SLFA

Sri Lanka Finance Association

BOOK OF ABSTRACTS

4th Annual International Undergraduate Finance Research Conference IUFRC-2024

"Empowering Communities with Financial Literacy to Seize Emerging Financial Opportunities"

February 27, 2025

Hosted by:
Department of Accountancy and Finance
Faculty of Management and Commerce
South Eastern University of Sri Lanka

4th Annual International Undergraduate Finance Research Conference 2024

(AIUFRC 2024)

“Empowering Communities with Financial Literacy to Seize Emerging Financial Opportunities”

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MESSAGES

MESSAGE FROM THE VICE CHANCELLOR

It is with great pleasure that I extend my warmest congratulations to the Sri Lanka Finance Association and the Department of Accountancy and Finance on the successful organization of the 4th Annual International Undergraduate Finance Research Conference (AIUFRC-2024). As the Acting Vice-Chancellor of South Eastern University of Sri Lanka, I am particularly proud to see our institution host this prestigious event that brings together promising undergraduate researchers from across the globe. This conference aligns perfectly with our university's mission to foster academic excellence, critical thinking, and innovative research.

The theme of "Empowering Communities with Financial Literacy to Seize Emerging Financial Opportunities" is especially relevant in today's rapidly evolving economic landscape. By focusing on this important area, the conference not only contributes to academic discourse but also addresses real-world challenges facing our communities. I commend the organizers for their dedication and hard work in creating this valuable platform for undergraduate students to showcase their research capabilities. Such initiatives play a crucial role in bridging the gap between academic learning and practical application, preparing our students for future leadership in the finance sector.

May the knowledge shared and connections formed during this conference inspire further research and collaboration in the field of finance. I look forward to seeing the continued growth of this conference in the years to come.

Dr. U. L. Abdul Majeed
Acting Vice-Chancellor
South Eastern University of Sri Lanka,

MESSAGE FROM THE FOUNDER PRESIDENT SRI LANKA FINANCE ASSOCIATION

As the Founder President of the Sri Lanka Finance Association (SLFA), it is my distinct honor to witness the continued growth and success of the International Undergraduate Finance Research Conference (AIUFRC), now in its fourth year. When we established SLFA, our vision was to create a platform that would foster financial research excellence and promote knowledge exchange within Sri Lanka and beyond. This undergraduate conference epitomizes that vision, providing a crucial foundation for developing the next generation of finance professionals and scholars. What impresses me most about IUFRC-2024 is its emphasis on financial literacy as a tool for community empowerment. In today's rapidly evolving financial landscape, this focus is not merely academic—it is essential for sustainable economic development and social progress.

I commend the current leadership of SLFA, the organizing committee, and all participants for maintaining the high standards we envisioned. The international participation and diverse research topics presented reflect the conference's growing stature and impact on the global stage. To the undergraduate researchers: your work today represents the future of financial innovation. The analytical skills and research aptitude you are developing will serve not only your careers but also the advancement of financial literacy in communities worldwide. May this conference continue to thrive as a beacon of financial education and research excellence in Sri Lanka and beyond.

Prof. Lalith P. Samarakoon
Founder president | Sri Lanka Finance Association
University of St. Thomas. Minnesota, USA

MESSAGE FROM THE PRESIDENT
SRI LANKA FINANCE ASSOCIATION

It is with immense pride that I congratulate everyone involved in the outstanding success of the 4th Annual International Undergraduate Finance Research Conference. As President of the Sri Lanka Finance Association, I am truly inspired by what we have collectively achieved. While the team deserve special recognition for their exemplary coordination and secretarial leadership respectively, this achievement belongs to our entire organizing committee, faculty mentors, reviewers, and dedicated student volunteers who worked tirelessly behind the scenes.

The exceptional research quality and increased international submissions demonstrate our conference's evolution into a globally recognized platform. This achievement is vital in finance, where undergraduate analytical and research competencies create a pipeline of innovative thinkers ready for complex challenges. By integrating Finance Day with academic presentations, we've built crucial synergies between theory and practice—an essential connection for advancing financial literacy and inclusion worldwide.

