Journal of Accounting, Financial and Economic Sciences. Vol., 4 (2), 62-71, 2024
Available online at http://www.jafesjournal.com
ISSN 2149-7346 ©2024
DOI: 10.61186/jafes.4.2.62

# Transparent Flow of Credit Relationship with the Bank on the Banks of Accepted In Tehran Stock Exchange

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**Abstract:** Transparency of information is an essential element of investor confidence. The greater the transparency of information, the greater the investor's confidence, and investors will be more trustworthy for banks to disclose more information about capital fluctuations. The purpose of this study was to investigate the relationship between credit flow and transparency of banks, accepted in Tehran Stock Exchange, which is the validity, independent variable and transparency of banking as a dependent variable with two indicators (increasing transparency of the banking system through the quality of disclosure of the bank and increasing transparency The banking system was selected through the implementation of the regulations. In this research, financial information has been reviewed for nine sample banks during the period of 1391 to 1396. This research is a correlation study, for purposeful and time-consuming purpose and retrospective in terms of attention to results, result-oriented. The present study has been investigated in two sub-hypotheses by Eivis software. Finally, the results of the research show that there is no significant relationship between credit flow and transparency of the banking system through the quality of disclosure of the bank and the transparency of the banking system through the implementation of the regulations.

**Keywords:** Credit Flow, Banking Transparency, Increasing the Transparency of the Banking System Through the Quality of Bank Disclosure, Increasing the Transparency of the Banking System Through the Implementation of Regulations.

## Introduction

Based upon the developments that have taken place in today's world, especially in developing countries, which face a number of threats, these countries are in a position to solve their economic problems in order to make better use of their God-given assets and wealth (Tehrani & Noorvash, 2006). In this regard, an important solution, expansion and development of capital, economic goals, using the opportunity of existing investment funds in order to generate returns and create value for the suppliers of financial resources, to make long-term investments. One of the factors affecting investment is the transparency of information. The conflict of interests between managers and owners and the theory of representation of the parties express the reason for the asymmetry of information, and the existence of information asymmetry in the capital market and the consequences of making false decisions by investors. Full disclosure with transparency of financial reporting can create secure conditions and enhance investor confidence. Transparency has a positive impact on corporate performance and can protect the interests of shareholders, and the outcome of these reports is important in achieving these goals. Banks, also when publishing marginal information related to dividends and stock prices, are affected by the average stock price index and the market power indicates the degree of concentration of capital. As banking regulations increase, information concentration will increase and the margins of banks will experience positive fluctuations (Chen & Hasan, 2006).

The main tool of transferring information to outsourced users is basic financial statements. The profit and loss account is an essential financial statement that is important in assessing the management's responsibility or accounting for resources that are available to them. The profit and loss account includes the return on resources managed by the business unit and reflects the performance of the business unit during the period in question, and the opportunistic use of profit smoothing may have an adverse effect on the transparency of reported accounting data, on the other hand, The basis of the concept of information asymmetry, the high degree of profitability of the profits leads to more informational benefits for knowledgeable investors than unknowing investors. Increasing the volatility of reported profits will make traders' losses more distorted and force them out of the market. In general, agents (intra-organizational) in the market place have better and more up-to-date information about the company than other groups (outsourced) on the other side of the market, the so-called market is characterized by asymmetric information. The presence of asymmetric information (lack of transparency) in the market leads to the issue of reciprocal selection (reversal) in transactions, which ultimately leads to inefficiencies in the market. Increasing information asymmetry will have an adverse effect on the cost of capital and credits, since liquidity providers will protect themselves In contrast to the risk of opt-outs, it increases the range of stock trading, which reduces market depth and leads to lower liquidity (Kashanipour & Momeni Yansari, 2009).

Transparency of information is an essential element of investor confidence. The greater the transparency of information, the greater the investor's confidence, and investors will be more trustworthy for banks to publish more information about capital fluctuations (Berger et al., 2009). The disclosure of bank information increases the transparency of information and, over time, increases the average price index and ultimately boosts the profit margin of the banks (Chen & Hasan, 2006).

