

## **The Impact of Covid - 19 Pandemic Situation on the Financial Performance of Banking & Finance Sector in CSE**

Sandakumara, H.R.<sup>1</sup> and Perera, K.H.<sup>2</sup>

<sup>1,2</sup>*Department of Accountancy, University of Kelaniya*  
*Sandakumara1996@gmail.com<sup>1</sup>, hasinip@kln.ac.lk<sup>2</sup>*

### **Abstract**

The Covid – 19 pandemic has negatively impacted to all most all the businesses' financial performance, not only in Sri Lanka but also throughout the world. This research aims to identify the impact of the Covid – 19 pandemic on the financial performance of banking and finance sector companies listed in Colombo Stock Exchange. 62 companies in banking and finance sector were selected for the sample and data was collected using the published quarterly reports for the period from 2019 to 2021.

Descriptive statistics and the sample t – test were used study to analyse the data collected from secondary sources. Liquidity ratio (LR), leverage ratio (LVR), short term activity ratio (STAR) and profitability ratio (PR) were used as the dependent variables while financial performance was used as the independent variable.

The results suggested that, there is a significant impact from the Covid – 19 pandemic on the liquidity ratio, leverage ratio, short term activity ratio and profitability ratio.

**Key words:** *Covid – 19 pandemic situations, financial performance, banking & finance sector.*