Title

# The Implications of Good Governance in Corporate sector
# A Case Study of Bank of Khyber

Principle Author/Corresponding

Given Name Dr. Habib ur Rahman, Family Name, Dr. Habib ur Rahman,
Email: hod.ba@suit.edu.pk
Cell+92-300-5872937
Phone+92-91-5846508-9

Affiliation Address: Sarhad University of Science and Information Technology,

36 B, Chinar Road University Town, Peshawar,

Khyber PukhtunKhwa, Pakistan

ISSN 2229-5518

# The Implications of Good Governance in Corporate sector

## A Case Study of Bank of Khyber

**Abstract:**

With ever expansion in the corporate sector, the risk of under utilization as well as misuse of resources increased manifold which phenomena attracted the attention of the business managers and company tycoons to manage the hazards and prevent the crisis from happening. This paper focuses on the root cause of mismanagement and its consequences on the operational results of the organization. It discusses the role of the organizational hierarchy, its exposure to accountability and all time auditability of the operational results of the organization which event alone can ensure the flawless conduct of successful business the paper explores in detail the ingredients of better management via good governance. It elaborates the concept of Good Governance for the purpose of better results by explaining the implication of loose control or for that matter ineffective checks and lack of regulatory instruments. Explaining the case study of local Bank it concludes that under Good Governance and with effective management the organizations have always succeeded in achieving their goals.

Strong force of profit motive in conflict with goal of social wellbeing of the masses put the Statesmen as well as the business managers in a deep thinking pond. They are now required to achieve the only goal of maximizing the overall wellbeing of the society. They have either to concentrate on the public utilities through development of Social Over Head Capital or creating surpluses for taxation and funds for welfare dispersal. Neither today's State nor industrial unit is absolved of its corporate social responsibilities. Hence the running of the business machinery for its requisite output needs to be properly organized and operated upon for ensuring the achievement of State goal along with meeting the expectation of the stakeholders

**Key Words:** Good Governance, organizational attribute, policy framework and implementation, Characteristics and role of management.

**Research Methodology:** Book Study of literature on Good Governance, literature on the subject through electronic system. Annual reports of Bank of Khyber from 1995 to 2012. Information through a questionnaire

**Hypothesis:** 1. Management through Good Governance results in better performance.

2. Increase in the No. of Branches promotes banking business.

## Introduction

### Governance

Governance is a process of running the affairs of an institution or for that matter of a state with an objective to ensure rights to the stake holders or citizens of the state with in the approved statute. The concept of Governance denotes the established administrative practices which focus on acquiring the resources and directing them towards the use which ensures maximum utility to the population associated with that particular State or institution. For securing maximum utility out of the resources needs setting priorities in terms of ground realities. It is, however, of utmost importance that any action plan must operate within the prescribed dimensions, norms and values. Any violation of the law/rules in vogue or deviation from common norms of the business results in deprivation and ultimately leads to frustration and revolt. It has, therefore, now become vital responsibility of the administrative hierarchy to ensure that process runs along the alignments and any trespass resulting in violation of rules and regulations is timely controlled and activities redirected through various check and balancing measures.
“The concept of "governance" is not new. It is as old as human civilization. Simply put "governance" means: *the process of decision-making and the process by which decisions are implemented (or not implemented)*. The term Governance can be used in several contexts such as corporate governance, international governance, national governance and local governance.”[1]

### Good Governance

The concept of Good Governance denotes a process of policy formulation and execution/implementation of the schemes or programs of goal achievement with all honesty, diligence and dedication so as the end results conform to the predetermined objectives. In good governance the activities carried out become transparent and open to every audit / inspection, verification and the implementing hands ready for accountability. The entire process basically rests on the strong foundations of sincerity, loyalty to the institution which phenomena renders the activities immune from every kind of injustice, fraud, corruption and misappropriation emerging out of favoritism or for that matter self / vested interests.