The depreciable assets of banks, which account for a large part of the transparency of information, will increase the actual capitalization of banks, in accordance with the rules and according to the Lerner's current regulations, disclosure levels will be set at predetermined standards, banking competition When the stock price growth rate is calculated based on the marginal cost, it will be calculated. The marginal cost reflects the amount of costs paid to increase the disclosure of information, so transparency is the main criterion for bank competitiveness and without increasing the transparency of information, the increase in bank competition will not occur (Demirgüc & Martínez Pería, 2010).

Generally, banks are considered as one of the most important and viable funds for firms by attracting liquidity and providing facilities. From the theoretical point of view, the proper and optimal use of credit and loan flows could lead to an increase in investment, production and employment, and as a result of economic growth (Mankiw, 2013).

In Iran, due to the factors affecting economic growth, access to bank credit for investment is of particular importance because in Iran due to restrictions on the financial market, one of the most important financial resources available to enterprises is banking resources. Injection of monetary credits in the short run due to the constant amount of capital increases employment, but in the long run, when the flow of credit and credit becomes capital, the present study seeks to answer the question that the relation of credit flow with transparency of banks in accepted banks what is the Tehran Stock Exchange.

***Background research***

Duke et al (2018) investigated the relationship between bank transparency and the uncertainty in the flow of uninsured deposits in banks. In addition, transparent banks rely heavily on their investments in securing non-transparent assets. These findings reflect the costs and benefits of the Bank's Transparency Index. This makes deposits, which are the main sources of banking, are more sensitive to the performance of banks and can therefore act as discipline in the behavior of banks' risk aversion.

Andries et al (2017) examined the effect of large bank taxes on transparency in banking. Using data from 44 countries in the period 1999-2015, they found that this work was done by the tax system to encourage banks to timely recognize the loss of loan loss. It was also observed that the banking system, capital ratios are close to regulatory requirements, and in countries with relatively weak banking supervisors. Finally, they found that the tax breaks legislation prevented the growth of US banks. In general, their results indicate that the tax system of large banks is one of the most important factors in determining the timely recognition of lending losses and thus the transparency of the financial reporting sector of the banking sector.

Papadamou et al (2016) investigated the effect of a dynamic interest rate on the stock return and transparency of the central bank. They looked at the data of 12 countries from 1998 to 1998, and found that there was a significant negative effect between stock returns and interest rates, and This negative effect reduces noticeable transparency.

In a study entitled Transparency of the banking system and increasing banking competition, Irina Andrievskayaa et al (2016) examined the relationship between them between 2010 and 2001. They considered the variables of disclosure, regulation, market power, and the concentration of variables as criteria for the transparency of the banking system and based on them the impact of the transparency of the banking system on the increase in bank competition. The results of their research showed that, with increasing disclosure of banking information, their competitiveness will increase, and with the increase of bank rules and regulations, the competitiveness of banks will decrease.

Mahmodpour et al (2019) investigated the relationship between transparency in financial reporting and its effect on the financial crisis among banks accepted in the exchange. This research was applied for the purpose of post-event inference and for the period of 2011-2012, 16 banks were selected as the statistical sample that were analyzed by the relationship regression between the variables. The results show that transparency of financial reporting of private banks in Iran has not improved before the crisis began. After the crisis began, the transparency of the financial reporting of private banks in Iran has not improved. After the crisis, the level of conservatism in private banks in Iran has not improved. Transparency of financial reporting has a significant effect on the financial crisis among private banks.

Shabani Kousholshahi et al (2018) compared the effect of liquidity and credit on the value added of Iran's agricultural sector; the generalized momentum statistics were used and the required data were extracted from the Central Bank of the Islamic Republic. The results showed that liquidity and credit, both, have a positive impact on the added value of the agricultural sector in Iran, and credits are far more than liquidity. Also, value added with a period of interruption, public and private investments, and the population of agricultural workers, positive impact and capital stock in this sector have a negative and significant effect on value added.