The diverse range of topics covered in this year's proceedings reflects our commitment to the conference theme of empowering communities through financial literacy. Each presentation contributes to building a more financially inclusive future and strengthens SLFA's position as a leader in finance education and research development. With sincere gratitude and commitment to continued excellence,

Senior Prof. DBPH. Dissabandara
President | Sri Lanka Finance Association
Chairman | Securities and Exchange Commission of Sri Lanka
Senior Professor | University of Sri Jayewardenepura

MESSAGE FROM THE SECRETARY
SRI LANKA FINANCE ASSOCIATION

On behalf of the Sri Lanka Finance Association (SLFA), it is my great honour and privilege to extend my heartfelt congratulations to all participants of the 4th Annual International Undergraduate Finance Research Conference (AIUFRC-2024). This prestigious event is a testament to the dedication, hard work, and intellectual curiosity of undergraduate students from various higher education institutions, who are poised to become the next generation of finance professionals.

The theme of this year's conference, 'Financial strategies at the forefront: Enhancing sustainability through AI', is timely and impactful. It highlights the critical role that innovative financial strategies and artificial intelligence can play in fostering sustainable development. The technical sessions of the 4th Annual International Undergraduate Finance Research Conference (AIUFRC-2024), held virtually on 11th February 2025, were remarkably successful. Despite the shift to an online format, the sessions were characterized by engaging presentations, robust intellectual discussions, and innovative research contributions.

I am particularly excited about the physical events scheduled for 27th February 2025, including the inauguration ceremony, financial awareness programs, and quiz competitions. These activities not only provide an opportunity for participants to showcase their knowledge and skills but also encourage friendship and teamwork among peers. The presence of distinguished guests, including Senior Prof. Dr. D.B.P.H. Dissabandara, President of SLFA and Chairman of the Securities and Exchange Commission, as the Chief Guest and Keynote Speaker, will undoubtedly add immense value to the proceedings.

I extend my most profound appreciation to the organizing committee, including Prof. A.L. Abdul Rauf, the Conference Chair, and Dr. M.I.M. Riyath, the Conference Secretary, for their unwavering dedication and meticulous planning in making this conference a reality. Their efforts in coordinating and executing the virtual and physical aspects of AIUFRC-2024 have been truly commendable. The success of this event is a testament to their hard work and commitment to fostering academic excellence and professional development in the field of finance.

Congratulations again to all participants, and best wishes for a successful and enriching conference experience.

Prof. Manjula K. Wanniarachchige, PhD
Executive Secretary | Sri Lanka Finance Association

Dean | Professor in Finance
Faculty of Management and Finance
University of Ruhuna, Matara, Sri Lanka

MESSAGE FROM THE DEAN

It is with great pleasure that I extend my warmest greetings to all participants, researchers, and distinguished guests at the 4th Annual International Undergraduate Finance Research Conference 2024 (AIUFRC 2024). This year's conference, centered around the theme "Empowering Communities with Financial Literacy to Seize Emerging Financial Opportunities," reflects the growing importance of financial knowledge in today's dynamic and evolving global economy.

Financial literacy serves as a cornerstone in fostering economic stability and growth. In a rapidly changing financial landscape, equipping individuals and communities with the knowledge and skills to navigate emerging financial opportunities is more crucial than ever. This conference provides an invaluable platform for undergraduates to present their research, engage in intellectual discourse, and contribute innovative ideas that can drive financial inclusivity and economic empowerment.

I take this opportunity to commend all the young researchers whose contributions are featured in this Book of Abstracts. Your dedication to advancing financial knowledge and addressing real-world challenges is both inspiring and commendable.

I extend my sincere gratitude to the organizing committee, faculty members, and all stakeholders who have worked tirelessly to make AIUFRC 2024 a success. Let this conference be a catalyst for new ideas, partnerships, and breakthroughs that will shape the future of finance and economic empowerment.

Wishing you all a productive and insightful conference!

Prof AMM Mustafa, PhD
Dean | Faculty of Management and Commerce
South Eastern University of Sri Lanka

MESSAGE FROM THE HEAD

It is a great privilege for the Department of Accountancy and Finance, Faculty of Management and Commerce, South Eastern University of Sri Lanka, to host the 4th Annual International Undergraduate Finance Research Conference in collaboration with the Sri Lanka Finance Association. This conference serves as a remarkable platform for undergraduate students and recent graduates to present their early-stage research findings to both national and international audiences. It provides a valuable opportunity for students in the field of finance to showcase their research, receive constructive feedback from reviewers and the panel of chairs, and enhance their research skills.