Empirically the idea materializes only when it functions in a knowledge society with developed human resource ready to undertake the responsibility of regular monitoring and reporting for timely correction of the activities not commensurate with the rules of business already embodied for a specific area of operation. It is because of the reasons that various change agents both individual and institutions are groomed up to accommodate themselves according to the situational requirements. Here sense of patriotism on the one hand and hanging hammer of punitive action on the other hand keeps the machinery function within the dimensions already drawn.

For positive results man and machine must operate together. The formulation of policy is in no way an end. It is infact means to achieve ends. Ends lie in the honest implementation of the policies. This gigantic task is tackled by the men at helm of affairs. So when ever Good Governance is discussed, it is the authority responsible for implementation which attracts the attention and success or otherwise is attributed to the very man in authority.
While discussing the concept of Good Governance the foremost important thing comes for consideration is the formulation of policy which lays foundation for the entire superstructure of the building. It is here that a set of guidelines are drawn and over all dimensions are determined which helps in making decision through out the organization It, therefore, becomes incumbent upon the executing agents to operate only within these parameters. Any activity carried out beyond these parameters does not receive approval rather attracts punitive actions. Policy formulation itself is a highly skilled job and needs substantial spade work. Long experiences and deep observation of the events happening in the area or past operational results of the organization needs to be properly taken care of while formulating policy.

A scientific study of the existing situation and anticipated issues which are likely to crop up be the basis for selecting policy ingredients. Policy should be goal oriented and must take into account the realities which necessitated the formulation of policy. Therefore, its implementation may also be in letter and spirit . It should not be writing on paper. Rather its implementation be the top priority. A policy to be worth implementation and effective enough to serve the purpose for which it is being launched must be with;

1. Clarity: It must draw clear lines within which the organization is supposed to operate. Any vague or dubious character will leave loopholes which will subsequently be misused by the men in authority.

2. Specific: The policy objectives must be defined and the areas be covered must be demarcated so that any deviation can be timely identified for immediate correction.

3. Implementation: The most significant aspect of a policy is its method of implementation. The execution of schemes of operation, if left at the discretion of the men at the helm of affairs, will definitely result in fulfillment of vested interest and defeat the purpose for which a policy has been formulated.

4. Authority: Delegation of powers and Determination of responsibility is a difficult task. Identifying person of caliber with proven integrity is purely a matter of sincerity to the cause. It is not the expertise alone which ensure success of the policy but equally important is the loyalty to the institution which element ultimately leads to the successes of the policy. It is, therefore, imperative that the person authorized for the implementation of the policy must clearly be defined with designation, limit of the powers and mode of exercising such authority. No provision allowed for discretionary powers otherwise the vested interest may dominate and defeat the objectives. In matter of financial transactions the drawing and disbursing powers be jointly exercised by peerage so that the chances of abuse of powers can be minimized.

5. Transparency: All activities being undertaken and the process through which these activities are passed be transparent so that any deviation from the set path is easily and immediately identified and corrected before it creates cumulative effects. Defined authority and predetermined responsibility facilitates the surprise inspection or audit and helps in regulating the activities to right direction before it results in deterioration.



6. Accountability: Every activity disregarding the nature of transactions needs to be verified with the criteria laid down for a particular transaction and its legitimacy be ascertained so that any activity not proving the standard be checked before it is carried out. Whimsical decisions and orders passed without legitimate authority may not be allowed to be implemented. Perpetual inspection and regular audits helps in identifying the grey areas but implementation of audit reports is infact most for aiming the instrument of accountability towards hands going astray. Timely unbiased impartial action saves the situation from deterioration and distortion of the procedure.

The policy implementing agents, therefore, be open to accountability disregarding the rank and rapport.

