

IMPACT OF DIRECTORS' REMUNERATION ON PROFITABILITY: EMPIRICAL EVIDENCE FROM LISTED COMPANIES IN SRI LANKA

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This study intentions to understand the impact of Directors' Remuneration on Profitability of Listed Company in Sri Lanka. The data concerning Directors' Remuneration and profitability were collected from selected companies listed o from Colombo Stock Exchange (CSE) for the dated of 2015/2016 to 2018/2019. Secondary data collected from annual reports of these companies. The data is analyzed by means of descriptive statistics, correlation and regression analysis using Eviews 8 software. Whole, results designate that Directors' Remuneration essentials argument elements Directors profitability. Then, board size has substantial adverse association with ROA. According to correlation analysis, it expressions that, typically independent variable and control variables significantly connected with ROA as the performance measures. This study shows there is impact of Director Remuneration on Profitability and also there is a relationship between Director Remuneration and ROA. Therefore, investigators can do additional investigation in upcoming by adding other variables in adding to clarified in this study.

Keywords: *Directors' Remuneration; Financial performance; Return on Assets*
