

## **Determinants of Financial Performance During Covid 19 Pandemic: Evidence from Colombo Stock Exchange**

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### **ABSTRACT**

**Purpose:** Financial information is crucial for improving Sri Lanka's economy and delivering critical services to its citizens. The purpose of this study was to identify factors influencing financial performance with special reference to top companies in CSE in 20 sectors in Sri Lanka before and during the COVID-19 period. The study's importance lies in its ability to pinpoint the variables influencing the financial performance of Sri Lanka's top CSE firms across 20 industries.

**Design/Methodology/Approach:** The target population of the study was 295 CSE companies Sri Lanka. The sample size in this study was top 50 companies in CSE in 20 industries. Data was obtained from audited financial reports. Data were analyzed using both descriptive, correlation and regression analyses. Statistical Software for Data Science (Stata) software was used as a tool for data analysis. The dependent variable is a firm's performance measure ROA, the independent variables include Firm Size (FS), Asset Utilization (AU), Leverage (LEV), Liquidity (LIQ), Capital Structure (CS) and Operating Expenses (OPEX).

**Findings:** The finding shows that leverage and capital structure have significantly impact on financial performance in top companies in CSE in 20 sectors and Liquidity, assets utilization, capital structure and operating expenses are not significantly impact on firm's performance of companies in CSE in 20 sectors in Sri Lanka in before and during the COVID-19 period.

**Originality:** This study has identified the determinants of financial performance During Covid 19 Pandemic for entire 20 sectors in the CSE.

**Keywords:** *Financial Performance, Firm Size, Leverage, Liquidity, Return on Asset*