance. In May 1999, OECD issued the principles of corporate governance, which have been accepted as the benchmark for corporate governance by both members and non-members. The principles as enumerated by the OECD are a guide to policy makers, regulators and market participants who desire to improve the legal, institutional and regulatory framework that underpins corporate governance.
The highlights of OECD guidelines are:
a. Ensuring the basis for an effective governance framework which should promote transparent and efficient markets, be consistent with the rule of law and clearly articulate the division of responsibilities among different supervisory, regulatory and enforcement authorities.
b. The rights of shareholders and key ownership functions which the corporate governance framework should protect and facilitate the exercise of shareholders rights.
c. The equitable treatment of shareholders which the framework should treat so as to have equal opportunities to obtain redress for violation of their rights.
d. The role of stakeholders in corporate governance which should be established either by law or through mutual agreement; and encourage active cooperation between corporations and stakeholders in creating wealth, jobs, and the sustainability of financially sound enterprises.
e. Disclosure and transparency which should ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation,performance,ownership and governance of the company.
f. Responsibilities of the Board which should ensure the strategic guidelines of the company, the effective monitoring of the management by board, and the board's accountability to the company and to shareholders.
Oditah (2009:27-31) highlighted that there are three principal corporate governance structures which are: The Board of Directors which is entrusted to the care and management of the board of directors and the management of the company. In practice the board delegates its management power and function to the executive management; the shareholders in general meeting who are supposed to participate in the governance of their company by attendance at infrequent general meetings principally the annual general meeting which must occur every 15months. Their roles are as stated in section 214 of Companies and Allied Matters Act (CAMA) 2004 as amended. The third composition is the Audit committee whose functions are set out in section 359 sub-section 6 of CAMA and include ascertaining whether the accounting and reporting policies of the company accord with legal requirements and agreed ethical practices and reviewing the effectiveness of the company's system of accounting and internal control. By sections 279 to 283 of CAMA, the roles of the audit committee are clearly spelt out.
Sanusi (2010) explained that the Nigerian banking sector witnessed dramatic growth post-consolidation. However; neither the industry nor the regulators were sufficiently prepared to sustain and monitor the sectors explosive growth. Prevailing sentiment and economic orthodoxy all encouraged this rapid growth, creating a blind spot to the risks building up in the system. He asserted that prior to the crisis, the sentiment in the industry was that the banking sector was sound and growth should be encouraged. The International Monetary Fund (IMF) endorsed the strength of the banking system to support the growth. However, the sentiment proved misplaced due to some independent factors principal among which is major failures in corporate governance of banks. That the huge surge in capital availability occurred during the time when corporate governance standards at banks were extremely weak.Conolidation created bugger banks, but failed to overcome the fundamental weakness in corporate governance in many of Nigerian banks. Some banks were engaging in unethical and potentially fraudulent business practices and the scope and depth of these activities were documented in CBN examinations. He stated further that governance malpractice within banks, unchecked at consolidation became a way of life in large parts of the sector, enriching a few at the expense of many depositors and investors. Corporate governance in many banks failed because boards ignored these practices for reasons including being misled by executive management, participating themselves in obtaining un-secured loans at the expense of depositors and not having the qualifications to enforce good governance on bank management.

METHODOLOGY:

The work **is** empirical, descriptive and exploratory and centered on financial distress in Nigerian banking industry. Hence, Nigerian banking industry is the population for the study while the universal banking sector of the industry and the five regulatory authorities in the industry were chosen as the sample representatives. The 24 universal consolidated megabanks, the two supervisory authorities i.e. Central Bank of

Nigeria and Nigerian Deposit Insurance Corporation, the two professional bodies that regulate ethics in the industry i.e. The Chartered Institute of Bankers on Nigeria and The Institute of Chartered Accountants of Nigeria, and the capital market regulatory authority i.e. The Nigerian Stock Exchange were the sample representatives in the industry. Primary and secondary data were used for this work. The primary data was obtained through corporate questionnaires distributed to each sample representative while the secondary data was collated using performance indices of the banks from 1998 to 2007.Macro data was obtained from Central Bank of Nigeria, Nigeria Deposit Insurance Corporation and Nigerian Stock Exchange for the following bank performance indices used for the analysis: Capital, Asset, Profit before tax, Liquidity, Dividend paid and Tax paid. 1998 to 2007 constitute data of 89banks before 2005 consolidation exercise and for 24consolidated banks after consolidation in order to get accurate result and for objectivity. Multivariate Analysis of Variance (MANOVA) was adopted to analyze the primary data while Multiple Linear Regression analysis was used to analyze the secondary data.