Fakhrhosseini et al (2018) examined the impact of the transparency of the banking system through internal audit committee oversight on increasing the performance of banks in accepted banks in Tehran Stock Exchange. This research is library and analytical-Ali research and is based on the analysis of panel data (data panel). In this research, 60 banks - from 1394 to 1389 are accepted banks in Tehran Stock Exchange. The results of the research in relation to confirmation of the first hypothesis of the research showed that increasing the transparency of the banking system through disclosure quality affects the performance of banks. Finally, according to the analysis conducted in conjunction with the confirmation of the second hypothesis of the research, it was concluded that increasing the transparency of the banking system by enforcing regulations affects the performance of banks.

## Materials and Methods

Since the purpose of the applied research is the development of applied knowledge in a particular context, in other words, applied research is directed towards the scientific use of knowledge, this research has been applied on the basis of the purpose.

This research is of descriptive-correlative research type due to the fact that it is not manipulated in independent and dependent variables and attempts to discover the relationships between them in the real world and its main purpose is to determine the existence, extent and type of relationship between The test variables are correlation and regression analysis. Given the fact that the main research data are based on past performance and historical data, post-event research project is.

**Table 1.** Operational definition of variables.

| Kind of | Variable name | Indicator | Symbol |
|---|---|---|---|
| Dependent | Bank transparency | Increase the transparency of the system of banks through a disclosure that the sale of the bank | TR |
| | | Increase the transparency of the system of Aztr Bank of AH implementing regulation | NPL |
| Independent | Flow of credit | | FS |
| control | Return on total assets | | ROA |
| | Bank size | | SIZE |
| | Financial Leverage | | LEV |
| | Total return on equity | | ROE |

***Research hypotheses***

***Main research hypothesis***

Credit flow with bank transparency has a significant relationship.

***Research hypotheses***

The credit flow with the transparency of the banking system has a significant relationship with the quality of disclosure of the bank.

The flow of credit with the transparency of the banking system through the implementation of regulations has a significant relationship.

***Statistical population and statistical sample***

In this research, the statistical population includes all the banks accepted in Tehran Stock Exchange during the years 2012 to 2017, which are collected annually from the financial statements of the banks, and according to the limited number of samples, the information of the kidneys Banks admitted to the stock exchange in the research years in which their information was available is considered to be the total number of 9 banks, which are listed in Table 2:

**Table 2.** List of sample banks.

| | | |
|---|---|---|
| Ansar Bank | Mellat Bank | Bank of the Middle East Henin |
| Pasargad bank | Pars its banks | Non-bank politics |
| Saderat bank | Trade Bank | Bank of the new economy |

***Descriptive statistics of research variables***

In order to evaluate the basic and general characteristics of the variables, estimating the descriptive indexes of the variables is necessary to estimate and estimate the model (model) and their exact analysis. The descriptors of the data used in this study, including central indicators (such as the mean and the middle) and the standard deviation indexes and range of changes (this indicator is calculated with the difference of the smallest observation of the largest observation), using the IEEE software, Measured. With these specifications you can get an overview of the values of each of the variables. In this study, the descriptive indexes of the variables under consideration are shown in Table (3):

**Table 3.** Descriptive Indicators of Variables.

| Variable | Increase the transparency of the system through a bank that disclosure of the individual patient | Increase the transparency of the bank through system implementing regulation | Flow of credit | Financial Leverage | Bank size | Total asset yield | Total return on equity |
|---|---|---|---|---|---|---|---|
| Symbol | TR | NPL | FS | LEV | SIZE | ROA | ROE |
| Average | 0.382 | 0.082 | 0.139 | 0.929 | 08.948 | 0.0918 | 0.341 |
| Middle | 0.370 | 0.074 | 0.147 | 0.939 | 19.512 | 0.084 | 0.267 |
| Maximum | 0.608 | 0.171 | 0.381 | 0.968 | 21.245 | 0.337 | 0.796 |
| Minimum | 0.207 | 0.026 | -0.041 | 0.839 | 13.949 | -0.189 | -0.126 |
| Standard deviation | 0.135 | 0.041 | 0.106 | 0.030 | 2.068 | 0.110 | 0.428 |
| Elongation | 0.230 | 0.808 | 0.504 | -1.498 | -1.359 | 0.503 | -1.158 |
| Skidding | 1.628 | 2.658 | 3.250 | 5.208 | 3.918 | 3.250 | 4.406 |
| observations | 54 | 54 | 54 | 54 | 54 | 54 | 54 |

