

# **The Effect of Corporate Governance on Social Responsibility and Financial Performance of Companies Accepted in Tehran Stock Exchange**

Bitarosta navi\*, Dr. Mohammadreza Fayyaz Mojtahedi,

**The need to pay attention to corporate social responsibility in today's world situations and new business spaces requires that the leaders and managers of large organizations and companies in the global market create a balance between their social, economic and environmental sectors of the business. In this research, the effect of corporate governance and social responsibility on financial performance in listed companies in Tehran stock exchange for a period of 5 years (1391-1395) is investigated for 33 companies including 19 pharmaceutical companies and 14 cement companies. The dependent variable is a financial performance that includes asset efficiency and QTOBIN. Independent variables are social responsibility and corporate governance, and control variables are company size and debt ratio. After calculating the required variables, the research hypotheses were tested through the multivariate regression equation using Eviews software. The results of this research show that there is no significant relationship between social responsibility and financial performance (QTOBIN), this result is also obtained in the pharmaceutical industry, but in the cement industry there is a meaningful and inverse relationship. There is no meaningful relationship between corporate governance with financial performance (QTOBIN and asset efficiency). This relationship is not validated in cement and pharmaceutical industries. There is a significant relationship between social responsibility and financial performance (asset efficiency), and this relationship is inverse. In the pharmaceutical industry, this relationship is inversely and significant, but there is no meaningful relationship in the cement industry.**

**Keywords :** **Keywords:** corporate governance, social responsibility, financial performance.

