Corporate Social Responsibility Impact on Financial Performance of Bank's: Evidence from Asian Countries

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Abstract

Purpose – The basic aim of this research is to investigate the effect of corporate social responsibility(CSR) on financial performance of banks in various Asian countries.

Design/methodology/approach – The data are collected to analyze the performance of banks from respective bank's annual reports for used variables because study is quantitative in nature. Further for analysis purpose, E-views used to apply correlation and regression on data to check the corporate social responsibility (CSR) impact on bank's performance.

Findings- The study results explain that Corporate Social Responsibility (CSR) shows positive and significant impact on financial performance of banks. This indicates that banks are paying intention in corporate social responsibility (CSR) and even bank's customers are playing similar role in bank's practices. The study findings confirmed the link of Corporate Social Responsibility (CSR) and financial performance of banks.

Research restraints- The study is limited in selection of sample size from all Asian countries in terms of banks and period. The data can be collected of additional banks from other countries for further research.

Originality/value- The main contribution of this study is addition in value to the existing literature by exploring corporate social responsibility activates and bank's financial performance and also increase the bank's efficiency.

Keywords*:* Corporate Social Responsibility, Return on Asset, Return on Equity, Financial performance, Asian Countries.

Research type: Research paper

1. Introduction:

The primary objective of financial manager in theory of finance is to maximize shareholder's wealth but the phenomenon which covers ethical, social and environment protection related duties of companies is called a Corporate Social Responsibility (CSR). Financial institutions like banks are playing key role in Corporate Social Responsibility (CSR) engagements. In last decades, the concept of Corporate Social Responsibility (CSR) has been grown in an exponential manner. Corporate Social Responsibility (CSR) is not a new thing of interest for businesses in the world. Corporate Social Responsibility (CSR) is important because it influence all aspects of bank's operations.

The concept of Corporate Social Responsibility (CSR) is related to business approaches which contributes to supportable development by delivering economic, social and environment benefits to all stakeholders. European commission defined corporate social responsibility as "a concept which shows that the contribution of a various companies towards the batter society and a cleaner environment".

 Corporate social responsibility (CSR) is the commitment of business which indicates that the contribution to the sustainable economic development, working with employees and their families, local community and also society at large to enhance their quality of life. The purpose of business is not only to earn profit but the social welfare of society as well. The basic purpose of Corporate Social Responsibility (CSR) is to sustain business operations to create shared value for business and society so, that why CSR has become a standard practice for business at current time.

According to the perspective of CSR, this research is conducted to analyse the impact of Corporate Social Responsibility (CSR) on financial performance of banks in Asian Countries. For this purpose, study includes CSR and financial performance measures to analyse the impact on banks. The significant and positive relationship explained of corporate social responsibility (CSR) and banks financial performance.

Previously studies have mainly focused on developed countries and there is less work done in other countries like Pakistan to measure impact of Corporate Social Responsibility on financial performance, Weshah and Dahiyat (2012). The author also investigated that most of the firms in less developed countries are unaware with importance of Corporate Social Responsibility (CSR) due to less paying attention on corporate social responsibility (CSR).

This study specifically emphasized on selected banks of Bangladesh and Pakistan and further study can be conducted with addition of banks and countries in the sample. The results of this research are depending on selected sample of banks and data for mentioned period of time. This research is organized as follows: section-2 discusses the previous studies about corporate social responsibility (CSR) and financial performance of banks. Section-3 explains data and methodology with explanation of determinants of corporate social responsibility (CSR) and financial performance. Section-4 presents research results and discussions, and final Section concludes research and recommend some recommendations.

2. Literature Review:

In this research, we reviewed diverse studies about corporate social responsibility (CSR) and financial performance about banks. The corporate social responsibility (CSR) is considered most important factor for enhancing performance of banks and today the corporate world

facing the corporate social responsibility. So, that's way different researchers and author's conducted studies on CSR and financial performance in all over the world.