***Table 3 results***

1) The descriptive analysis of the dependent variable: Bank transparency as a dependent variable measured by the two indicators of the transparency of the banking system through the quality of bank disclosure and transparency of the banking system through the implementation of the regulations, which is the most average increase in the transparency of the banking system through The disclosure quality is about 0.382 and the median variable indicates that about half of the sample banks are above 0 370. The distribution of this variable has a positive slip and stiffness,

which indicates the density of observations on the left side of the scale and around the indicators of the central tendency of the measurement.

2) Independent variable descriptive analysis: Credit flow is an independent variable that has an average of 139. 0 which represents the average flow of credit of selected banks from Tehran Stock Exchange and the median variable indicates that about half of the banks The sample has a credit flow above 0.147. The distribution of this variable has a positive slip and stiffness, which indicates the density of observations on the left side of the scale and around the indicators of the central tendency of the measurement.

3) The descriptive analysis of the control variables: the size of the company, the return on assets, the financial leverage, and the total return on equity are the controlling variables.

4) Return on assets: Property returns are derived from the post-tax ratio to total assets. The average asset yields of about 0.91 represent the average returns of banks selected from the Tehran Stock Exchange, which is a large indication of the higher yields of Tehran Stock Exchange banks. The median variable indicates that about half of the sample banks have a yield of above 0.84. The distribution of this variable has a positive slip and stiffness, which indicates the density of observations on the left side of the scale and around the indicators of the central tendency of the measurement.

5) Bank size: The size of the company is derived from the natural logarithm of the total assets at the end of the year. The average size of the company with about 18.4848 indicates the average size of the bank, the banks selected from the Tehran Stock Exchange, which is bigger than the higher bank size of the Tehran Stock Exchange Banks. The median variable indicates that about half of the sample companies with firm size are above 19.512. The distribution of this variable has positive and negative stretch marks, which indicates the density of observations on the left side of the scale and around the indicators of the central tendency of the measurement.

6) Financial leverage: The financial leverage has been extracted from the division of the book value of the debt into the book value of the company's assets. The average financial leverage of about 0.929 indicates the financial leverage of the banks selected from the Tehran Stock Exchange, which is a large financial leverage of the Tehran Stock Exchange Banks. The median variable indicates that about half of the sample companies have a leverage of over 0.939. The distribution of this variable has positive and negative stretch marks, which indicates the density of observations on the left side of the scale and around the indicators of the central tendency of the measurement.

7) Total Return on Equity: The total return on equity is extracted from the dividend after deduction of tax on shareholders' equity. The average total return on equity with about 341% indicates the average return on equity of Tehran Stock Exchange banks, which is a large indication of the total return on equity of Tehran Stock Exchange Bonds. The median variable indicates that about half of the sample companies have capital expenditures of over 2.67. The distribution of this variable has positive and negative stretch marks, which indicates the density of observations on the left side of the scale and around the indicators of the central tendency of the measurement.