Furthermore, this conference marks the beginning of a significant initiative —Finance Day at South Eastern University of Sri Lanka, scheduled to be held on the 27th of February 2025. It is an honor to organize this event under my leadership as the Head of the Department. Finance Day presents a unique opportunity for school and university students to participate in finance quiz competitions and engage in a financial awareness programme designed for SEUSL staff and external entrepreneurs.

On behalf of the Department of Accountancy and Finance, Faculty of Management and Commerce, South Eastern University of Sri Lanka, I extend my heartfelt congratulations to all presenters and authors. May this conference inspire you to refine your research, gain new insights, and develop innovative ideas for future studies.

Wishing you all great success!

MACN. Shafana
Head | Department of Accountancy and Finance
Faculty of Management and Commerce
South Eastern University of Sri Lanka

MESSAGE FROM THE CONFERENCE COORDINATOR

It is with great pleasure that I extend my warmest greetings to all participants, presenters, and distinguished guests of the International Undergraduate Finance Research Conference (AIUFRC-2024). This conference serves as a vital platform for undergraduate researchers to showcase their academic endeavors, engage in scholarly discussions, and contribute to the advancement of knowledge across diverse disciplines.

The Book of Abstracts reflects the dedication, innovation, and rigorous inquiry of our young researchers. Each abstract included here represents a step forward in fostering a culture of research and intellectual curiosity among undergraduates. Through this conference, we aim to nurture critical thinking, interdisciplinary collaboration, and a commitment to academic excellence, ensuring that the next generation of scholars and professionals is well-equipped to address contemporary challenges.

I extend my sincere appreciation to the organizing committee, reviewers, faculty members, and supporting institutions whose tireless efforts have made this conference a success. I also congratulate all participants for their valuable contributions and encourage them to continue their pursuit of knowledge with passion and integrity.

Wishing you all an enriching and inspiring conference experience.

Prof. Dr. AL Abdul Rauf
Conference Coordinator, AIUFRC-2024
Professor of Accountancy
Department of Accountancy and Finance
Faculty of Management and Commerce
South Eastern University of Sri Lanka

MESSAGE FROM PROFESSOR A JAHFER

It is a pleasure to extend my thoughts on the 4th Annual International Undergraduate Finance Conference 2024 (AIUFRC 2024) and the research contributions compiled in this Book of Abstracts. This conference has grown into a vital platform for young scholars to explore pressing financial issues and contribute to the discourse on financial literacy and economic empowerment.

The theme, "Empowering Communities with Financial Literacy to Seize Emerging Financial Opportunities," highlights the critical role of financial knowledge in navigating today's evolving economic landscape. The research presented here sheds light on key areas such as digital finance, investment strategies, and sustainable financial inclusion, offering insights that are both timely and impactful.

I commend the dedication of all student researchers and extend my appreciation to the organizing committee for their commitment to academic excellence of the Faculty of Management and Commerce, South Eastern University of Sri Lanka. May this conference inspire meaningful discussions and future contributions to the finance industry.

Wishing all participants a successful and enriching experience.

Prof. Dr. A. Jahfer
Professor in Commerce
Department of Accountancy and Finance
Faculty of Management and Commerce
South Eastern University of Sri Lanka

MESSAGE FROM THE CONFERENCE SECRETARY

It is with great pride and honor that I welcome you to the 4th Annual International Undergraduate Finance Research Conference (AIUFRC-2024) and present the Books of Abstracts. This publication reflects the dedication and intellectual contributions of the undergraduate researchers and their mentors who participated in this year's conference.

The theme of this year's conference, "Empowering Communities with Financial Literacy to Seize Emerging Financial Opportunities", highlights the importance of equipping individuals and communities with the knowledge and tools necessary to navigate today's complex financial environment. The abstracts in these proceedings represent a wide range of topics, including financial technology, behavioral finance, corporate governance, sustainability, and risk management. Each abstract has been carefully reviewed to ensure quality and relevance. This compilation not only serves as a record of the research presented but also inspires future research and collaboration in finance and related disciplines.

