ISSN 2250-3153

The Relationship between Dividend Payout and Firm Profitability: A Study of Listed Hotels and Restaurant Companies in Sri Lanka

A.Ajanthan

Department of Accounting, University of Jaffna

Abstract- Several theories have been documented on the relevance and irrelevance of dividend policy. Many authors continue to come up with different findings from their studies on the relevance of dividend policy. The main thrust of this study is to find out the relationship between dividend payout and firm profitability among listed hotels and restaurant companies in the Colombo Stock Exchange (CSE). Regression and correlation analysis were carried out to establish the relationship between dividend payout and firm profitability. The findings indicated that dividend payout was a crucial factor affecting firm performance ($R = 0.725$ & $R^2 = 0.526$). Their relationship was also strong and positive. This therefore showed that dividend policy was relevant. It can be concluded, based on the findings of this research that dividend policy is relevant and that managers should pay attention and devote adequate time in designing a dividend policy that will enhance firm profitability and therefore shareholder value.

Index Terms- Dividend Payout, Colombo Stock Exchange, Share holder value.

I. Introduction

The issue of dividend policy is a very important one in the current business environment. Dividend policy is the regulations and guidelines that a company uses to decide to make dividend payments to shareholders (Nissim & Ziv, 2001). The dividend policy decisions of firms are the primary element of corporate policy. Dividend, which is basically the benefit of shareholders in return for their risk and investment, is determined by different factors in an organization. Basically, these factors include financing limitations, investment chances and choices, firm size, pressure from shareholders and regulatory regimes. However, the dividend payout of firm's is not only the source of cash flow to the shareholders but it also offers information relating to firm's current and future performance. A considerable number of papers, including Bhattacharya (1979; 1980), Linter (1956), Linter (1962), Miller & Rock (1985) suggest that firms dividend payouts policies are designed to reveal the earnings prospects to investors.

Enhancing shareholders' wealth and profit making are the major objectives of a firm (Pandey, 2005). Shareholder's wealth is mainly influenced by growth in sales, improvement in profit margin, capital investment decisions and capital structure decisions (Azhagaiah & Priya, 2008). Firm performance in this case can be viewed as how well a firm enhances its shareholders' wealth and the capability of a firm to generate earnings from the capital invested by shareholders. Dividend policy can affect the value of the firm and in turn, the wealth of shareholders (Baker, H.K., & Powell, G.E, 2001). Among the requirements that companies that want to be listed in the Nairobi Securities Exchange must fulfill, is that they should have a clear future dividend policy (Kenya Gazette Legal Notice No 60 May, 2002). This makes dividend policy worthy of serious management attention.

Dividend policy remains one of the most important financial policies not only from the viewpoint of the company, but also from that of the shareholders, the consumers, employees, regulatory bodies and the Government. For a company, it is a pivotal policy around which other financial policies rotate (Alii, K.L., Khan, A.Q. & Ramirez, G.G, 1993). Dividend or profit allocation decision is one of the four decision areas in finance. Dividend decisions are important because they determine what funds flow t investors and what funds are retained by the firm for investment (Ross, S.A., Westerfield, and R.W. & Jaffe, J., 2002). More so, they provide information to stakeholders concerning the company's performance. Firm investments determine future earnings and future potential dividends, and influence the cost of capital (Foong, S.S., Zakaria, N.B. & Tan, H.B. (2007). Dividend policy is therefore, considered to be one of the most important financial decisions that corporate managers encounter (Baker and Powell, 1999). It has potential implications for share prices and hence returns to investors, the financing of internal growth and the equity base through retentions together with its gearing and leverage (Omran & Pointon, 2004).

Frankfurtet & McGoun (2000) concluded that the dividend puzzle, both as a share value-enhancing feature and as a matter of policy is one of the most challenging topics of modern financial economics. Mizuno (2007) agrees to the fact that a firm ought to pay dividends to shareholders if it cannot identify suitable investments which would bring higher returns than those expected by the shareholders.

Researchers have different views about whether dividend payout materially affects the long term share prices. Dhanani, (2005) who used a survey approach to capture managerial views and attitudes of corporate managers regarding dividend policy found that dividend policy serves to enhance corporate market value. However, (Farsio, F., Geary, A., & Moser, J., 2004) argues that empirical studies that conclude a causal relationship exists between earnings and dividends are based on short periods of time and are therefore misleading to potential investors. Therefore, dividends have no explanatory power to predict future earnings. This research therefore tries to establish whether a relationship exists between dividend payout and firm performance.