***Observations***

***Normal test of error sentences model of research hypotheses***

In order to select the right test for the analysis of the hypotheses, the statistical distribution of the regression model tested should first be ensured. For example, the need for parametric tests of normalization is the statistical distribution of the regression model waste. In general, parametric tests are generally based on mean and standard deviation. Now, if the distribution of society is not normal, there can be no inference of the results. The statistical distribution of the test is shown in Table 4:

Error sentences The research hypothesis model has a normal distribution: H0

Error sentences The research hypothesis model has no normal distribution: H1

**Table 4.** Results of the Normal Test of Error Words in the Research Hypotheses Model.

| Variable | Symbol | Jarek statistics - for | Perhaps statistic Jarek - for |
|---|---|---|---|
| Term error model assumptions First | Resid 1 | 5.616 | 0.060 |
| Term error model assumptions II | Resid 2 | 0.850 | 0.653 |

Since the probability of the jar statistic is more than 5% error rate, it can be concluded that the error sentences of the research hypothesis model have a normal distribution.

***Correlation and Linear Study of Research Variables***

**Table 5.** Pearson Correlation Test.

| Pearson correlation | | Increase of the transparency of the system of oppression Bank of Aztr the AH implementation of the provisions of | Increase of the transparency of the system of oppression Bank of through the law that the acidity of the disclosure | Flow of credit | Financial Leverage | Total asset yield | Total return on equity | Bank size |
|---|---|---|---|---|---|---|---|---|
| | | NPL | TR | FS | LEV | ROA | ROE | SIZE |
| NPL | Correlation | 1 | | | | | | |
| | You mean | | | | | | | |
| TR | Correlation | 0.08 | 1 | | | | | |
| | You mean | 0.12 | | | | | | |
| FS | Correlation | 0.0005 | 0.0004 | 1 | | | | |
| | You mean | 0.38 | 0.81 | | | | | |
| LEV | Correlation | 0.0002 | 1.18 | 1.35 | 1 | | | |
| | You mean | 0.22 | 0.00 | 0.00 | | | | |
| ROA | Correlation | -0.09 | 1.14 | 1.11 | -1.19 | | | |
| | Meaningful | 0.05 | 0.00 | 0.0006 | 0.00 | | | |
| ROE | Correlation | 0.0005 | -0.0001 | 0.004 | -0.0009 | 1.17 | 1 | |
| | You mean | 0.43 | 0.95 | 0.10 | 0.07 | 0.00 | | |
| SIZE | Correlation | -1.14 | 1 .11 | 1.13 | 1.10 | 1.66 | 1.11 | 1 |
| | You mean | 0.00 | 0.001 | 0.00 | 0.007 | 0.99 | 0.001 | |

***According to Table 5, we find that***

- There is a reverse and significant relationship between increasing the transparency of the banking system through the implementation of regulations with total return on assets.

- There is a reverse and significant relationship between increasing the transparency of the banking system through the implementation of bank-size regulations.

- There is a direct and significant relationship between increasing the transparency of the banking system through the disclosure quality by financial leverage.

- There is a direct and significant relationship between increasing the transparency of the banking system through the disclosure quality with the total return on assets.

- There is a direct and significant relationship between increasing the transparency of the banking system through disclosure quality with firm size.

- There is a direct and meaningful relationship between the flow of credit with the financial leverage.

- There is a direct and significant relationship between the credit flow and the total return on assets.

- There is a direct and meaningful relationship between the flow of credit with company size.

- There is a reverse and meaningful relationship between the financial leverage and the total return on assets.

- There is a direct and significant relationship between the financial leverage and the total return on equity.

- There is a direct and significant relationship between a financial leverage with a bank size.

- There is a direct and significant relationship between the total return on assets with total return on equity.

- There is a direct and significant relationship between the total return on equity of banks.

- In the remaining cases, no meaningful relationship was found.

***Fit Pattern Selection Test***

Given the literature available and the nature of research hypotheses in this study, hybrid data has been used. In order to determine the appropriate model (fusion or panel with fixed or random effects), Chow and Hausman tests have been used to test the hypotheses.

