

IMPACT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ON COMPANY'S PROFITABILITY (TEXTILE SECTOR OF PAKISTAN)

BY

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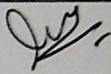
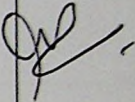
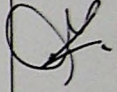
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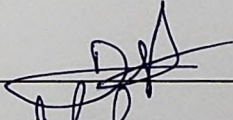
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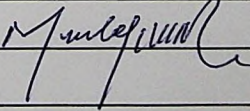
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Abstract

Purpose:The aim of this research study is to analyze the impact of the corporate and social responsibility related activities on the financial performance of the listed firms in the textile sector of Pakistan. This study further aims to explore the scope of corporate and social aspect initiatives in the in the textile sector and its growing trend among different stakeholders. Furthermore this study also highlights the importance of corporate and social responsibility as an strategic initiative to develop the brand image among the potential customers in different market segment to improve the earning capacity of the listed firms in textile sector of Pakistan.

Research Methodology:This research study is secondary in nature in this research study secondary data is collected on the selected variables that includes after tax net income of the listed firms in the textile sector of the economy and the level of expenditures on the corporate and social responsibility of the listed firms in the textile sector of Pakistan. This research study follow the explanatory research approach because the them e of the study is to determine the impact of level of expenditures on corporate and social responsibility head and its ultimate impact on the profitability of the firm using after tax net income of the listed firms in the textile sector of Pakistan. The targeted population of the current research study is the textile sector of the economy.In this research study top five listed textile firms are selected that are involved in the corporate and social responsibility related activities.

Findings of the Research: The results of the current research study indicates that the alternative hypothesis is accepted at 5 percent level of significance with significance value 0.000 that is there is a significant impact of CSR expenditures on the profit after tax of the listed firms in the textile sector of Pakistan.

Practical Implications: the findings of the current research study clearly reflect that there is a significant impact of CSR activities in the determination of the profitability of the firms in textiles sector and can be used as marketing tool to improve the financial performance.

Keywords: net income after tax, corporate social responsibilit

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