For the analysis of the primary data to satisfy MANOVA requirement, the banking institutions that constitute the sample representatives was divided into three groups with seven research questions to solve the problem of poor corporate governance and financial distress. The institutions were segmented as follows:

Type of bank	Criteria	Grade/Score
Very Strong bank	Profit before tax of N20miilion And above	3
Strong bank	Profit before tax of N10million To N19million	2
Slightly Strong bank	Profit before tax of N1millon To N9million	1

Each research question was taken as dependent variable, while the banking institutions were regarded as independent variables.

ANALYSIS OF RESULTS:

PRIMARY DATA:

Out of the twenty nine corporate questionnaires administered, twenty eight were returned representing 96.55per cent response rate. This was considered adequate for the purpose of the research work.

DESCRIPTIVE STATISICS:

From the table 1 below, the field result of question 1 shows 100percent in total agreement that corporate governance is a determinant factor for corporate existence. This reflects in the high mean of 4.6429 and below one scale point standard deviation of .4880.This shows that corporate governance cannot be separated from corporate existence. With the second question drawn in a negative form, 75percent in strong disagreement with a reasonable mean of 2.23857, and a below one scale point standard deviation of .5345, it shows that there is a strong relationship between corporate governance and financial reporting because shareholders are interested in performance and leadership of the organization as this is the only way that confidence can be built for stability in business and for which distress can be addressed.

The result of the third research statement shows that 96.4percent are in total agreement with the opinion. With a mean of 4.6071 which is reasonable and high and a below one scale point standard deviation of 0.5669,it clear shows therefore that poor corporate governance can result into downturn in business, distress and effectual liquidation of the business. For question four field result,92.9 percent response were in total disagreement with the content of the question. With a reasonable mean of 2.5714 and a below one scale point standard deviation of .6441,the result shows that corporate governance cannot be separated from sustainable growth. Therefore there is a strong relationship between corporate governance and sustainable business growth. The result of question five reflects that 96.5percent supported the content of the research question with a mean of 4.4643 and a below one scale point standard deviation of .6929.This shows that there is homogeneity between boardroom upheavals and crisis in the banking institutions which in effect will have a strong negative impact on business performance. This shows that good corporate governance will bring stability into the board which in effect will enhance customers' patronage and expansion of business. The sixth research statement in negative form shows that 82.1percent were in total disagreement. With a reasonable mean of 2.6071 and a standard deviation of 0.8751 that is below one scale point, it shows that good corporate governance will enhance the safety of shareholders investment and depositors' money as the two variables cannot be separated from each other. The field result of the seventh question shows that 95percent were in agreement with the research statement. The mean is 4.7500 which is reasonable and high and a standard deviation of 0.4410 which is below one scale point. The analysis shows that there is a strong relationship between consistence in board constitution ,knowledge of the operating environment and growth/expansion of business in the banking industry .With afore analysis, it shows there is a strong relationship between corporate governance and performance for business sustainability and stability that will resolve financial distress in the banking industry.

TABLE 2

This is to evaluate the relationship between corporate governance and performance for business sustainability and stability in the banking industry.

	MEAN	SD	SA	A	DA	SDA	UD
[1] Good corporate governance is a determinant Factor for corporate existence to ensure increased Capital, liquidity, profitability and efficiency in Resources management, absence of which will bring collapse of business in the organization.	4.6429	.4880	64.3%	35.7%	0%	0%	0%
[2] There is no relationship between corporate Governance and financial reporting as stakeholders in the business are not concerned about who leads and manage the organization.	2.2857	.5345	0%	3.6%	21.4%	75%	0%
[3] Poor Corporate governance can result into Downturn in business, distress and effectual liquidation of the business	4.6071	.5669	64.3%	32.1%	3.6%	0%	0%
[4] The sustainable growth in the business of a banking institution can not be determined by the type of corporate governance in operation.	2.5714	.6341	0%	3.6%	53.6%	39.3%	3.6 %
[5] Boardroom upheavals and crisis in the banking Institutions have very strong negative impact on Customers patronage and expansion of business, and this can be attributed as one of the major causes of financial distress in the banking industry.	4.4643	.6929	53.6%	42.9%	0%	3.6%	0%
[6] The shareholders lost of their investments and depositors lost of their deposits in the liquidated banks can not be attributed to poor corporate governance.	2.6071	.8751	3.6%	10.7%	32.1%	50.0%	3.6 %
[7] Consistence in the constitution of the Board of Directors and knowledge of the operating environment by the directors motivate the growth and expansion of Business.	4.7500	.4410	75.0%	25%	0%	0%	0%

TEST FOR HYPOTHESIS 1:

Corporate governance, strategic planning and performance do not affect sustainability and stability in the banking industry.

