



**“IMPACT OF CORPORATE GOVERNANCE  
ON FIRM PERFORMANCE”**

**A VIEW ON TEXTILE INDUSTRY OF PAKISTAN**

A Thesis submitted to Department of Management Sciences in  
partial fulfillment of the requirement for the MBA degree

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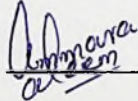
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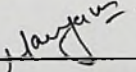
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## ABSTRACT

**Purpose-** *Major Aim of this study was to evaluate the impact of corporate governance attributes on the firm performance in Textile Industry of Pakistan. Importance of corporate governance practices in order to increase the value and performance of the firm is caught into and prompted researcher to conduct this study. There has been less research conducted in Pakistan about Corporate Governance.*

**Methodology/sample-** *The study involved use of financial data of 30 listed textile mills for the period of 2009-13 for financial analysis. To analyze the data, Ordinary Least Square of Regression and Correlation tests were applied. Descriptive statistics has been used which shows the averages of each variable.*

**Findings-** *The analysis shows that although corporate governance structure in Pakistan is not well developed as compare to other developed countries. As it has impact on the performance of the corporations. Measurement used for performance is ROA and independent variables are CEO duality, board size, board independence, insider ownership, number of meetings and sales growth. The results achieved suggest that CEO duality is negatively related with performance and it is statistically significant which shows that CEO performing as a Chairman simultaneously can hinder the performance. Board size and board independence are positively related and statistically insignificant. Insider ownership is positively related to firm performance and it is statistically significant. Number of meetings is negatively related with performance and it is statistically insignificant. Sales growth is positively related and statistically significant.*

**Practical Implications-** *The outcomes of the research might help the corporate decision makers, government policy formulators and other related quarters to understand the impact of corporate governance attributes on the performance of Textile corporations in Pakistan.*

**Keywords:** Corporate Governance, Performance, Textile Sector, Karachi Stock Exchange.

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