I extend my heartfelt gratitude to the Keynote Speaker, the Panel Chairs, the Track Coordinators, and the Organizing Committee for their unwavering support and dedication to the success of this event. I am especially thankful to the faculty, staff, and students of the Department of Accountancy and Finance for their efforts in ensuring the smooth execution of the conference. To all presenters, your work is the cornerstone of this conference. Thank you for being part of AIUFRC-2024, and I encourage everyone to engage with the ideas presented here as we work toward building a financially inclusive future.

Dr. MIM. Riyath
Secretary
AIUFRC 2024

MESSAGE FROM THE CONFERENCE TREASURER

It is my pleasure to extend this message to the 4th International Undergraduate Finance Conference and Finance Day. This event serves as a dynamic platform for the exchange of ideas, fostering discussions that shape the future of finance and investment. We are honored to host a diverse group of students, academics, and industry professionals, all united by a shared passion for financial innovation and excellence.

As Treasurer, I am privileged to oversee the financial planning that ensures the smooth execution of this conference. Our team has worked diligently to allocate resources effectively, securing the necessary support to provide you with a meaningful and enriching experience. We extend our gratitude to our sponsors, partners, and contributors whose generosity has made this event possible.

I encourage you to take full advantage of the opportunities available engage with speakers, participate in discussions, and connect with fellow attendees. Your insights and contributions are what make this conference a success.

Wishing you an inspiring and productive conference.

Dr. A. M. Inun Jariya
Treasurer
AIUFRC 2024

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Impact of Digital Finance on SMEs' Financial Performance and Sustainable Practices in Colombo District Post Pandemic Period

Sherin V.[1*] and Lakshani K.A.D.T.[2]

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This study examines the impact of digital finance on the financial performance and sustainability practices of small and medium enterprises in Colombo District post-pandemic period, with a sector-wise analysis. Recognizing the increasing global emphasis on digital finance and sustainability across various industries, this research explores the underrepresented relationship between these critical areas while assessing SMEs' performance within Colombo District. SMEs are vital to Sri Lanka's economy, contributing significantly to GDP, employment, and innovation. However, they face challenges such as limited access to finance, low financial literacy, and market risks. Digital finance tools have the potential to enhance their financial performance and support sustainable practices by increasing efficiency, reducing costs, and improving accessibility. Key indicators of digital finance, including mobile application services, internet banking, and digital adoption rates, are analysed to assess their influence on SMEs. The study evaluates outcomes in terms of SME growth and sustainability practices, including paper reduction and contributions to corporate social responsibility (CSR) initiatives. The sample consists of 200 registered SMEs in Colombo District, selected using a stratified random sampling.. Data is collected through structured questionnaires, and quantitative methods are employed for analysis. Descriptive statistics, including means and standard deviations, provide an overview of the data, while inferential statistics, particularly simple linear regression analysis, are used to derive actionable insights. Grounded in Schumpeter's Theory of Innovation and the Resource-Based View (RBV), the study conceptualizes digital finance as a transformative tool that fosters innovation and enhances operational efficiency. The findings reveal that digital adoption rates, internet banking services, mobile application services, and service efficiency collectively explain 73.3% of SME growth ($R^2 = 0.733$) and 72.1% of SME sustainability practices ($R^2 = 0.721$). ANOVA results confirm the model's significance ($p < 0.05$). Regression analysis highlights that mobile application services, internet banking services, and service efficiency significantly enhance both SME growth and sustainability. However, the digital adoption rate does not have a significant effect. By addressing critical gaps, this study contributes to Sri Lanka's economic recovery and sustainable development.

