

**A COMPARATIVE ANALYSIS OF PROFITABILITY AMONG
PUBLIC LIMITED COMPANY IN THE FINANCE SECTOR IN
SRI LANKA**



By

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ABSTRACT

The Public Limited Companies in the finance sector in Sri Lanka is marked by strong competition. Market share will typically increase at a competitor's expense. Industry-wide, most growth happens within the international and also the domestic space. Public limited company also are a significant employment generator and occupy a significant place in a country's economy.

The main role of PLC in the finance sector is pooling the resources of many individuals with similar risks and ensures that the few that experience loss are shielded. For this purpose public limited companies in the finance sector need to remain profitable. This study makes an effort to compare profitability of public limited companies in the finance sector operating in Sri Lanka for ten years starting from 2008 to 2017.

The research is descriptive and analytical in nature. The data used for the study was entirely secondary in nature. The data used for the study was net profit, total assets and equity of the public limited companies from their annual financial records obtained from the Colombo stock exchange and the companies' websites.

These were used to generate the ROA, ROE and NPM that were used for the analysis. The results of this study can inform management to make correct decisions on investment and the manage the assets of the company. Based on the findings of the study finance companies have the highest profitability than the insurance companies and the banks of the Sri Lanka. All the banks, finance and insurance companies of the study has been kept moderate level of profitability during the period of study. Moreover return on equity and the return on assets of the finance companies are shows the high rate than the banks and the insurance companies of the study.

Key words: Public Limited Company, Profitability, Finance sector

TABLE OF CONTENTS

ACKNOWLEDGEMENT	i
ABSTRACT	ii
ABBSEVATIONS	iii
TABLE OF CONTENTS	iv
LIST OF TABLES.....	v
LIST OF FIGURES	vii
CHAPTER ONE - INTRODUCTION	
1.1. Background of Study	1
1.2. Problem Statement.....	3
1.3. Research Questions.....	3
1.4. Objective of the Study	3
1.5. Significance of the Study.....	3
1.6. Scope of the Study	4
1.7. Limitations of the study	4
CHAPTER TWO - LITERATURE REVIEW	
2.1. Introduction	6
2.2. Profitability	6
2.3. Shareholder's Equity	9
2.4. Profitability Ratios.....	10
2.5. Modern Theories of Profits.....	20
2.6. Summary	26
CHAPTER THREE - CONCEPTUALIZATION AND OPERATIONALIZATION	
3.1. Introduction	27
3.2. Conceptualization	27
3.3. Operationalization Model.....	31
3.4. Hypothesis of the Study.....	32
3.5. Summary	32
CHAPTER FOUR - RESEARCH METHODOLOGY	
4.1. Introduction	33
4.2. Study Setting, Design, Method of Survey	33
4.3. Study Population and Sample.....	35
4.4. Measurement	36
4.5. Data Analysis.....	37

4.6. Data Presentation.....	37
4.7. Method of Data Evaluation.....	38
4.8. Summary.....	39
CHAPTER FIVE - DATA PRESENTATION AND ANALYSIS	
5.1. Introduction	40
5.2. Data Analysis.....	40
5.3. Level of Profitability of the PLC in the Finance Sector	41
5.4. Descriptive Analysis of Return on Assets (ROA)	47
5.5. Descriptive Analysis of Return on Equity (ROE)	51
5.6. Descriptive Analysis of Net Profit Margin (NPM)	54
5.7. Descriptive Analysis of Level of Profitability of Industry Wise.....	57
5.8. Significant Difference on Level of Profitability	59
5.9. Cross Tabulation Analysis.....	60
5.10. Summary.....	62
CHAPTER SIX - DISCUSSION	
6.1. Introduction	63
6.2. Discussion on Descriptive Statistics.....	63
6.3. Summary.....	67
CHAPTER SEVEN - CONCLUSIONS AND RECOMENDATIONS	
7.1. Introduction	68
7.2. Conclusions	68
7.3. Recommendation	70
7.4. Suggestions for the Further Researches.....	71
7.5. Limitation of the Study	71
7.6. Summary.....	71
REFERENCE	72
APPENDIX - 01	75
APPENDIX - 02	82