II. RESEARCH PROBLEM

Despite the numerous studies (Arnott & Asness 2003; Farsio et al 2004 and Nissim & Ziv 2001) that have been done, dividend policy remains an unresolved issue in corporate finance. Several theories have been proposed to explain the relevance of dividend policy and whether it affects firm value, but there has not been a universal agreement (Stulz, 2000; Pandey, 2003; DeAngelo, 2006). Researchers Amidu (2007), Lie (2005), Zhou & Ruland (2006), Howatt et al. (2009), continue to come up with different findings about the relationship between dividend payout and firm performance. A study by Amidu (2007) revealed that dividend policy affects firm performance as measured by its profitability. The results showed a positive and significant relationship between return on assets, return on equity, growth in sales and dividend policy. Howatt., (2009) also concluded that positive changes in dividends are associated with positive future changes in earnings per share. In contrast, Lie (2005) argues that there is limited evidence that dividend paying firms experience subsequent performance improvements.

A number of studies (Arnott & Asness 2003; Farsio et al 2004 and Nissim & Ziv 2001) have been done with regard to dividend policy and firm performance, especially in developed economies. Can the findings of those studies (Aivazian et al., 2001 and Al-Haddad, et al., 2011) be replicated in developing countries? In Sri Lanka, few empirical studies have been done to establish the relationship between dividend payout and firm profitability. This study therefore comes in to fill the gap by establishing whether there is a relationship between dividend payout and firm profitability among listed hotels and restaurant companies in Sri Lanka.

III. RESEARCH QUESTIONS

In order to gain an insight and understand the relationship, if any, between dividend payout and profitability in a profit-oriented business, the following questions below are addressed in the course of the study.

1. What association exists between dividend payout and firm profitability among listed companies in Sri Lanka?
2. What is the extent of the association between dividend payout and firm profitability?

IV. OBJECTIVES OF THE STUDY

The general objective of the research was to establish the relationship between dividend payout and firm performance among listed companies in Kenya. The research was also guided by the following specific research objectives;

1. To establish the association between dividend payout and firm profitability among listed companies in Sri Lanka.
2. To establish the extent of the association between dividend payout and firm profitability.

V. REVIEW OF LITERATURE

Theoretical Framework:

Bird-in-the-hand theory

The "Bird in Hand" theory of Gordon (1962) argues that outside shareholders prefer a higher dividend policy. They prefer a dividend today to a highly uncertain capital gain from a questionable future investment. A number of studies demonstrate that this mode fails if it is posited in a complete and perfect market with investors who behave according to notions of rational behavior (Miller and Modigliani, 1961; Bhattacharya, 1979).

Signaling Theory

According to the information content of dividends or signaling theory, firms, despite the distortion of investment decisions to capital gains, may pay dividends to signal their future prospects (Amidu, 2007). The intuition underlying this argument is based on the information asymmetry between managers (insiders) and outside investors, where managers have private information about the current and future fortunes of the firm that is not available to outsiders.

Agency theory

Even if a firm does not have free cash flow, dividend payments can still be useful for the shareholders in order to control the overinvestment problem. Easterbrook (1984) argues that dividends reduce the over investment problem because the payment of dividends increases the frequency with which firms have to go to equity markets in order to raise additional capital. In the process of attracting new equity, firms subject themselves to the monitoring and disciplining of these markets. This lowers agency cost.

Empirical studies:

The behavior of dividend policy is one most debatable issue in the corporate finance literature and still keeps its prominent place both in developed an emerging markets (Hafeez & Attiya, 2009). Many researchers have tried to uncover issues regarding the dividend dynamics and determinants of dividend policy but we still don’t have an acceptable explanation for the observed dividend behavior of firms (Black, 1976; Brealey & Myers 2005). Dividend policy has been analyzed for many decades, but no universally accepted explanation for companies’ observed dividend behavior has been established (Samuel & Edward, 2011). It has long been a puzzle in corporate finance.

Velnampy.T (2006) examined the financial position of the companies and the relationship between financial position and profitability with the sample of 25 public quoted companies in Sri Lanka by using the Altman Original Bankruptcy Forecasting Model. His findings suggest that, out of 25 companies only 4 companies are in the condition of going to bankrupt in the near future. He also found that, earning/total assets ratio, market value of total equity/book value of debt ratio and sales/total assets in times are the most significant ratios in determining the financial position of the quoted companies.