Keywords: *Digital Finance, Financial Performance, Mobile Applications, Sector -Wise Analysis, Sustainable Practices*

Impact of Goodwill on Capital Structure with the Moderating Effect of Financial Market Development: Evidence from Manufacturing Companies in Sri Lanka

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This study investigates the relationship between goodwill and capital structure, emphasizing the moderating effect of financial market development. The research focuses on manufacturing companies listed on the Colombo Stock Exchange (CSE) in Sri Lanka, covering the period from 2019 to 2023. Utilizing a quantitative research approach, the study examines data from 44 manufacturing firms to explore how goodwill, an intangible asset, influences the composition of a company's capital structure, particularly its debt ratio. Panel data regression analysis was employed to test fixed effects, random effects, and ordinary least squares (OLS) models to ensure robust results. The findings reveal that goodwill has a positive and significant impact on capital structure by increasing the debt ratio, suggesting that firms with higher goodwill levels are better positioned to negotiate favorable debt arrangements. Additionally, financial market development significantly moderates the relationship between goodwill and capital structure, underlining its critical role in shaping corporate financing decisions. The implications of this study are particularly relevant for business leaders and financial managers. Recognizing goodwill as a strategic asset can enhance a firm’s ability to secure cost-effective financing. Goodwill, often viewed as a reflection of a firm's reputation and potential, can serve as a valuable tool in securing loans and negotiating favorable terms with creditors. The study highlights the importance of effectively managing goodwill to leverage its benefits in funding decisions, acquisitions, and overall business growth. The research recommends that companies adopt strategic measures to optimize the use of goodwill to secure long-term financing. Furthermore, the development of financial markets should be prioritized to enhance firms' access to capital and improve the effectiveness of goodwill as a financial leverage tool.

Keywords: *Goodwill, Financial Market Development, Capital Structure, Debt Ratio*

Are Customers Satisfied with the Products Offered by Islamic Social Financial Services in Sri Lanka?

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Sharia-compliant financial services reach the public through various Islamic financial institutions, including Islamic social financial services. However, many customers do not fully realise their level of satisfaction with the products provided by these services, which leads to uncertainty about their effectiveness in meeting financial needs. Therefore, this study examines the influence of service quality, product diversity, adherence to Sharia principles, trust in the institution, and digital transformation on customer satisfaction. The study is quantitative in design, and data were collected from 400 customers of social financial services in Sammanthurai by distributing structured questionnaires using a random sampling technique. Data were analysed using the Statistical Package for Social Sciences (SPSS) 26.0. The findings reveal that service quality, adherence to Sharia principles, and trust in the institution have an impact on customer satisfaction. However, product diversity and digital transformation appear to be insignificant, indicating that customers prioritise ethical compliance, reliability, and service capability over product diversity and digital accessibility. These results indicate that Islamic social financial services may focus on strict adherence to Sharia principles to improve service quality, strengthen trust, and increase customer satisfaction. In addition, as digital transformation gains importance, its implementation should align with customer expectations and usage preferences. This study provides valuable insights for policymakers and financial institutions aiming to improve customer satisfaction in the Islamic social finance sector, and future researchers may be focusing on other regions and conducting comparative studies of conventional and Islamic social financial services that may support the development of Islamic social financial services.

Keywords: *Customer Satisfaction, Islamic Social Finance, Digital, Shariah, Product Diversity*

Ensuring Ethical AI: A Framework for Preventing Discriminatory Practices in Financial Literacy Education

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The integration of artificial intelligence (AI) in education offers significant potential to enhance learning experiences, particularly in specialized subjects such as financial literacy. However, the ethical implications of AI systems in education remain a critical concern, especially when considering their potential to perpetuate biases and discriminatory practices. This research aims to develop a framework for ensuring ethical AI deployment in financial literacy education, focusing on preventing discriminatory practices that could unfairly disadvantage certain student groups. With the increasing reliance on AI-based platforms for personalized financial education, it is essential to ensure these systems are free from biases related to socioeconomic status, race, or geographical location. This paper investigates the ethical challenges posed by AI in financial literacy education and proposes guidelines to ensure equity and fairness in AI-driven learning tools. The primary research objectives are to identify sources of bias in AI-based financial literacy education tools, understand the impact of these biases on learners, and develop a framework for mitigating these issues. A secondary data-based methodology is employed, involving a comprehensive review of existing literature, case studies, and current policy frameworks concerning AI ethics in education. The analysis of the data identifies the patterns of bias in AI systems and their consequences on student learning outcomes. The outcomes include a set of ethical guidelines for AI developers and educators to ensure that AI-driven financial literacy platforms are inclusive and equitable. The research provides actionable recommendations for addressing the biases that hinder fair access to financial education. Practically, this framework serves as a resource for educational institutions, policymakers, and technology developers to create AI tools that foster financial literacy for all students, promoting financial inclusion and empowerment.

