

## **Relationship between Corporate social responsibility and Financial Performance in the listed company of Sri Lanka.**

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### **Abstract**

Corporate Social Responsibility (CSR) is mostly discussed within the business community and many studies were undertaken in identifying new dimension of corporate social responsibility. Yet less agreement was shown among those studies indicates more to be done by further studies. Though CSR is mandatory in many countries, in Sri Lanka it is still not. At the same time over the past years, there has been a regular increase in CSR programs in Sri Lanka. This research covers the entire business sectors identified by Colombo Stock Exchange in Sri Lanka. The study investigates the relationship between corporate social responsibility and financial performance of the listed company assuming that CSR activities ultimately result in financial success in the organization. The study was based on secondary data obtained from annual reports of fifty companies which had highest market capitalization over the last five years (From 2015 to 2019). Accordingly, multiple regression technique was employed to identify the relationship between variables. This study has implications for managers, environment, community, consumers, employees, stakeholders, and future research in Sri Lanka. As well as growth in expenditures to enhance the social responsibility of proposes managers finds a benefit in CSR implementation.

**Keywords;** corporate social responsibility, Financial Performance, listed company, GRI guidelines.