The basic purpose of literature is to find the role played by CSR on financial performance of banks. Underlying literature focused the studies about CSR and financial performance of banks of specific and panel of countries. In this research, we reviewed different research papers of (Alemu Kesto, 2017) from Ethopia, Hossain and Khan (2016); Mallin, Farag, & Ow-Yong,(2014) from china, Kamrujjaman and Obaidullah (2016) from india, Krasodomska (2015) from Poland, Taskin (2015) from Turkey (Murtaza and Akhtar,2014; Masood, & Ashraf, (2012); Mehar and Rahat, (2007)); Awan and Nazish 2016; Malik and Nadeem 2014) (Masood, & Ashraf, 2012) from Pakistan, Bolton, (2013) from United Kingdom (UK), **(**Rahman and Rashid, 2014; Islam and Ahmed, 2012) from Bangladesh, Babalola (2012) from Nigeria, Weshah and Dahiyat (2012) from Jordan,. Alsahlawi;(2016) from suadi Arabia, Menassa, (2010) from lehanon; Rayman-Bacchus, Relano, & Paulet, (2012) from german; and Chintaman, (2014).

Alemu Kesto, (2017) Conducted studies on impact of corporate social responsibility practices on financial performance of banking sectors in Ethopa. In this paper researcher used some mixed research approach and different economistic models to evaluate the relationship between CSR and bank's financial performance in Ethopia. The results found that there is no relationship between the financial contribution for CSR activities in Ethiopa and 1 percent significant levels.

Kamrujjaman and Obaidullah (2016) conducted a study on poverty eradication through the corporate social responsibility initiatives and define that currenltly practiced is unlikely to play significant role in reducing poverty in developing countries. Hossain and Khan 2016 also investigated the research on CSR in banking sectors in hong kong and shanghai banking corporation limited. This study proposed that a more great exhaustive and other conscious association of the regular individual in the CSR exercise.

Alsahlawi;(2016) Conducted the studies on CSR disclosure of the banking sector in Saudi Arabia. In this studies banking sectors CSR disclosure over the four-year period of 2011-2014 and results found that there is a need to extent more efforts to improve CSR practice in the banking sector and conduct business responsible more to serve the interest and meet the needs of all its stakeholders.

Taskin (2015) conducted the study in turkey and analyses the relation among corporate social responsibility and banks performance. So, results shows that bidirectional network among CSR practices and turkish banks performance.

Krasodomska, (2015) study explains CSR disclsours in banking industy empirical evidence from poland and results concluded the quality of CSR disclosure in 2011 was higher as compared in 2005 and also all banks tend to include CSR in management commentary.

Mallin, Farag, & Ow-Yong,(2014) Conducted a study on corporate social responsibility in the banking industry: Motivates and financial performance in china. In this paper data consists of 162 banks in 22 countries. The results show that corporate social responsibility positively associate with financial performance and negatively associate with non-performing loans.

Chintaman, (2014) The study examines the CSR practices of Islamic and conventional banks in Gul corporation council (GCC). The studies reveal that both banks are more innovative in their corporate social responsibility practices and the effects of Islamic tents could be envisaged in their practices.

Mallin, Farag, & Ow-Yong, (2014) investigated the relationship between CSR and financial performance in islamic banks. They analyze the following results of CSR disclosure index in 90

islamic banks from period 2010-2011. The results of this research indicates that CSR disclosure is determined by financial performance. In bangladesh, a study conducted by (Belal, Abdelsalam, & Nizamee, 2015) and describes a critical examination of the ethical and performance on an islamic banks. This research covers a period from 1983-2010 and provides futher evidence that islamic banking pratices reflects the global and local influence in an era which is outlined by global conventional finance. (Taşkın) the basic goal of this research is analyze the liaison among CSR and performance of banks in turkey. They used content analysis to analyze the CSR and financial performance through regration they founnd that banks with greater CSR scores lead to lower ROA and ROE and also shows that the results is not statiscally significant.

