

# IMPACT OF INTERNAL FACTORS TOWARDS FINANCIAL PERFORMANCE OF LIFE INSURANCE COMPANIES IN SRI LANKA

**Pathirana, A. P. P. V., Buddhika, H.J.R**

*University of Kelaniya, Sri Lanka*

---

This research aims to provide comprehensive knowledge to a wide range of users by identifying and measuring the factors that impacted life insurance companies' performance in Sri Lanka. Data is collected from secondary sources and designed on a quantitative method. The descriptive statistics and fixed effect regression method used to differentiate; analyse the research output. The package of E-views supported in this regard for the evaluation of data. The company's size, tangibility, premium growth, and debt to equity ratio are significant determinants. Still, the company's underwriting Risk and liquidity were not significantly related to life insurance firms' profitability. Further, underwriting risk and debt to equity ratio show a negative relationship with the dependent variable (ROA). tangibility, Premium growth, liquidity, and company size offers a positive relationship with the dependent variable. The research will contribute to the literature by studying the Sri Lankan life insurance industry. This research will help the investors make decisions properly, help the companies manage the risk associated with the firms, and increase the profitability and financial performance of Sri Lankan life insurance companies.

**Keywords:** *Financial Performance; Life Insurance; Internal factors; Profitability*

---