

**Impact of Corporate Governance Indicators on Firm  
Performance: Evidence from Pakistan Stock Exchange**



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A Post Graduate Thesis submitted to the Department of Management Sciences as fulfillment of the requirement for the award of Degree of

**Masters in Finance**

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## **ABSTRACT**

The aim of this research was to examine the impact of corporate governance indicators on firm performance in Pakistan Stock Exchange. Previous literature reviews presented in the study found that corporate governance are successful in improving firm's performance. In this research work, for empirical analysis a data series of firms excluding financial sector of Pakistan Stock Exchange (PSX) listed companies as used by Marashdeh in 2014. The dataset is starting from 2007 and ending 2015. There are more than 700 firms that are listed with Pakistan Stock Exchange, out of which 90 numbers of firms are selected for analysis on the availability of data. Moreover, firms that belong to financial sectors are excluded from this analysis as they may influence the results. Panel data analysis was conducted to examine the impact of corporate governance indicators on firm performance. ROA and ROE were used to determine the performance of the firm. Board size, Independence of audit committee, CEO duality and ownership structure were used as corporate governance indicators overall result of study was positive and significantly impacted firm performance. The study findings were that corporate governance indicators have a positive and statistically significant relationship with the performance of the firm.

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