

CSR Disclosure and Financial Performance in Listed Manufacturing Companies in Sri Lanka

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The study was conducted to identify the Corporate Social Responsibility disclosure and financial performance in manufacturing sector in Sri Lanka. CSR disclosure is indicated as independent variable and it was measured by using CSR index. Financial performance identified as dependent variable which measured by using the Return on Equity (ROE) and Return on Assets (ROA). Data was obtained from annual reports websites publications and secondary data was collected from the year 2014 to 2019. The data was analyzed using E-views and Pearson correlation. The study applied linear regression model to assess the impact of CSR disclosure and financial performance. Target population comprised of 38 listed companies of which, 30 companies were selected as sample. This data was collected for 5 years each firm giving 150 observations. Conclusions were derived based on 5% significance level. In this study show that CSR disclosure and financial performance has positive correlation. The study concluded further that significant relationship existed between CSR disclosure and ROE. The study recommended that manufacturing firms should have much attention to the importance of CSR and need to pay more attention to increase financial performance.

Keywords: *Corporate Social Responsibility (CSR) disclosure, Financial performance, Return on Equity (ROE), Return on Asset (ROA)*

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