ABSTRACT

Corporate governance is a set of mechanisms being made for a company to perform better. It is basically a tool through which companies are directed and monitored It is related to corporate entity dealing with the financial and other controls that completely explain the relationship between the management, board of directors and stake holders. Corporate governance and firm's performance has become an emerging topic of debate for many developing and developed countries. In the recent era, the demand of emphasis on corporate governance is a consequence of poor governance and critically low internal control. It pays more emphasis on stakeholders as they involve in the business of public reliability so corporate governance should clarify the rule, regulations, responsibilities, and accountability within the organization. This study is all about the impact of corporate governance and firm's performance on the financial and non-financial companies. Many researchers have studied the impact of financial and non-financial companies separately but this study is revolving around the comparison of both sectors. By applying the statistical tests and models, it has been concluded that the financial and non-financial companies follow corporate governance but the extent of following the rules may differ with respect to the variables taken under consideration.

Keywords: Corporate Governance, Firm's Performance, Financial Firms, Non-financial firms