Rahman and Rashid (2014) described the relationship between corporate social responsibility and financial performance a case of Yamuna bank limited Bangladesh. In this paper focus on quantitative research and all data related about cost/investment and expenditure. In this study, researcher finds that there is no significant effect of CSR on profitability in YBL Bangladesh during period 2007-2012.

A study conducted in Pakistan and founds a significant and positive relationship of corporate social responsibility on financial performance. (Awan and Nazish 2016; Malik and Nadeem 2014).

Murtaza and Akhtar (2014) conducted the research among firm performance and social responsibility in Pakistan. The finding of the study concluded that CSR is really important for improving financial performance of firm. It means that positive relationship occurs between these two variables.

Bolton, (2013) Conducted study on corporate social responsibility and bank performance in US. These results reveal that improving the quality of corporate social responsibility at banks and reducing the risk associated with US financial institutions.

Kanwal and Khanam (2013) examines the connection among social responsibility and firm performance. By the way of explanation researchers used correlation analysis to find the cause and effect relationship between two variables. So, researcher concluded that there is a positive relationship between the CSR and financial performance of the firms. And also, said that when spending on CSR then get the benefits from continuous long term development.

Akanbi and Ofoegbu (2012) examines the impact of corporate social responsibility on banks financial performance in Nigeria and concluded that positive relationship between ethical corporate social responsibility and organization performance.

Rayman-Bacchus, Relano, & Paulet, (2012) conducted a study on corporate responsibilty in all the banking sector at proposes typology for the german case and also concluded that ethical behaviour guide to both economic performance and social gains with increase wealth or resources for all partners of banks.

A study by (Masood, & Ashraf, 2012) examined that bank specific and macroeconomic determinants influence the islamic banks profitability. They derived the following results and argue that banks with efficient managemment and large asset size lead to the greater return on assets (ROA). A study conducted by Masood, O., et al.(2015) with aimed to determined the effect of bank specific and macro-economic determinants of bank profitability. They inspects the selected member states of the organization of islamic corporation (OIC) through balanced panel data regression model. The result indicate that effcient management in an operating expense has a positive effect on profitability.

Weshah and Dahiyat (2012) investigated the impact of corporate social responsibility on corporate financial performance: evidence from Jordanian banks in Jordan. In the study,

authors used the model estimated by Mc. Under quantitative research they find that there is a significant relationship between levels of banks, bank size, level of risk, level of all advertising expenses and CSR. Also, defined that CSR is most important in the banking sector of Jordan.

Babalola (2012) defined the impact of CSR on firm's profitability and country in Nigeria. Through ordinary least square analysis researcher get some findings which described the negative relationship between firm's financial performance measure with investment in social responsibility. And at the end concluded that profitable organizations do not invest much in Nigeria.

A study conducted by Islam and Ahmed (2012) to verify the linkage between corporate social responsibility (CSR) and corporate financial performance (CFP) in a banking sector of Bangladesh. In this paper through t-tests checked that there is a difference between these two categories of banks with their ROA, EPS and P/E ratio. The following results derived from this study that the average ROA ratio of the banks show not high CSP, so it means this could not be put to a test statistically.

Farook, Kabir Hassan, & Lanis, (2011) determines the corporate social responsibility disclosure of islamic banks and results shows that there is smooth and balanced relationship in sterminent of islamic banks CSR disclosures.

Menassa, (2010) conducted the study and it's findings shows that there is no difference in social disclosure behaviour between listed banks and banks with an overscas existing and non-listed banks and those operating only in lehanon.

Mehar and Rahat (2007) studied the impact of CSR on financial performance in pharmaceutical sector of Pakistan. In this research paper, researcher used the sample of KSE listed companies of pharmaceutical industry. From the result observed that there is no significant relationship between CSR and firm financial performance.