1. Implementation of decisions is a team work and requires a group of people - expert in their own field of operation. To identify and select really genuine and suitable persons is the job of leader who will get the results achieved in accordance with the pre-specified objectives. It is here that mistakes committed becomes cumulative and turn the entire efforts a futile exercise. Generally observed that favoritism prevails which deprives the genuine persons of the opportunity and the persons deployed fail to deliver due to lack of requisite expertise
2. Working in contravention of the policy framework or violation of rules and regulation reflects malafide intention, consequently bringing mishaps and losses to be sustained by the organization or State. It is here that these acts are termed as actions ultra vires and beyond jurisdiction. The driving force behind such actions has always been found in vested interest. Loyalty and patriotism rejuvenate the will of the statesmen or leader and team in the corporate sector.

a) Intelligence:
The cognitive quality of a person, the ability to perceive and transform ideas into reality. The characteristics which enables a person not only observe derive inferences decide an action plan but also implement the decision so made to achieve the goal.

b) Boldness:
The leader must be in possession of the qualities of initiative and risk taking.
Both in decision making and implementing the decision by the higher hierarchy ta host of risks are involved which often turn the implementation process a total failure

c) Honesty:
It is part and parcel of the good conduct. The rare quality but core of the success as it elevates mankind to its zenith. An unblemished track record and meritorious services rendered in the past establishes a man in the community of business tycoons or galaxy of statesmen. The quality adds value to the and determines integrity in the circle around.
Dr. Muhammad Iqbal , the great thinker - a sage of the age has rightly encompassed the leader in his poetic stanza translated in the following verse
*"Imagination soaring, speech heart inspiring and soul ever searching are indeed the qualities of the leader of men"*.

**Policy formulation and approval**

Focusing on the Corporate Governance, team consists on various functional layers which form organizational hierarchy. Figure No. 1 depicts a contour of the bodies who act to set guidelines, test the guidelines on the criteria of rules and law of land and finally deploy and help the human resources to implement the decisions which are part of the policy.

A.C. Fernando, the exponent of Agency Theory , in his work on Corporate Governance had observed many times the objective are not achieved because the objective of the manager are at variance from those of the stakeholders. Such a situation he called an"Agency Problem". [2]
Pakistan Steel Mills is a largest steel manufacturing unit in Pakistan which gad commenced its operations in 1985. It was a very profitable unit because of monopolist status in case of a number of products. Unfortunately the loose administrative control during the period from 1989 to 1999 facilitated political interference which besides other implications resulted in large corruption at all levels. The situation further deteriorated when Mr. Usman Farooqui took over as Chairman of Pakistan Steel Mills. Consequently the Mills went into heavy losses and even failed to repay the debt.
Consequently the books of the Mills at end of fiscal year 1999 recorded accumulation of Pk.Rs.19.1 billions (US$ 318 million), as long term local currency commercial debt. (US$ 318 million), including outstanding principal amount of Pak Rs. 11.3 billion (US$ 189 million). The Mills could not pay even the accrued interest and other financial charges of Pak Rs. 7.7 billion (US$129 million). [5]

It, therefore, necessitates the surveillance and check on the activities for regulating them in line with statutory as well as policy frame work. The fall of Baring Brothers &company in U.K proved eye opener for those who support management role in Good Corporate Governance.
Barings Bank (1762 to 1995) The oldest merchant bank founded inn London in 1762 by German-origin Baring family[1]. The bank continued operating for more than a century ultimately collapsed in 1995 due to imprudent business dealings without any audit and check by Nick Leeson, one of its chief executive posted in Singapore. The business lost £827 million ($1.3 billion) due to speculative trading and Futures Contracts at the bank's Singapore office [4]

Nick Leeson was crafty enough to avail the powers of a senior executive in the organization, began striking bargains of billions of dollars put at a stake in the business of *FUTURES*, SWAPS and *OPTIONS.* During 1994, Leeson recorded false profit of GBP 28.5MM.. He thus succeeded in ensuring employees fabulous bonuses that year. And corollary, Leeson was viewed as a star trader who was not to be interfered with.