Velnampy.T(2013) in his study of corporate governance and firm performance” with the samples of 28 manufacturing companies using the data representing the periods of 2007 – 2011 found that determinants of corporate governance are not correlated to the performance measures of the organization. Regression model showed that corporate governance don't affect companies' ROE and ROA revealed that corporate governance measures are not correlated with performance measures.

Velnampy.T and Nimalathasan, B. (2009) investigated the association between organizational growth and profitability of Commercial bank ltd in Sri Lanka over the period of 10 years from 1997 to 2006. They found that, sales are positively associated with profitability ratios except operating profit, return on equity and number of depositors are negatively correlated to the profitability ratios except operating profit and return on equity. Likewise, number of advances is also negatively correlated to the return on average shareholders' funds.

Miller & Modigliani (1961) argued that under certain simplifying assumptions, the dividend decision does not affect the value of a firm and is, hence, unimportant. Yet, traditional wisdom with changed postulations advocates that a properly managed dividend policy is vital to shareholders because it can affect share prices and shareholder's wealth. This argument is based upon two assumptions that there is no tax disadvantage to an investor to receiving dividends, and the second is that firms can raise funds in capital markets for new investments without bearing significant issuance costs. The proponents of the second school feel that dividends are bad for the average stockholder because of the tax disadvantage they create, which results in lower value. Finally, there are those in a third group who argued that dividends are clearly good because stockholders like them. Thus, despite voluminous research on dividends, corporate managers and financial economists still face what Black (1976) once described as a dividend enigma with pieces that just don't seem to fit.

Amidu (2007) found that dividend policy affects firm performance especially the profitability measured by the return on assets. The results showed a positive and significant relationship between return on assets, return on equity, growth in sales and dividend policy. This showed that when a firm has a policy to pay dividends, its profitability is influenced. The results also showed a statistically significant relationship between profitability and dividend payout ratio. A study by Howatt et al. (2009) also concluded that positive changes in dividends are associated with positive future changes in mean real earnings per share.

Brigham (1995) where a firm's dividend policy is seen as a major determinant for a firms' performance. Similarly, Zakaria and Tan (2007) also stressed the fact that investments made by firms' influences the future earnings and future dividends potential.

Nissim & Ziv (2001) showed that dividend increases were directly related to future increases in earnings in each of the two years after the dividend change Likewise, Zeckhauser & Pound (1990) in a related study found out that there is no significant difference among dividend payouts with or without large block shareholders.

Kale and Noe (1990) suggest that dividend acts as a signal of the stability of the firm's future cash flows. A survey of the extant literature reveal that the key determinants of dividend decisions include liquidity, after tax earnings of the firm, cash flow considerations, future earnings, past dividend practices, returns on investment, legal requirements, growth prospects, inflation and interest rates. Brigham (1995) submit that dividends provide perhaps the best and most reliable signal. According to him, an increase in dividend signals management' confidence that future earnings will be strong enough to support new and higher dividend and vice versa. This view is corroborated b Foong, *et al* (2007) when they noted that there is evidence to support the view that investors respond to dividend changes. For example, Fama and Babiak (1968) found a time series relation been annual dividends and earnings that is consistent with the view that dividend paying firms increase their dividend only when management is relatively confident that their higher payments can be maintained.

However, Farsio et al. (2004) argue that no significant relationship between dividends and earnings hold in the long run and studies that support this relationship are based on short periods and therefore misleading to investors. They proposed three scenarios that would render the long-term relationship of dividends and future earnings insignificant. First, they point out that an increase in dividends may lead to a decline in funds that are to be reinvested by the firm. Firms that pay high dividends without considering investment needs may therefore experience lower future earnings (Farsio et al., 2004). There is thus a negative relationship between dividend payout and future earnings.

VI. CONCEPTUALIZATION

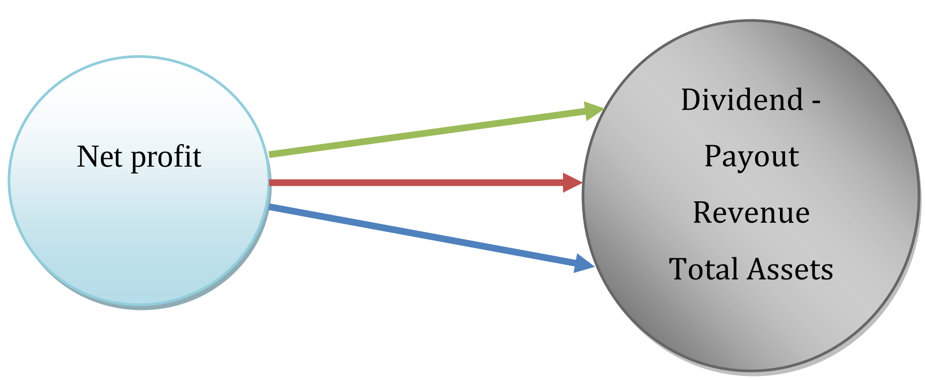

Figure 1: Author Constructed

VII. HYPOTHESES OF THE STUDY

The hypotheses below are operationalized as a basis for analysis and conclusion on the relationship between dividend payout and profitability.