3. Data and Methodology

In order to analyse the financial performance of Islamic and Conventional banks of Pakistan and Bangladesh, the secondary data is collected from financial statements of respective banks for the period 2010-to-2015. For the purpose to analyse financial performance of Islamic and conventional banks, the following seventeen banks are considered in our sample: Meezan Bank limited and Bank Al- Baraka are from Pakistan and Exim bank, Islamic Bank Bangladesh limited, Dutch Bangla Bank limited, HSBC, Bank Asia limited, Premier Bank, Trust Bank limited, Sonali Bank limited, Janata Bank limited, Mercantile Bank limited, Agrani Bank Limited, Rupali Bank limited, Southeast Bank limited, One Bank limited, Social Islamic Bank limited are from Bangladesh.

The below econometric model depicts corporate social responsibility as an independent variable and divided into sub-variables: Donation (DN), Social Welfare (SW), Education (EDU), Health (HH) and Environment Protection (Chirwa), while financial indicators of bank's financial performance are: return on asset (ROA), return on equity (ROE), earning per share (EPS) and price earnings (P/E) ratio.

3.2.3: Econometrics Model

The determinants of banks financial performance are analysed from panel data. The panel data framework defined through the multiple regression equations such as:

$$Y = \alpha + \beta X + \varepsilon \ldots\ldots\ldots\ldots\ldots\ldots\ldots (1)$$

In the model;

Financial performance represents as a dependent variable denoted by Y and independent variables represent corporate social responsibility (CSR) denoted by X. The financial performance measured by the Return on asset (ROA), Return on equity (ROE), Earning per share (EPS), and Price earnings (P/E) ratio. The regression models have been developed which are as follows:

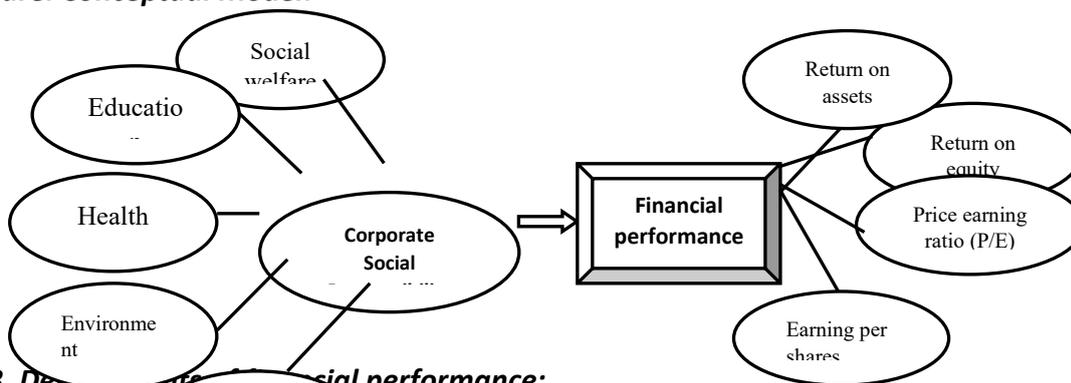$$\text{ROA} = \alpha + \beta_1 DN_{nt} + \beta_2 SW_{nt} + \beta_3 EDU_{nt} + \beta_4 HH_{nt} + \beta_5 EP_{nt} + \varepsilon \qquad (2)$$
$$\text{ROE} = \alpha + \beta_1 DN_{nt} + \beta_2 SW_{nt} + \beta_3 EDU_{nt} + \beta_4 HH_{nt} + \beta_5 EP_{nt} + \varepsilon \qquad (3)$$
$$\text{EPS} = \alpha + \beta_1 DN_{nt} + \beta_2 SW_{nt} + \beta_3 EDU_{nt} + \beta_4 HH_{nt} + \beta_5 EP_{nt} + \varepsilon \qquad (4)$$
$$\frac{P}{E} = \alpha + \beta_1 DN_{nt} + \beta_2 SW_{nt} + \beta_3 EDU_{nt} + \beta_4 HH_{nt} + \beta_5 EP_{nt} + \varepsilon \qquad (5)$$

The graphical model depicts variables in figure used to analyse the impact of corporate social responsibility on the banks performance of Asian countries.

