

**IMPACT OF RISK ON PERFORMANCE OF THE
COMMERCIAL BANKS IN SRI LANKA.**

**(WITH SPECIAL REFERENCE TO COMMERCIAL BANK,
HATTON NATIONAL BANK, BANK OF CEYLON AND
PEOPLE'S BANK)**

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ABSTRACT

This research is “Impact of Risk on Performance of the Commercial Banks in Sri Lanka” (with special reference to Commercial Bank PLC, Hatton National Bank PLC, Bank of Ceylon and People’s bank). The purpose of this study is to identify which bank has faced the higher risk from these four banks. To assess the level of risk taken by the bank, the researcher collected necessary information from these four banks. Two independent variable were taken up for this research study namely risk faced by the bank and resources availability to assess the level of risk of these four banks.

In this research secondary data plays a major role as it mostly depend on recorded data of four banks. These secondary data gathered form the following sources such as Annual reports of Commercial Bank, Hatton National Bank, Bank of Ceylon and People’s bank and by browsing www.combank.net, www.hnb.lk, www.Boc.lk and www.people’s bank.lk. Primary data were collected from issuing questionnaire to the sample of 200 customers of four banks and discussion with managers.

According to the customers responses collected information were analyzed using SPSS package, under the categories of personal and research data discussions were made and researcher found out that all variable were satisfaction level finally conclusion and significant recommendations made by the researcher to enhance the quality of this research. The information is shown in the tables and figures. The findings of this study revealed that the People’s bank has the less risk than the COM bank PLC, BOC and HNB. Therefore, necessary recommendations have pointed out to increase the bank performance and customer satisfaction of these four banks.