H_1: There is significant relationship between the dividend payout and net profit.

H_2: There is significant relationship between revenue and net profit.

H_3: There is significant relationship between total assets and net profit.

H_4: There is significant impact of dividend payout, revenue and total assets on net profit.

Hypotheses 1, 2 & 3 are evaluated based on the correlation analysis while regression analysis the basis of evaluation of hypothesis 4.

VIII. METHODOLOGY

DATA SOURCE:

The present study used secondary data for the analysis. The data utilized in this study is extracted from the comprehensive income statements and financial position of the sample hotels and restaurant companies quoted in Colombo Stock Exchange (CSE) database. In addition to this, scholarly articles from academic journals and relevant textbooks were also used.

SAMPLING DESIGN

Sampling design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt on selecting items for the sample (Kothari, C.R., 2004). The sample of this study is confined to the trading sector consists of 16 hotels and restaurant companies listed in the Colombo Stock Exchange (CSE).

MODE OF ANALYSIS

In the present study, we analyze our data by employing correlation; multiple regressions& descriptive statistics. For the study, entire analysis is done by personal computer. A well known statistical package like 'Statistical Package for Social Sciences' (SPSS) 16.0 Version was used in order to analyze the data. The following liquidity and profitability ratios are taken into accounts which are given below.

Table-1: Calculations of Dependent and Independent variables.

Dependent Variable	
Net Profit (NPT)	= Net Profit After Tax (NPAT) / Total Revenue (TR) X100
Independent Variable	
Dividend Payout (DIVP)	= Total Amount of Dividend Paid during the Particular Period
Control Variables	
Revenue (RVN)	= Amount of Sales
Total Assets (TA)	= Amount of Total Assets

Multiple regression analysis was performed to investigate the impact of dividend payout on profitability. Which the model used for the study is given below.

Profitability = f (DIVP; RVN; and TA)

It is important to note that the Profitability depend upon Dividend Payout (DIVP); Revenue (RVN) & Total Assets (TA). The following model is formulated to measure the impact of dividend payout on Profitability**.**

NPT= $\beta_0 + \beta_1$**DIVP** $+\beta_2$**RVN** $+\beta_3$**TA**+e -- (1)

Where,

β_0, β_1, β_2, β_3 are the regression co-efficient

NPT $\longrightarrow$ Net Profit
DIVP $\longrightarrow$ Dividend Payout
RVN $\longrightarrow$ Revenue
TA $\longrightarrow$ Total Assets

IX. RESULTS & ANALYSIS

CORRELATION REGRESSION AND RELIABILITY ANALYSIS:

Table 2: Correlation, Regression & Reliability Value

***,**

Model	Dependent	Independent	R	P – value	R^2	F-Value	**Durbin-Watson**
1	NPT	DIVP RVN TA	0.441* 0.671** 0.747**	0.027 0.004 0.001	52.6	4.433 (0.026)	1.815

Correlation is significant at the 0.05 level (2-tailed)

**, Correlation is significant at the 0.01 level (2-tailed).

The above mentioned table indicates the relationship between the various independent and dependent variables used in the study. As it is observed in the table, the correlation values were found to be positive between the variables. Dividend payout has 44.1% relation (moderate positive) with net profit which is significant at 5 percent level of significance. As well as revenue and total assets have 67.1% and 74.7% relation (strong positive) with net profit respectively. Which are significant at 1 percent level of significance.

X. REGRESSION

Regression analysis is used to test the impact of dividend payout on profitability of the listed hotels and restaurant companies in CSE. As we mentioned in mode of analysis, a model was formulated and the results are summarized in the above Table-2.

The specification of the three variables such as DIVP; RVN; and TA in the above model revealed the ability to predict profitability (R^2 = 0.526). In this model $R^{2\ value}$ of above mentioned profitability measures denote that 52.6 % to the observed variability it can be explained by the differences in three independent variability namely dividend payout, revenue and total asset. The remaining 47.4 % are not explained, because the remaining part of the variance in profitability is related to other variables which are not depicted in the model.