Figure: Conceptual Model:

3.3. Determinants of financial performance:

Some financial ratios used for measuring the performance of banks. But, ratios most important role play to measure the financial performance of banks. In this paper, we are considering the following financial indicators to measure the financial performance of selected banks

Return on Asset (ROA): This ratio measure profitability of banks and also analyses that how much generating return from its source of funds to produce profit; Masood and Ashraf (2012).

Return on equity (ROE): This ratio measure returns for both common and preferred stockholders. It's shows ability of generating profit from equity. Return of equity also termed as return generation from shareholder's equity; Masood, O., et al. (2015).

Earnings per share (EPS): EPS is the part of an organization's benefit apportioned to each exceptional share of basic stock. Procuring per share fills in as a marker of an organization's profitability.

Price Earning Ratio (P/E): **This** ratio indicates a company share price divided by its earning per share expressed as a number or as a multiple of earning per share.

Table:I- Determinants of Bank Profitability

Determinants	Variables	Measures	Notations
Profitability	Return on asset	Net profit/Total assets	ROA
	Return on equity	Net profit/Total equity	ROE
	Earning per share	Net income/Average outstanding common share	EPS
	Price earnings ratio	Market price per share/ Earning per share	P/E
Donation	Donation	-	DN

	Social welfare	-	SW
	Education	-	EDU
	Health	-	HH
	Environment protection	-	EP

3.4. Determinants of corporate social Responsibility: The following sub-variables of CSR are used to verify the impact of corporate social responsibility on financial performance of selected banks of Asian countries.

Donation: The donation indicates the paying capacity of banks for their employees and other peoples who lived in a society. Donation is a factor of corporate social responsibility in which banks under judged earn long term, Malik and Nadeem (2014).

Health: Health is the determinant of corporate social Responsibility which considered by banks for invest purpose in hospitals, Medical institutions and health care sectors for needy people. Through the investment in these sectors banks increase their goodwill to increase their performance, Akanbi and Ofoegbu (2012).

Environment protection: Banks invest in Environment protection for social welfare of society. Environment protection includes different programs like: water cleaning program, clean the society program, etc. So, this factor also influences on the financial performance of banks.

Social welfare: Social welfare is the determinant of corporate social responsibility in which many banks invest on social welfare activities. The investment in social welfare has positive impact on financial performance of banks. Social welfare includes different sports programs and other expenses regarding CSR, Malik and Nadeem (2014).

4-Empirical Results:

4.1- Descriptive Statistics:

Table-II: shows the results of descriptive statistics. The sample of Islamic and conventional banks used for analysis over time period of 2010-2015. The mean of Corporate Social Responsibility (CSR) disclosure for 17 banks in the sample. The table shows the mean and standard deviation value for variables. Mean represent the average value and standard deviation shows deviation of value from mean. The Return on asset (ROA) mean is 2.427 and standard deviation is 13.308. The Earning per share (EPS) and Donation (DN) standard deviation is 44 and 45 percent, respectively. The results indicate that Education (EDU) hold largest value of mean 40.639 and standard deviation 82.691 percent respectively.

Table-II: Descriptive analysis:				
	Mean	Min	Max	S.D
ROA	2.427	-4.920	135.00	13.308
ROE	10.192	-259.94	47.570	29.906
EPS	5.996	-280.32	108.38	44.986
PER	10.626	2.210	36.150	6.178
DN	19.483	0.000	262.15	44.878
SW	13.339	0.000	140.62	23.445
EDU	40.639	0.000	513.18	82.691
HH	25.509	0.000	412.77	50.520
EP	12.444	0.000	193.25	27.428

4.2- Correlation:

Table-III, represents the relationship between independent and dependent variables (what is the strength of one variable affecting the other variable). So, return on asset (ROA) and Return on equity (ROE) are too much correlate with each other. On the other hand, SW, EDU, EPS, and DN are positively correlated with the coefficient of 0.139, 0.003, 0.091, and 0.002 respectively.