In addition to the descriptive statistics, four tests using multivariate analysis of variance were computed to determine the position of the hypothesis:

i.Multivariate test: This is to test the significant differences within the groups on a linear combination of the dependent variables if any of the results obtained is less than .05.The multivariate test shows the following results: Pillar's Trace=0.909;Wilk's Lambda=0.924;Hotelling's Trace=0.937 and Roy's Largest Root=.795.None of the test is below .05signicant level. This shows that the interrelationship between the seven dependent variables and the three groups of banks is collinear and homogenous.

ii. Between Subject Ettects: Bonferroni adjustment model was adopted to obtain a higher alpha level to determine if the significant results of the seven variables will be lower than .05. All the seven dependent variables show significant level of each higher than .0072 upper alpha level indicating that the dependent variables fit the same way and hang together in solving the problem of distress in the three groups of banks.

iii. Comparing group means: In comparing the group means to determine if there is significant difference in the mean of the independent variables as to the suitability of the dependent variables for decision making in solving the problem of distress, it was discovered that in each of the seven dependent variables, the mean differences between the very strong banks, strong banks and slightly strong banks is not significant. In each case the difference is below .5 and they range between 0.018 and 0.402. This shows that all the seven dependent variables are suitable and fit together to take decision in implementing good corporate governance to resolve the problem of financial distress in the three groups of banks.

iv.Levene's test of equality of error of variance. At the significant level of .05,the group significant level is 2,471 and each dependent variable has an alpha level above .05.With the degree of freedom of 2 for the independent variables and 3 for dependent variable, the F-test for the group is 11.71 which is above the tabulated of 3.38.

With the four results obtained, it is concluded that the null hypothesis be rejected while the alternate is accepted. This shows that corporate governance, strategic planning and performance affect sustainability and stability in the banking industry.

TEST FOR HYPOTHESIS 2:

Corporate governance is not a determinant factor for corporate existence and has no positive impact on performance for capital, liquidity, profitability, asset quality, dividend paid and tax paid in the banking industry.

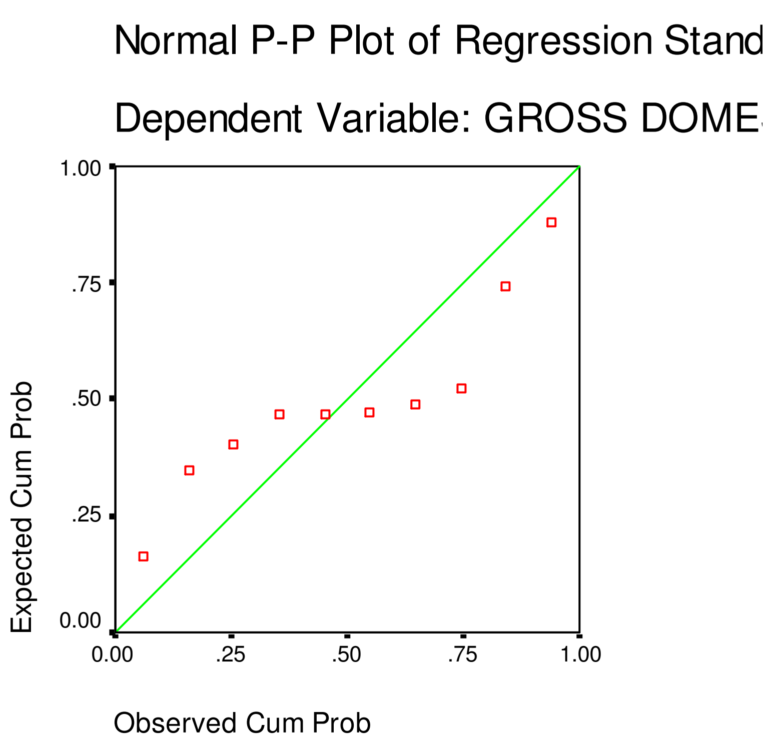
The macro secondary data obtained was used to analyze and test for this hypothesis. The performance indices of the banks for 10 years were analyzed against the Nigeria Gross Domestic Product (GDP) for the period. GDP was taken as the dependent variable while the six performance indices of capital, asset, profit, liquidity, dividend paid and tax paid were regarded as independent variable to show whether there is co-movement between them. Multiple Linear Regression analysis was used to compute the data. Analysis below shows the findings:

1.Correlations:The results obtained showed that with GDP at constant 1,the independent variables which are the predictors have the following regression results: Capital=0.982,Asset=0.963,Liquidity=0.981,Profit=0.919,Dividend paid=0.895 and Tax Paid=0.932.With the results, there is a perfect positive linear relationship between GDP and bank performance. This shows that increase in bank performance indices have a corresponding increase in GDP and vice versa.There is co-movement between them.

ii.Model Summary: In the model summary, the R-Square is 99.7 percent which means that bank performance indices explains 99.7 percent of the variance in Gross Domestic Product through good corporate governance which is quite a respectable result.

iii. Normal probability plot: In the normal probability plot of regression standardized residual in figure 1 below the point lie in a straight diagonal line from the bottom left to the right.