Non of the executives in Baring Brothers &company ever cared for the activities of Leeson who had since began using fictitious Account No.88888 to hide some losses which eventually resulted in the collapse of the *Baring Brothers Bank* [3]

Mehran bank was established in Pakistan on 31st October, 1991 as a public limited company paid up capital was Rs 300 million (US $ 10 million)and began its formal operations from 22nd January, 1992 as ”Scheduled Bank”
And branch network at Karachi, Lahore, Mirpurkhas, Peshawar, Quetta and Rawalpindi r.
Mr.Yunus Habib was appointed as First Chief Executive Officer of the Bank who was accused of having misappropriated nearly five billion rupees, subsequently used for donations to politicians and other agencies as well as Prime Minister. He was also convicted in Dollar Bearers certificates (DBC’s) fraud amounting to148.5 million as SEVP of HBL
Mehran Bank was given $40 million worth Dollar Bearer Bonds for sale. He had admitted that out of $36.7 million being the sale proceeds of Dollars Bearers Bonds he had paid $20 million to intelligence agency of the country and left over amount was used to meet the pressing obligations where as the proceeds from the DBCs had to be deposited with State Bank within 72 hours of the sale. However, he did not meet this deadline [15]. In fact, he never deposited the money at all. He was arrested on a complaint by the SBP for committing misappropriation in the sale proceeds of Dollar Bearer Certificates (DBCs) to the tune of $36.7 million. He was arrested on a complaint by the SBP for committing misappropriation in the sale proceeds of Dollar Bearer Certificates (DBCs) to the tune of $36.7 million.
The regulatory could not monitor for one reason or the other. The Mehran Bank Collapsed.. In 1995, Mehran Bank’was merged with National Bank In 1996 the NBP had to make provision of Rs 1.26 billion for Mehran Bank's liabilities. [6]

.

**The Bank of Khyber, Peshawar**

The Bank of Khyber was incorporated in the year 1991 as a public sector Provincial Commercial Banking entity and was subsequently allowed to operate as scheduled bank by the year 1994. Since its inception the bank was headed by Managing Director hired from Agricultural Development Bank. Being a development banker he could run the bank only on lines commensurate with his expertise. Commercial banking has its own mechanism and needs a different temperament. Commercial bankers unlike development bankers mainly focus on income generation and, therefore, strive hard to increase the quantum of business by securing maximum deposits and disbursing quality finances. The Bank could not grow and consequently in spite of being a Commercial Bank its No. of branches did not exceed 29 till December, 2005.
Being a public sector entity it suffered from continuous political interference and intervention. This caused frequent changes of charge. The management instability led to constant performance. Least interested management and poor performance put the bank at rear legs. Frequent change of charge was one of the causes of non continuation of business policies and resultantly slows growth. The policy itself has never been the solution of business ills.

.

The slow growth in Bank of Khyber can in one way be attributed to lack of professionalism and inability to sustain political pressure which phenomena led to excessive staffing and impudent lending. The Bank resultantly faced difficulty in maintaining quality of advances and huge amount of provision had to be made to reflect true financial picture in the balance sheets.
A comparison of the business results of the period from 1995 -2011 revealed by the following table No.1 gives us a picture of the growth rate which is highly encouraging and worth appreciation under the present cut throat market competition.