An examination of the model summary in conjunction with ANOVA (F–value) indicates that the model explains the most possible combination of predictor variables that could contribute to the relationship with the dependent variables. Model created by the researcher is significant at 5% level of significance. F value is 4.433 and respective P value is 0.026 which is statistically significant at 5 percent level of significance. In this case it reveals that only DIVP has a significant impact on NPT at 5 percent level of significance. However, it should be noted here that there may be some other variables which can have an impact on profitability, which need to be studied. In addition to the above analysis Durbin-Watson test also carried out to check the auto correlation among the independent variables. The Durbin-Watson statistic ranges in value from 0 to 4. A value near 2 indicates non-autocorrelation. Model has the value is 1.815. This indicates that there is no auto correlation.

XI. HYPOTHESES TESTING

Table 3: Testing of Hypotheses

No	Hypotheses	Results	Tools
H1	There is significant relationship between the dividend payout and net profit.	**Accepted**	**Correlation**
H2	There is significant relationship between revenue and net profit.	**Accepted**	**Correlation**
H3	There is significant relationship between total assets and net profit.	**Accepted**	**Correlation**
H4	There is significant impact of dividend payout, revenue and total assets on net profit.	**Accepted**	**Regression**

XII. CONCLUSION

This study basically looked at dividend payout and profitability in Sri Lanka.The study came up with findings that are of salient importance to scholars investigating dividend issues in the Sri Lankan context. Based on the first hypothesis, the study observed that dividend payout has a significant impact on the profitability of listed firms in Sri Lanka. That is, an increase in the financial well being of a firm tends to positively affect the dividend payout level of firms. Findings from the second hypothesis assure that there is a significant positive relationship between revenue and the profitability of firms. Findings from the third hypothesis assure that there is a significant positive relationship between total assets and the profitability of firms. Also final hypothesis say that all independent variables have significant impact on profitability of the hotels and restaurant companies.

XIII. LIMITATIONS &SCOPE FOR FURTHER RESEARCH

The study suffers from certain limitations which are mentioned below.

1. As the study is purely based on listed trading companies, so the results of the study are only indicative and not conclusive.

2. Furthermore, data representing the period of 5 years were used for the study.

An important limitation to this paper is the period for which the data is sampled. The sample horizon for this study is short compared to other samples in the literature. To address this limitation, future research can increase the sample size. Finally, it would be of interest if future research can investigate how profitability and dividend policy will be affected by changes in tax policy, pattern of past dividends, legal rules, financial leverage, opportunities, growth stage and capital structure. Other factors such as ownership structure, shareholder’s expectations, tax position of shareholders, industry practice growth stage capital structure and access to capital markets can also be considered in designing a dividend policy though they affect dividend to a moderate extend.

REFERENCES

[1] Aivazian, V., Booth, L., & Clearly, S. (2003). Do emerging market firms follow different dividend policies from U.S. firms? Journal of Financial Research, 26(3), 371 – 387.

[2] Al-Haddad, W. et al. (2011). The effect of dividend policy stability on the performance of banking sector. International Journal of Humanities and Social Science, 5(1).

[3] Alii, K.L., Khan, A.Q. & Ramirez, G.G. (1993) "Determinants of corporate dividend policy: A factorial analysis", Financial Review, vol. 28: 523-47.

[4] Amidu, M. (2007). How does dividend policy affect performance of the firm on Ghana stock Exchange. Investment Management and Financial Innovations, 4(2), 104 – 112.

[5] Arnott, D. R., & Asness, S. C. (2003). Surprise higher dividends are higher earnings growth. Financial Analyst Journal, 70 – 87.

[6] Azhagaiah, R., & Priya, S. N. (2008). The impact of dividend policy on shareholders' wealth. International Research Journal of Finance and Economics, 20, 180 – 187.

[7] Baker, H. K., & Powell, G. E. (1999). How corporate managers view dividend policy? Quarterly European Scientific Journal May edition vol. 8, No.9 ISSN: 1857 – 7881 (Print) e - ISSN 1857- 7431 214.

[8] Baker, H. K., Veit, E. T., & Powell, G. E. (2001). Factors influencing dividend policy decisions of Nasdaq firms. The Financial Review, 36(3), 19-37. Journal of Business and Economics, 38(2), 17-27.

[9] Baker, K., Veit. E. T. & Powell, G. (1995) "Factors influencing dividend policy Business & Finance, vol. 5: 97-111

[10] DeAngelo, H., & DeAngelo, L. (2006). Payout policy pedagogy: What matters and why. Working paper, University of Southern California.

