

# **Impact of Covid-19 Pandemic to The Resilience of Commercial Banks in Sri Lanka Before and During the Pandemic**

**W.G.S. Abeywardhana<sup>1</sup> and R.P.C. Ranjani<sup>2</sup>**

Department of Finance, University of Kelaniya, Sri Lanka<sup>1,2</sup>

[sudarakaabey@gmail.com](mailto:sudarakaabey@gmail.com)<sup>1</sup>, [chitra@kln.ac.lk](mailto:chitra@kln.ac.lk)<sup>2</sup>

## **ABSTRACT**

**Introduction:** A resilient banking sector, according to the Basel Committee study, is one that has a high capacity to resist shocks caused by various financial and economic crises. This research study was undertaken to investigate the Impact of covid-19 pandemic to the resilience of Commercial banks in Sri Lanka before and during the pandemic.

**Design/Methodology/Approach:** The Sample of the study consist with ten commercial banks in Sri Lanka and use secondary data those data was collected over the period of 2019 to 2020 from Colombo Stock Exchange. There are three variables use to determine the impact of covid-19. Those are Capital adequacy, Liquidity and Profitability. Descriptive test, Normality test, correlation test has been tested through StataSE13 application. Paired t test and Wilcoxon sign rank test respectively use as parametric test and non-parametric test.

**Findings:** This study identified that there is no significant impact to capital adequacy, liquidity, and profitability from covid-19 pandemic.

**Conclusion:** The final result emphasizes that the overall model is not statistically significant, and researcher conclude that there is no significant impact from covid-19 pandemic to the resilience of commercial banks in Sri Lanka before and during the pandemic.

**Keywords:** *Covid-19, Resilience, Capital adequacy, Liquidity, Profitability*