**Table No.1**
**The Bank of Khyber at a Glance** **(Amount in millions Rs)**

| Liabilities | 1995 | 2005 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | % change in the year 2012 over the figures of 2007 |
|---|---|---|---|---|---|---|---|---|---|
| Authorized Capital | 1000 | 2500 | 8000 | 8000 | 8000 | 8000 | 10,000 | 10,000 | 25 |
| Paid up/Share Deposit Money by Govt. of KPK | 245 | 1,231 | 4,002 | 4,002 | 5,004 | 5004 | 8228 | 9001 | 124.9 |
| Reserves | 135 | 884 | 1323 | 1,436 | 435 | 548 | 722 | 937 | -29.2 |
| Deposits | 3677 | 17,452 | 21,410 | 24,732 | 26,285 | 36,981 | 45,548 | 60,043 | 180.4 |
| Borrowing from others | | | | | | | | | |
| Banking/Companies | 72 | 4,374 | 1,321 | 910 | 5,147 | 2,894 | 10,390 | 7,420 | 461.7 |
| Profit after taxation | 12 | 287 | 213 | 137 | (637) | 563 | 872 | 1,075 | 390.8 |
| Property/Assets | | | | | | | | | |
| Balance with other banks | 713 | 1,050 | 3,728 | 3,362 | 2,403 | 1501 | 1527 | 1,649 | -55.8 |
| Investment | 1,638 | 7,623 | 8,945 | | 17,925 | 19,852 | 36,684 | 45,671 | 410.6 |
| Advances | 1,038 | 10,512 | 10,085 | 12,643 | 11,835 | 18238 | 22287 | 26,692 | 164.6 % |
| Non performing advances | 0 | 2,869 | 2,301 | 3,331 | 4457 | 4088 | 3939 | 4,335 | 88.4 % |
| Provision against non Performance advances | 0 | 1,542 | 2006 | 2,261 | 2973 | 3025 | 2989 | 3,008 | 49.9 |
| Return on Equity | 0 | 11.30% | 5.121% | 2.44 | -12.04% | 10.00% | 9.00% | 10 % | 95.3 |
| No. of Employees<br>1. Permanent<br>2. Contractual<br>3. Daily wager<br><br>Total | | <br>370<br>-<br><br><br>370- | <br>339<br>159<br>162<br><br>660 | <br>376<br>154<br>156<br><br>686 | <br>637<br>119<br>6<br><br>762 | <br>795<br>492<br>2<br><br>1289 | <br>890<br>492<br>5<br><br>1384 | <br>927<br>501<br>2<br><br>1430 | <br>173.4<br>215<br>-98.8<br><br>116.7 |
| No. of Branches | | 29 | 33 | | 46 | 57 | 70 | 77 | 133.3 |

From the above table it transpires that the bank growth took momentum from the year 2009. Till 2007 there is little growth in the business and one reason being limited number of branches with restricted clientele. Bank is infact directly dependent on deposits and these deposits can be secured with the help of branch net work. The increase in the no. of branches leads to larger extent to depositor as well as the borrowers who eventually avail these surpluses for reinvesting into the economic process. With increased quantum of deposits the bank has resources to lend and earn income, the primary objective of a commercial organization. The sufficient liquidity enables the bank to further generate revenue by disbursing quality finances. It is the lending alone which results in the success of the banking unit but it is the quality of finances which determines the future course of business of the bank . A prudent banker always focus on increasing of profitability which is possible only through securing fresh deposits and making advances thereof. The increase in deposits is possible only when the No. of clientele is increased. To achieve this objective the increase in No. of branches has always been imperative. The present management as matter of policy made an initiative and adopted the measures for opening new branches across the country. The table Above tells that the branch network has increased at a very fast speed during the period from 2008 to 2011 as the No. of braches rose 70 at the end of the year 2011 against 33 branches opened up to 2007 since its inception in 1992.During the year 2008 seven more branches were opened. The increase in the No. of branches directly affected the business of the Bank. The impact can be witnessed from the overall business and consequent profitability. The growth rate of deposits in the Bank of Khyber during the period of ten years i.e from 1995 to 2005 is worked out at 374.62% which on average comes to be 37.46 % per annum. The rate of increase in deposit during the subsequent two years i,e from 2005 to 2007 is 22.68% or 11.34 % per annum. The portfolio, however, rapidly grew from Rs.21410/= million as on Dec.2007 to Rs.45548/=millions at the end of year 2011 evidencing an increase of 112.74 % during a period of three years and records an average growth of 37.58 % annually. The growth rate during the year 2012 is worth appreciation because the deposit rose to Rs.60043/= millions recording a growth rate of 31.82%. The availability of surplus liquidity has enabled the management to increase the financing. The disbursement of finances grew from Rs.10085/= millions in 2007 to Rs.22287/= millions in December,2011 which is 30.5 % per annum on average. Period prior to the existing management ostensibly shows a big rise Rs.9047 millions However while computed mathematically the increase during a period of twelve years from 1995 to 2007 it transpires that the additional quantum of finances/advances stood at Rs.9047/= millions but when worked out on average it is hardly 7.539% per annum. The advances increased from Rs.22287/=at the end of year 2011 to Rs.26692/millions at the close of 2012 which shows a rise 19.76 % during one year.