[11] DeAngelo, H., DeAngelo, L., & Stulz, R. (2006). Dividend Policy and the earned/contributed capital mix: a test of the life-cycle theory. Journal of Financial Economics, 81, 227-254.

[12] Dhanani, A. (2005). Corporate dividend policy: The views of British financial managers. Journal of Business Finance & Accounting, 37(7) & (8), 1625 – 1672.

[13] Farsio, F., Geary, A., & Moser, J. (2004). The relationship between dividends and earnings. Journal for Economic Educators, 4(4), 1 – 5

[14] Foong, S.S., Zakaria, N.B. & Tan, H.B. (2007) "Firm Performance and Dividend- Related Factors: The Case of Malaysia", Labuan Bulletin of International Business & Finance, vol. 5: 97-111.

[15] Frankfurter, G. M., & McGoun, E. G. (2000). Thought Contagion and Financial Economics: The Dividend Puzzle as a Case Study. The Journal of Psychology and Financial Markets, 1(2), 145 – 153.

[16] Howatt, B. et al. (2009). Dividends, earnings volatility and information. Applied Financial Economics, 19(7), 551 – 562.

[17] Lie, E. (2005). Financial flexibility, performance, and the corporate payout choice. The Journal of Business, 78(6), 2179 – 2202.

[18] Lintner, J. (1956) "Distribution of income of corporations among dividends, retained earnings and taxes", American Economic Review, vol. 60: 1–40

[19] Gordon, M. (1962). The savings, investment and valuation of a corporation, Review of Economics and Statistics, 37-51. doi:10.2307/1926621, http://dx.doi.org/10.2307/1926621

[20] Miller, M. H., and Modigliani, F. (1961). Dividend Policy, Growth, and the Valuation of Shares, Journal of Business 34, 411-433. Doi: 10.1086/294442, http://dx.doi.org/10.1086/29444.

[21] Mizuno, M. (2007). Payout policy of Japanese firms: analysis on the survey of four industries listed on the Tokyo Stock Exchange. Pacific Economic Review, 12(5), 631 – 650.

[22] N. Bhattacharya, A. Mawani and C.K.J. Morrill, "Dividend payout and Executive Compensation: Theory and Evidence," Journal of Accounting and Finance, vol 48 (4), 2008, pp 521-541.

[23] Nissim, D. & Ziv, D. (2001) "Dividend changes and future profitability", Journal of Finance, vol. 56 (6): 2111–2133.

[24] Pandey, I. M. (2003). Corporate dividend policy and behavior the Malaysian evidence. Asian Academy of Management Journal, 8(1), 17 – 32.

[25] Pandey, M. I. (2005). Financial Management (9th Ed.). New Delhi: Vikas publishing House Pvt Limited. Related Factors: The Case of Malaysia", Labuan Bulletin of International.

[26] Ross, S.A., Westerfield, R.W. & Jaffe, J. (2002) Corporate Finance (6th ed.), shares", Journal of Business, vol. 34: 411-433.

[27] Stulz, R. M. (2000). Merton Miller and modern finance. Financial Management, 29(4), 119–131.

[28] Travlos, N., Trigeorgis, L., & Vafeas, N. (2001). Shareholder wealth effects of dividend policy changes in an emerging stock market. Multinational Finance Journal, 5(2), 87 – 112.

[29] Velnampy, T. (2005). A Study on Investment Appraisal and Profitability. *Journal of Business Studies*, *2*, 23-35.

[30] Velnampy, T.(2012) Portfolio structure & Performance-A study on Selected Financial Organization in Sri Lanka.

[31] Velnampy.T (2006), An Empirical Study on Application of Altman Original Bankruptcy Fore-Casting Model in Sri Lankan Companies", M- Infiniti, Journal of Management, Sai Ram Institute of Management, Sai Ram Engineering College, India, Vol 1, issue 1, April – September.

[32] Velnampy, T. (2013). Corporate Governance and Firm Performance: A Study of Sri Lankan Manufacturing Companies. *Journal of Economics and Sustainable Development*, *4*(3), 228-235.

[33] Velnampy, T., & Nimalathasan, B. (2008). An association between organisational growth and profitability: A study of commercial bank of Ceylon LTD Srilanka. *Annals of University of Bucharest, Economic and Administrative Series*, (2), 46-57.

AUTHORS

First Author – A.AJANTHAN, Department of Accounting, University of Jaffna