***A) Chow test***

The results of the test for the regression model of the present study are shown in Table 5. The assumption of zero and the opposite assumption for the Chow test are as follows:

Ho: The method of compilation data

H1: The method of panel data

**Table 6.** Chow test.

| Regression model | The statistics | Possibility | Test result | |
|---|---|---|---|---|
| First sub | 31.335 | 0.000 | Reject zero assumption | Panel model |
| Second sub | 5.027 | 0.00 0 | Reject zero assumption | Panel model |

According to Table 6, in the case of the first and second sub-models, the hypothesis (integrated model) does not confirm with regard to the significance level of the results of the chow test. In other words, there are individual or group effects. Panel data should be used to estimate the regression model of the research. The Hunsman test is used to determine the type of panel model (with random effects or constant effects).

***B) Hausman test***

After determining that the width of the source is not the same for different years, the method used to estimate the model (fixed or random effects) should be determined, which is used for the Hausman test. The assumption of zero and the opposite assumption for the Hausman test is as follows:

Ho: Random effects method

H1: Fixed effects method

The summary of the results of the Hausman test is presented in Table 7 below:

**Table 7.** Hausman test.

| Regression model | Chi-square statistics | Possibility | Test result | |
|---|---|---|---|---|
| First sub | 8.3700 | 0.000 | Reject zero assumption | Panel with fixed effects |
| Second sub | 37.8292 | 0.000 | Reject zero assumption | Panel with fixed effects |

The results of the Hausman test for the first and second sub models are shown in Table 7. The results show that the Chi-square test of Hausman test for two at the 95% confidence level is significant, which confirms the hypothesis, therefore, with respect to Ammon Husman, the fitting of the first and second sub-regression models of this study using The panel data model will be static in the effects method.

***Test of research hypotheses***

After reviewing the classical assumptions, we will continue to examine the hypothesis testing of the research and, given the results and regression coefficients, we will summarize the results.

***The main hypothesis***

Credit flow with bank transparency has a significant relationship.

***Sub-assumptions***

1) Credit flow through transparency of the banking system has a significant relationship with the quality of disclosure of the bank.

2) Credit flow through the transparency of the banking system through the implementation of regulations has a significant relationship.

***Testing the first hypothesis***

¬ The credit flow through the transparency of the banking system has a significant relationship with the quality of disclosure of the bank.

**Table 8.** Regression Model of Fixed Effects First Research Sub-hypothesis.

| Dependent variable : Increase of the transparency of the system of oppression Bank of through the law that the acidity of the disclosure | | | Variable : TR | | |
|---|---|---|---|---|---|
| Regression Model : Multivariate Linear | | | Type : Combined | | |
| Sections ( number): 9 | Period (the number): 6 | | Views: 54 | | |
| Variable names | Symbol | Coefficient of regression | Tare | Significance level | Test result |
| Constant | C | -2.326 | -4.758 | 0.000 | - |

| | | | | | |
|---|---|---|---|---|---|
| *Flow of credit* | FS | 0.076 | 1.940 | 0.072 | Reject |
| Bank size | SIZE | 0.068 | 4.246 | 0.000 | Confirmation |
| Total asset yield | ROA | 15.449 | 14.798 | 0.000 | Confirmation |
| *Financial Leverage* | LEV | 1.043 | 2.344 | 0.024 | Confirmation |
| Total return on equity | ROE | 0.019 | 0.112 | 0.91 | Reject |
| Adjusted coefficient of determination | The coefficient of determination | Watson Camera | | F statistics | Probability of F statistics |
| 0.346 | 0.397 | 1.646 | | 91.007 | 0.000 |

***Based on the results of Table 8, we find that***

⎫ The coefficient of validity of the credit flow variable (0.772) is more than the error level of 5%. Therefore, the first hypothesis of the research is not confirmed at 95% confidence level. As a result, the validity of credit with transparency does not have a significant relationship with the banking disclosure quality.

✓ Bank size, total asset returns, financial leverage on increasing the transparency of the banking system through the disclosure quality has a significant effect, because their significant coefficients (0.00), (0.000), (0.024) are less than the error level of 5 % Is.