Keywords: *Ethical AI, Financial Literacy Education, Discriminatory Practices, Bias Mitigation, Inclusive Education.*

The Role of Financial Literacy in Shaping Sustainable Financial Practices in India's Millennial Population

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Financial literacy plays a critical role in shaping individuals' ability to make informed and sustainable financial decisions. In India, millennials represent a significant portion of the population and are increasingly engaging with modern financial services, yet their financial literacy levels often remain insufficient to navigate complex financial environments. This paper explores the role of financial literacy in shaping sustainable financial practices among India's millennial population. The primary objectives of this study are to evaluate the current level of financial literacy among Indian millennials, identify the factors influencing their financial decision-making, and assess how financial literacy can promote sustainable financial practices, such as responsible investing, saving, and budgeting. The research methodology is based on secondary data collected from government reports, financial institutions, surveys, and academic studies focused on financial literacy and millennials in India. This study will explore the impact of financial literacy on millennials' ability to manage finances in a sustainable manner, particularly in the context of growing economic challenges and the rise of digital financial services. The outcomes include a deeper understanding of the relationship between financial literacy and sustainable financial practices among millennials, as well as policy recommendations for enhancing financial education to foster more responsible financial behaviors. It is found that financial literacy can empower India's millennial population to make informed, long-term financial decisions that contribute to both personal financial security and broader economic stability.

Keywords: *Financial Decision-Making, Financial Education, India, Millennials, Sustainable Financial Practices*

An Analytical Review of Shariah Compliant Housing Finance Practices in Sri Lanka: A Comparative Perspective

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Housing finance is becoming a dynamic and useful financial tool for buying a residence. People usually take home-loan or housing finance for buying a house/flat or a plot of land for building or renovation or extension and repair of an existing house. Thus, the importance of housing loan in business is very high, and which is designed as an interest-bearing loan. But in Islamic finance it is mainly structured in two types of Shariah contracts i.e., Bai Bittaman Aajil (BBA) which is sold on deferred payment and Musharakah Muthanaqisah (MM) which means partnership decreases. Some scholars claim that the practice of Islamic finance is similar to home loan and conventional interest-based lending practice. In this respect, the objective of this study is to examine whether the practices of Islamic financial institutions are compliant with AAOIFI standards or not. This study will be a qualitative method by using primary and secondary data sources. Therefore, two Islamic financial institutions were selected as samples for this study. Some specific aspects of diminishing Musharakah contracts such as partnership, liabilities, sale, Ijara and promise were compared with AAOIFI standards. In this study, the housing finance services of a selected Islamic financial institution were examined according to some specific aspects of reducing Musharakah. The findings reveal that the selected Islamic financial institutions are mostly compliant with AAOIFI standards. At the same time, some of the practices of housing finance that reduce Musharakah fail to comply with AAOFI standards such as obligations & stand pointing promise on Ijarah contract.

Keywords: *Housing Finance , Diminishing Musharakah , AAOIFI Standards , Islamic Financial Institutions*

Problem Solving Murabaha in Modern World: An Islamic Banking Perspective

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Murabaha, a cornerstone of Islamic finance, represents a Sharia-compliant, ethical alternative to interest-based financial systems, offering transparency and fairness through cost-plus sale contracts. This study aims to analyse the principles of Murabaha in Islamic jurisprudence and their practical application in addressing modern financial challenges. It investigates the adaptability of Murabaha in contemporary finance, emphasizing its effectiveness and limitations as a viable alternative to conventional financing systems and focusing its role in asset financing and its integration within Islamic banking. A major aim of this research is to examine the shariah compliant challenges aligned with Murabaha, including the complexities of pricing transparency and regulatory frameworks. While Murabaha serves as an effective financing tool, ensuring its alignment with Islamic legal and ethical standards remains a critical concern. This study addresses the effectiveness of Murabaha, seeking its validity in various sectors and its role in enhancing financial accessibility. Furthermore, this present study highlights the regulatory and operational challenges faced by Islamic financial institutions in practicing Murabaha based transactions. Furthermore, this study highlights the regulatory and operational challenges faced by financial institutions while practicing Murabaha based transactions. It assesses the planes used to ensure shariah compliant Islamic financial principles while confirming efficiency and competitiveness in the global financial landscape. The study ultimately aims to contribute to the ongoing discourse on Islamic finance, offering a comprehensive understanding of Murabaha's potential as a sustainable and ethical financing mechanism in contemporary markets.