The rise in investment has been of much larger scale during the period of incumbency of the present Chief Executive. Evident from the above table the banks investment portfolio rose from Rs.8945/= millions in 2007 to Rs.36684/= millions with an increase of Rs.27730/= millions at the end of December,2011 representing a growth rate of 69% per annum on average compared to increase of Rs.7307/= millions or average increase of 6% per annum for the period the period from 1995 to 2007. This portfolio also witnessed a growth by 24.50 % in the year 2012 because the investment level rose Rs.45671/= millions.

The increase in business gave a momentum to over all growth of the Organization. Boost in deposits allowed for making further advances and investments and widened revenue generation sources thus leading to augmented profitability in spite of increased provisioning for non performing asset and advances portfolio which ultimately led to reclassify the advances. Strict regulatory measures resulted in re-visiting the advances portfolio warranted further provision in because of in sufficient cushion made by the past management. As seen from Table I, the provision had to increase from Rs.2006.00 millions in the year 2007 to Rs.2973.00 millions and Rs.3025.00 millions for the year 2009 and 2010 respectively.

Consequently the infected portfolio was further adding pressure on the profitability of the Bank because the bad debts rose from Rs.2301.00 millions in 2007 to Rs.4457.00 millions in month of Dec.2009. Though this amount fell to Rs.4088.00 millions in Dec.2010 but provision for non performance loans rose to Rs.3025.00 millions against Rs.2973/= millions reported for the year 2009. This was imperative for providing requisite cushion against bad debt which was previously not provided for sufficiently.

The quantum of non performing assets subsequently fell to Rs.3939.00 millions at the end of Dec.2011 and so decreased the amount of provisions which though also fell to Rs.2989.00 millions which is 75.88 % of infected portfolio and is lower as compared to the year 2007 when it was 87%. To bring the classified in the tight orbit of prudential regulation the further provisions had been made during the year 2012 raising the total quantum to Rs.4335.00 millions. The rise in the non performing loans is only 10 %

Profitability is the most significant measuring rod for assessing the performance of a commercial organization. The Bank of Khyber has succeeded in achieving the objective

The Bank , after strictly following the Prudential Regulation, scrutinized re-assessed the quality of outstanding advances which process incidentally added to the bad debts column but simultaneously made substantial provision for meeting the statutory requirement .By adopting the strict measures it had to set aside a large amount of Rs.2989.00 millions for the year 2011 as provision but it still earned profit to the tune of Rs.872.00 millions which was the highest profit ever earned by the bank. The increase in deposits and subsequent increase in the quality advances and investment gave rapid momentum to the profit of the bank and recorded a growth rate

of 23.82% by earning net profit of Rs.1075/= millions during last accounting year of 2012. The rise in deposit is the direct result of enlarged network which facilitated the banking services at the door step of the general public. The increase in No. of branches expanded the scope for employment of additional workforce, thus facilitating the job opportunities to additional job seekers. The No. of employees increased from 660 in the year 2007 to 1430 by the end of year 2012. As a result of expansion in business the bank offered additional jobs to 770 persons thus enabling the management to shoulder its corporate social responsibility as well.
With a view to know whether the growth is actually the result of good governance which sprang out of the change in management, a sample inquiry was conducted. A questionnaire was got responded by a sample group of two hundred officers/employees of the Bank of Khyber in the following ratio.

Table No.2: Composition of sample

| | | |
|---|---|---|
| Executives | 10 % | 20 |
| Officers | 70% | 140 |
| Employees | 20% | 40 |
| Total | 100% | 200 |

To arrive at more reliable results sample was again divided into two sub groups. Seventy five percent prospective respondents were chosen from the urban branches and offices located in Peshawar and adjacent area while twenty five percent of the samples were selected from the upcountry braches and offices.
Questionnaire was distributed among the targeted groups. The responses received have been tabulated in table No.3 below.