Figure 1: Normal Probability plot of regression standardized residual.



From the graph position, there is no major deviation from normality. This shows that a linear relationship exists between the dependent variable (GDP) and the independent variables

iii.Analysis of Variance (ANOVA).From table 3 below, at the alpha level of 0.05 and degree of freedom 6 and 3,the computed F-test is 147.963 as against the tabulated critical value of 8.94.Also the ρ of .001 is less than the significance level of .05 F-test computed is higher than tabulated which shows the significance of the relationship between the dependent and independent variables.

Table 3 :ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	355355752395608.000	6	59225958732601.300	147.963	.001
	Residual	1200827364125.978	3	400275788041.993		
	Total	356556579759734.000	9			

a Predictors: (Constant), TAX PAID, DIVIDEND PAID, LIQUIDITY, CAPITAL, ASSET, PROFIT BEFORE TAX

b Dependent Variable: GROSS DOMESTIC PRODUCT

From the analysis of the results, the null hypothesis was rejected and the alternate accepted indicating that corporate governance is a determinant factor for corporate existence and have positive impact on bank performance for capital growth, asset quality, increase in liquidity, growth in profitability, enhanced dividend payment and equitable payment of tax. There is a strong co-movement between them.

CONCLUSION:

Banking industry in Nigerian economy has been the bedrock of the economy and will continue to be.However, the practice of corporate governance in this important sector of the economy leaves much to be desired .Corporate governance is concerned primarily with protecting weak and widely dispersed shareholders against self-interested directors and managers. Banking institutions are expected to run on best practices of corporate governance. The interests of the shareholders who own the company should be protected alongside other stakeholders. It is quite a dangerous signal when the board and management functions are built around only one overbearing personality who is instrumental to almost the important decisions. There is a wide gap between the management of Nigerian banking institutions and the four pillars of corporate governance which are accountability, fairness, transparency and independence which are to prevent corporate collapse. This wide gap has resulted into a phenomenal problem of financial distress in the Nigerian banking industry. The major elements of corporate governance which are good board practices, control environment, transparent disclosure, well-defined shareholders' right and board commitment are missing in the industry.

RECOMMENDATIONS:

For the industry to return to sustainable performance growth, sustainability and stability in industry, the regulatory and supervisory authorities should ensure the following measures:

1.Good corporate governance should be installed in the industry. The set of rules and practices that govern the relationship between the managers and shareholders of the banks as well as other stakeholders should be in place and enforced by the regulatory authorities. Each bank should established the underlining Organization for Economic Cooperation and Development (OECD) codes.(a) ensuring the basis for an effective governance framework which would promote transparent and efficient markets (b) protect and facilitate the rights of shareholders and key ownership functions.(c) ensure the equitable treatment of all shareholders(d)should ensure timely and accurate disclosure is made on all material matters regarding the corporation including the financial situation, performance ownership and governance of the banks.

2.Good investment policy; This will be a planned line of conduct for all banks in the light of which decisions are made and coordinated to achieve the following (a) good credit appraisal to avoid non-performing loans and advances(b) effective management of assets and liabilities to enhance good returns on investment and liquidity availability (c) avoid growing assets more than liabilities so as not to create liquidity problem.(d) to ensure quality earning assets are created.

3.The regulatory authorities should enhance their supervisory roles by introducing state of the art technology in capturing the operational transactions of the banks through wide area network. This will curtail the abuse of governance of the management and board of the banks.

4 Effective capacity building by designing functional training programmes for the board, management and the staff of the institutions in the areas of management, controls, credit analysis and management, financial distress and the effects on the fortunes of the banks.

5. The regulatory authorities should design functional organograms for the banking institutions to avoid overbearing personality who is instrumental to almost all the important decisions.

6.The regulatory authorities should enforce the banks to comply with the annual monetary and fiscal policies to ensure soundness in business and at same time, the authorities should ensure stability in regulations so as not to distort operations of the banks.

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Hoping an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Editor