	ROA	ROE	EPS	PER	DN	SW	Edu	HH	EP
Table-III: Relationship between variables									
ROA	1								
ROE	0.091	1							
EPS	0.607	0.693	1						
PER	-0.002	-0.098	-0.031	1					
DN	0.002	0.012	0.124	0.009	1				
SW	0.139	-0.252	0.005	0.124	0.455	1			
EDU	0.003	-0.227	-0.054	-0.002	0.251	0.408	1		
HH	-0.010	-0.094	0.0194	-0.066	0.353	0.338	0.704	1	
EP	-0.038	0.081	0.102	-0.067	0.246	0.240	0.686	0.558	1

4.3-Empirical results of data analysis:

4.3.1-Determenants of Return on asset (ROA). Over all the results of the model are close to the results of related studied the value of R^2 = 0.5742 which shows that all variables explain return on asset 57.42 percent. The F-statistic resulting from a standard statistical test used E-views and regression analysis to determine if variance between means of two populations are significantly different. The value of F- statistical is 0.2745 and p-value is 0.0078 showing that the whole model is fit for the analysis. In this study table 4 show the positive and significant relationship between Return on equity (ROE) and Return on asset (ROA) at 8 percent significant level. Also absolute and meaningful contact in middle of Social welfare (SW) and Return on asset (ROA) at 5 percent significant level. Health (HH), and Environment protection (Chirwa) negative but significant relationship between Return on asset (ROA) at 11 percent and 3 percent significant levels. In Education (EDU) and Return on asset (ROA) have positive and significant relationship at 9 percent significant level.

4.3.2- Determinants of Return on equity (ROE). Over all the results of the model are close to the results of related studied the value of R^2 = 0.601 which shows that all the variables explain return on equity 60.1 percent. The F-statistic resulting from a standard statistical test used E-views and regression analysis to determine if variance between means of two populations are significantly different. The value of F- statistical is 17.57 and p-value is 0.0000 showing that the whole model is fit for the analysis. In this study table-IV results shows that positive and insignificant link between Return on equity (ROE) and Return on asset (ROA) at 15 percent significant level. Earning per share (EPS) and Return on equity (ROE) have positive and significant connection between them at 100 percent significant level. Negative and significant

relationship between Social welfare (SW), Education (EDU) with Return on equity (ROE) at 5 percent and 8 percent significant levels and so on…..

Table: IV Regression analysis of ROA and ROE						
Dependent Variable: ROA				Dependent Variable: ROE		
Variable	Coefficient	t-Statistic	Prob.	Coefficient	t-Statistic	Prob.
C	1.0856	0.3638	0.0987	12.7382	3.0683	0.0028
ROE	0.1007	1.4329	0.0823**			
ROA				0.2144	1.4329	0.1552***
EPS	-0.0206	-0.4803	0.0582*	0.4253	9.4717	0.0000*
PER	-0.0469	-0.2123	0.8323	-0.1544	-0.4789	0.6332
DN	-0.0242	-0.6884	0.0067*	0.0281	0.5475	0.5853
SW	0.1385	1.9248	0.0573*	-0.2948	-2.8732	0.0050*
EDU	0.0128	0.4450	0.0951*	-0.1095	-2.6865	0.0086*
HH	-0.0069	-0.1778	0.1187**	0.0151	0.2649	0.7917
EP	-0.0629	-0.8709	0.0342*	0.2789	2.7381	0.0074**
R-squared	0.5742			0.6019		
F-statistic	0.2745			17.5786		
Prob.	0.0078			0.0000		

4.3.3-Determinants of Earning per share (EPS). Over all the regression results of the model are close to the results of related studied the value of $R^2 = 0.767889$ which shows that all the variables are explain earning per share 76 percent. The F-statistic resulting from a standard statistical test used E-views and regression analysis to determine if variance between means of two populations are significantly different. The value of F- statistical is 177462.2 and p-value is 0.0000 showing that the whole model is fit for the analysis. In this study Table-V shows that positive and significant relationship between return on equity (ROE) and Earning per share (EPS) at 100 percent significant level. Similarly, positive and significant relationship between Price Earnings Ratio (PER), Donation (DN), Social welfare (SW), Health(HH) and Education (Edu) at 100 percent significant level. Negative but significant relationship between Earning per share (EPS) and Return on asset (ROA) at 100 percent significant level and so on.