Table No.3

Summary of the answers—Growth in business of Bank of Khyber

| S. No. | Question | No. of Answers | | |
|---|---|---|---|---|
| | | YES | NO | Do not Know |
| 1 | Do you think there are positive changes in the performance of Bank of Khyber? | 180 | 11 | 9 |
| 2 | Are you sure that Bank of Khyber has achieved unprecedented growth/ | 192 | 0 | 8 |
| 3 | Is this growth due to Good Management? | 178 | 10 | 12 |
| 4 | Do you think management could achieve growth due to policy change? | 175 | 17 | 8 |
| 5 | Did expansion in branch network increased deposits/advances? | 190 | 0 | 10 |
| 6 | Did bank earned more profit due better fund management? | 185 | 10 | 5 |
| 7 | Could Bank of Khyber discharge corporate social responsibility? | 160 | 0 | 40 |
| 8 | Is this performance due to better service to customers? | 187 | 10 | 3 |
| 9 | Did the existing clientele add to the corporate image of the Bank? | 175 | 17 | 8 |
| 10 | Are you satisfied with customer's facilitation at outlets | 198 | 0 | 2 |

Out of a total 200 questionnaires 91% answers verified the hypothesis that the unprecedented growth in Bank of Khyber was achieved due to increase in branch net work which helped in expanding the business.
The branch expansion was primarily meant to access the maximum No; of clients. This was infact the core of changed Bank Policy which stemmed from the era of Good Governance.

References:


1. Barings Bank', *en.wikipedia.org,* Accessed: 11-09-2012, Source: from: http://www.en.wkikpedia.org/wiki/Barings Bank.[4]
2. 'Failure of Corporate Governance @ Mehran Bank limited', *Failure of Corporate Governance @ Mehran Bank limited,* Accessed: 11-10-2012, Source: from: http://saicon2011.ciitlahore.edu.pk.[7]
3. Farnando, A C 2011, *corporate governance*, Loyola Center for Business Ethics, Chenai ,India. p 575. [1]
4. 'Global financial crisis', *ar6tcle/768global financial crisis,* Accessed: 19-09-2012, Source: from: 3http://www.globalissues.org/ar6ticle/768/global -financial-crisis.[3]
5. Khawaja ,Sarfaraz 2011 , Good Governance and result Based Monitoring, Poorab Academy, Islamabad.[2]
6. Khyber , 1995,, *Annual reports of The Bank of Khyber*, Bank of Khyber, Peshawar,Pakistan.[8]
7. Khyber , 2005,, *Annual reports of The Bank of Khyber*, Bank of Khyber, Peshawar,Pakistan [9]
8. Khyber , 2007,, *Annual reports of The Bank of Khyber*, Bank of Khyber, Peshawar,Pakistan. [10]
9. Khyber , 2008,, *Annual reports of The Bank of Khyber*, Bank of Khyber, Peshawar,Pakistan. [11]
10. Khyber , 2009,, *Annual reports of The Bank of Khyber*, Bank of Khyber, Peshawar,Pakistan. [12]
11. Khyber , 2010,, *Annual reports of The Bank of Khyber*, Bank of Khyber, Peshawar,Pakistan. [13]
12. Khyber , 2011,, *Annual reports of The Bank of Khyber*, Bank of Khyber, Peshawar,Pakistan [14]
13. Khyber , 2012,, *Annual reports of The Bank of Khyber*, Bank of Khyber, Peshawar,Pakistan. [15]
14. 'Pakistan Steel Mills Privatization the real story', *Paklinks.com/gs/pakisan-affairs,*Accessed: 12-09-2012, Source: from: http://www.paklinks.com/Pakistan Steel mills.[6]
15. 'PSMC Steel Statistical year Book 2004-2005', *PSMC Steel Statistical year Book 2004.* Accessed: 12-09-2012, Source: from: http://wwwPSMC Steel Statistical year Book 2004-2005.[5]
    http://www.unescap.org/pdd/prs/ProjectActivities/Ongoing/gg/governance.asp