Keywords: *Islamic Banking, Murabaha , Modern World , Sharia Principles, Islamic Financial Institutions*

Does Green Financing affect Sustainable Economic Growth of Emerging Economies? Evidence from panel ARDL Model

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Emerging economies, such as Brazil, India, China, and South Africa, are experiencing vast economic growth with no sustainable threshold reached yet and subsequent environmental implications. They require sustainable economic growth with financial backing. Hence, this paper seeks to analyze the relationship between green finance factors and sustainable economic growth in selected countries using a panel Autoregressive Distributed Lag (ARDL) technique. The independent variables include Comparative Advantage in Low Carbon Technology Products; Total Trade in Low Carbon Technology Products; Trade Balance in Low Carbon Technology Products; Annual CO_2 Emissions; Lack of Coping Capacity. Findings reveal that GDP is negatively affected by Total Trade in Low Carbon Technology Products in the short run. This means that despite the increasing green trading opportunities internationally, this type of trade fluctuates at present with sufficient revenue generating options not readily available. However, Annual CO_2 Emissions and Lack of Coping Capacity positively affect GDP in the short run. This means that extensive CO_2 emissions from industrial activities to support growth and insufficient coping capacity infrastructure and facility support encourage reliance on low carbon technology products. Moreover, Comparative Advantage in Low Carbon Technology Products and Trade Balance in Low Carbon Technology Products are shown to be insignificant in the short run, implying that the advantages from these two variables may have a lagged effect. In the long run, GDP shows no statistically significant relationship to the independent variables. This could be due to the high initial costs associated with green finance initiatives, which may offset potential long-term gains. Additionally, the economic benefits of green finance take time to materialize, leading to a delayed impact on GDP. Therefore, developing countries need strategic investments in technology, policy management, and economic resilience, with a focus on infrastructure, supply chains, and governance to mitigate challenges, minimize short-term trade-offs, and enhance long-term sustainability.

Keywords: *Emerging Economies, Green Finance, Sustainable Economic Growth, Low Carbon Technology Products, Environmental Sustainability*

Revolutionizing Financial Literacy: The Role of Digital Platforms, Financial Influencers and AI-Driven Personalization in Empowering Communities

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As the digital landscape evolves, traditional methods of financial literacy must adapt to meet the needs of a tech-savvy, diverse audience. This paper explores how integrating short-form video content, such as reels, with financial influencers and AI-driven personalized learning can revolutionize financial education. By leveraging engaging and relatable content, this approach seeks to demystify finance and empower individuals to confidently adopt fintech tools. The study highlights the role of financial influencers in building trust and engagement, particularly among youth and underserved populations in emerging markets. With short-form content showing a 10% annual growth in user engagement, the potential for creating an informed and empowered generation is significant. AI-powered personalization enables content to be tailored to an individual's activities, knowledge, and interests, ensuring a more relevant and impactful learning experience. This paper also examines the critical role of regulatory bodies in ensuring the accuracy of financial content and managing the ethical use of AI in personalizing financial education. By proposing strategies for collaboration between influencers and regulatory agencies, it emphasizes the importance of maintaining trust and standardization in digital financial education. Ultimately, the findings underscore how digital innovation and strategic partnerships can shape the financial future of individuals and nations, driving financial resilience and contributing to broader economic development.

