

The Impact of Lending Methods on the Bank Performance in Sri Lanka

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ABSTRACT

Introduction: The purpose of this paper is to examine the impact of lending methods on the bank performance in Sri Lanka.

Design/Methodology/Approach: Data for 05 Listed Commercial Banks from 2011 to 2020 Data are summarized and analyzed using and detailed statistics.

Findings: Bank-specific deposits and credit rating factors have contributed significantly and positively to performance, and active spending management has had a significant and positive impact on commercial banks' lending practices. The activism of the commercial bank has a significant and natural impact. The statement further states that the horticulture rate and the market rate, which have a significant and positive impact on performance among the macroeconomic criteria for the economic growth rate, are significant and positive for the performance of commercial banks.

Conclusion: By considering industry specific variable of industry growth and stock return, this study provides some interesting new insights for a better understanding of the mechanisms that determine the performance of commercial banks in Sri Lanka.

Keywords: *ROA, ROE, Stock Return, Industry Growth, Commercial banks*