



AN EXAMINATION OF DISCLOSURE PHILOSOPHY IN COMPANY LAW:
MAKING A CASE FOR REFORM IN NIGERIA

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ABSTRACT

This paper examines the concept of Disclosure in Company Law and its underlying philosophy of affording creditors and investors, protection against frauds and ultimately corporate failures. It examines the various shades of disclosure requirements in Nigeria corporate law with a view to discovering the effectiveness or weakness in the legal framework. The paper specifically queries the continued failures of corporations as a result of insider abuse and information asymmetry in Nigeria, despite the monitoring and supervisory roles of regulatory bodies as the Corporate Affairs Commission and the Securities and Exchange Commission. The question asked is whether the disclosure requirements are sufficient and have been able to guide investors and other stakeholders who come in contact with the corporate form, to make informed decisions and safeguard their investments. In doing this, the paper did a comparative analysis of what is obtainable in other jurisdictions to see where the Nigerian system lacks. The paper concludes that if the fight against company failures and insider abuse must be won in Nigeria and the economy revamped, our laws on corporate disclosures should be amended and make more punitive to deter flouters and defaulters.

Keywords: Disclosure, Corporate fraud, Reforms, Nigeria.

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