4.3.4-Determinants of Price Earnings Ratio (PER). Over all the regression results of the model is close to the results of related studies because value of R-square is 0.5811 which depicts that all variables explain Earning per share 58.11 percent. The F-statistic resulting from a standard statistical test used E-views and regression analysis to determine if variance between means of two populations are significantly different. The value of F-statistics 28.6078 and p-value 0.0000 showing that the whole model is fit for the analysis. In this study Table-V shows that negative and significant relationship between Price earnings (PER) Ratio and Return on asset (ROA) at 5 percent significant level and same kind of results are reported of other variables except HH and EP negatively impact the PER.

Table-V: Regression Results of EPS and PER	
Dependent variable: EPS	Dependent variable: PER

variable	coefficient	t- Statistic	prob.	coefficient	t- Statistic	prob.
C	-9.1675	-90.5520	0.0000	11.4690	13.8190	0.0000
ROA	0.7676	195.5691	0.0000*	-0.0180	-0.4391	0.0503*
ROE	-0.0677	-14.1124	0.0000*	0.0017	0.0642	0.9489
PER	0.1852	54.6844	0.0000*	-0.0013	-0.0862	0.0354*
DN	0.0112	16.1194	0.0000*	0.0054	0.2947	0.0702**
SW	0.1446	71.0324	0.0000*	0.0157	0.5153	0.6078
EDU	0.0022	4.7306	0.0000*	0.0006	0.0534	0.0783**
HH	0.0110	13.4917	0.0000*	-0.0142	-1.0316	0.3474
EP	-8.14	-0.0361	0.9712	-0.0631	-2.0067	0.0483*
R- Squared	0.7678			0.5811		
F- Statistic	42.2			28.6078		
prob.	0.0000			0.0000		

5-CONCLUSION

We have created attempt to review the connection among corporate social responsibility and bank's performance in Islamic and Conventional banks of Pakistan and Bangladesh. The aim of this research is to examine impact of corporate social responsibility (CSR) on financial performance of banks of various Asian countries specifically Pakistan and Bangladesh. The data are collected from respective bank's annual reports for period of 2010-2015 to analyse performance of banks.

The regression analysis used on data to check corporate social responsibility (CSR) impact on bank's performance. The study results explain that Corporate Social Responsibility (CSR) shows positive and significant impact on financial performance of banks.

The positive impact of corporate social responsibility (CSR) confirmed the banks investment in the field of CSR and motivate to invest further to enhance their performance and even to maintain their stability in competitive sector. The banks this attitude motivate customers to adopt practices in the development of society at all. The study findings confirmed the positive link of Corporate Social Responsibility (CSR) and financial performance of banks.

We concluded that banks pay for the CSR as strategic planning for increasing goodwill and reduce promotional costs. The findings also support the contribution of Pakistan and Bangladesh banks towards the welfare of society and better living standards through promoting education and better health facility. The analysis of financial performance of selected banks through different tools, shows that banks adopted different policies regarding corporate social responsibility and recorded improvement in return on assets (ROA), return on equity (ROE), earning per share (EPS), and price earnings ratio (PER) and also this activity enhance the wealth of shareholders. By following this CSR policy, the banks are not only giving social benefit to society, but also building their great image as social institutions and public place.

5.1-Recommendations

These countries are doing well in Sport and Health activities in recent time so there is need to boost up its contribution and participation on another CSR activates. Government should play

major role for purpose of motivate the banks of Pakistan and Bangladesh to contribute for prosperity of the humankind, atmosphere etc. Where they earned profit, and operate their businesses.

Invention function is also needed to provide favourable concentration. Enlargement of technology needed to provide good concern. Limited attempt on CSR in various other countries and Pakistan so, there is need to gather more information about CSR and explored it.

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