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# IMPACT OF ENERGY CRISIS ON INDUSTRIES OF PAKISTAN

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Research Paper

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PAKISTAN**

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**Abstract**

This paper includes the study of 9 companies chosen from 3 different sectors of Pakistani market and uses the data for last 5 years in order to find out the impact of energy crisis with ever increasing prices of electricity on the Net income in order to find out the growth of the companies randomly chosen from the Karachi Stock Exchange. Ever increasing prices of electricity have direct negative impact on the firm's profitability and cost of production also increases. This study tries to find out the impact of Energy crisis on the financial performance of the companies in Pakistan by using the Return on Asset (ROA). This study investigates the impact of Energy crisis on the financial performance of the different industries in Pakistan. In the study Performance has been measured by Return on Assets ratio (ROA). Last five years data is used because the crisis became severe in this era 3 big industries of Pakistan are used as sample study to show effects of the crisis. 5 years are used for the calculation purposes and excel sheets are also provided. To cross check the results of E-views, Excel sheet also showed the same results. That tells that textile sector of Pakistan is heavily affected by the electricity crisis and many companies related to this sector have shifted to Bangladesh and Pakistan is losing grip of specialty over this sector. Cement industry's ROA also get affected by the electricity units and sale the domestic level of cement is also decreasing. Same is the case with food industry ROA is affected by electricity units when electricity condition is better in the country all these industries show good results but when electricity is effected these industries are directly effected as well.