- Based on the modified model of the model, about 34% of the changes in the transparency of the banking system through disclosure quality are explained by the effect of the control variables. -Given the fact that the camera test statistic (W) is (646.1) in the optimal range of 0 to 4, the assumption of self-correlation between the variables is rejected.

- Since the probability of the F (0.000) test is less than the error level of 5%, the appropriateness of the regression is significant.

***Examining the second hypothesis***

- The flow of credit with the transparency of the banking system through the implementation of the rules has a significant relationship.

**Table 9.** Regression Model of Fixed Effects Second Research Sub-hypothesis
Dependent variable: Increasing the transparency of the banking system through the implementation of variable symbol rules: NPL
Regression Model: Multivariate Linear Type: Combined
Grades (number): 9 Courses (Number): 6 Views: 54

| | | | | | |
|---|---|---|---|---|---|
| Dependent variable : Increase of the transparency of the system of oppression Bank of Aztr the AH implementation of the provisions of | | | Variable variable : NPL | | |
| Regression Model : Multivariate Linear | | | Type : Combined | | |
| Sections ( number ): 9 | Period (the number) : 6 | | observationsk: 54 | | |
| Variable names | Symbol | Coefficient of regression | Tare | Significance level | Test result |
| Constant | C | 0.178 | 6.554 | 0.000 | - |
| *Flow of credit* | FS | 0.001 | 0.267 | 0.790 | Reject |
| Bank size | SIZE | -0.006 | -4.872 | 0.000 | Confirmation |
| Total asset yield | ROA | -0.012 | -0.540 | 0.591 | Reject |
| *Financial Leverage* | LEV | -0.057 | -1.695 | 0.097 | Reject |
| Total return on equity | ROE | 0.053 | -9.573 | 0.000 | Confirmation |
| Adjusted coefficient of determination | The coefficient of determination | Watson Camera | | F statistics | Probability of F statistics |
| 0.339 | 0.354 | 1.958 | | 63.971 | 0.000 |

***Based on the results of Table 9, we find that***

⎫ The coefficient of significance of the credit flow variable (0.790) is more than the error level of 5%. Therefore, the second hypothesis of the research is not confirmed at the 95% confidence level. As a result, the credit flow with the transparency of the banking system is not significantly related to the implementation of the regulations.

✓ Bank size, total return on total equity of banking system has a significant effect on the transparency of the banking system, because their significant coefficients (0.00), (0.000) are less than 5% error rate.

⎱ Based on the adjusted modulus of the model, about 33% of the changes in the transparency of the banking system through the implementation of regulations are explained by the effect of control variables.

⎱ Given that the camera test statistic - Watson (954.1) is in the optimal range of 0 to 4, the assumption of self-correlation between the variables is rejected.

⎱ Since the probability of the F (0.000) test is less than the error level of 5%, the appropriateness of the regression is significant.

## Results

The observation of this study reflects the fact that credit flows do not have a strong and high-quality relationship with the disclosure of the bank.

The results of the study showed that the transparency index of expected observations would be more effective in improving transparency and raising the disclosure level of the bank on variables such as corporate size, financial leverage, and return on assets, through transparency, accountability and information in response to community expectations. The central bank is recognized as the most important financial observer in most countries of the world, but information transparency enhancement is not expected to increase the bank's commitments to deal with credit cuts. Comparing the results of this study with other previous studies shows that transparency of Central Bank data, It increases the performance of banks and is a key tool in management. Today, increased transparency and accountability lead to increased accountability and increased accountability will also improve the performance of financial institutions.

On the other hand, the flow of credit is not linked to the transparency of the banking system through the implementation of regulations, increasing the transparency of the bank is usually provided as regulations of the banking center, but it is expected to affect other variables and improving the transparency index in different aspects of company size, leverage Financial and total equity returns will be effective, and raising the funds will not reduce or increase the available resources of banks and current regulations to increase transparency. This is due to the fact that credits play a significant role in financing, and the application of a proper policy and regulations to the conditions of the economy will not succeed without leading it in the right direction.

***Conflict of interest***

The authors declare no conflict of interest

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