Keywords: *Financial Literacy, Short-Form Video Content, Financial Influencers, AI-Driven Personalization, Digital Education*

Money and its Current Applications in the Contemporary Islamic Finance Sector

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Money is widely and the most important creative tool in todays in the global arena, which has dynamic influence in the current economic system. The involvement of money in shaping human experience and human needs in various aspects of daily life is essential. This study aims to explore the concept of money and its applications in the contemporary Islamic financial systems. The research seeks to clarify how traditional Islamic principles of money align with modern financial practices, promoting economic justice and social welfare. The research employs a qualitative method using library research, utilizing data which was collected from secondary sources such as books, journal articles, and Islamic scriptures (Qur'an and Hadith). The study highlights that money is not merely a medium of exchange but a tool for achieving economic fairness also. Key findings include the integration of Maqasid al-Shariah principles in contemporary Islamic finance, the use of Shariah-compliant financial instruments (e.g., Murabahah and Sukuk). This research underscores the importance of aligning Islamic financial systems with ethical and moral guidelines. It offers valuable insights for policymakers and financial institutions to enhance Shariah-compliant financial products and foster sustainable economic growth. The study is limited to secondary data sources, and its findings may benefit from empirical validation through case studies or surveys in future research. The research contributes to understanding the dynamic relationship between Islamic monetary principles and contemporary financial systems, emphasizing their relevance in addressing modern economic challenges and fostering long-term stability.

Keywords: *Islamic Financial System, Maqasid Al-Shariah, Money, Shariah-Compliant Instruments*

Factor Affecting Online Shopping Intention among the Customers in Ampara District

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The study aims to investigate the factors affecting consumers' online shopping intentions in Sri Lanka. The study will consider the online shopping intention of consumers with special reference to customers in the Ampara district. The research is based on the Technology Acceptance Model (TAM) and Theory of Planned Behavior (TPB) which are commonly used theories in the research field of online shopping intention. Their search explores how the perceived usefulness, perceived ease of use, attitude, subjective norms, and trust towards the behavior affect the online shopping intention of consumers. In terms of research methodology, this study follows the quantitative approach, and the necessary data for the execution of the study were gathered through questionnaires distributed to around 105 consumers in the Ampara district. Further, the study employed regression analysis. The researchers found that perceived usefulness and perceived ease of use have no significant impact on online shopping intention and also attitude, subjective norms and trust have a significant influence with a positive effect on the online shopping intention of young consumers in Sri Lanka. Implications: The findings of this study have practical implications for online retailers seeking to optimize their platforms and marketing strategies. By addressing the identified factors, businesses can enhance perceived usefulness, perceived ease of use, attitude, subject norms, tryst, online shopping intention, and driving sales. Additionally, policymakers can utilize these insights to develop regulations that foster a safer and more conducive online shopping environment for consumers. Originality: This study contributes to existing literature by offering a comprehensive examination of the multifaceted factors influencing online shopping intention. It integrates insights from both qualitative and quantitative methodologies, providing a holistic understanding of consumer behavior in the online retail context.

Keywords: *Online Shopping Intention, Perceived Ease of Use, Attitudes, Subject Norms, Trust.*

Contemporary Trends and Issues in Finance: The Current Challenges across India

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The Indian financial sector has undergone significant transformations over the past few decades, driven by liberalization, technological advancements, and changing regulatory frameworks. This research paper aims to identify and analyze the current challenges in the Indian financial sector, with a focus on the contemporary issues faced by the industry. The paper explores the key challenges, including non-performing assets, financial inclusion, digital payments, cybersecurity, and regulatory frameworks, and provides recommendations for addressing these challenges. One notable trend is the rise of digital finance, driven by the proliferation of fin tech companies and the increasing adoption of block chain technology. These innovations have facilitated more efficient payment systems, improved access to financial services, and enhanced data security. Crypto currencies and decentralized finance (DeFi) are also gaining traction, challenging traditional banking systems and prompting regulatory scrutiny. Sustainability has emerged as a critical focus within finance, with investors increasingly prioritizing Environmental, Social, and Governance (ESG) factors. Regulatory bodies are also beginning to mandate greater transparency around ESG disclosures, prompting companies to reevaluate their strategies. Finance is a critical component of the Indian economy, and its current state is marked by a multitude of challenges. From the rising debt levels of households to the declining profitability of banks, India's financial sector is facing unprecedented difficulties. This paper provides an in-depth analysis of the most pressing issues in finance in India, covering various aspects such as corporate governance, financial inclusion, and regulation. It highlights the current challenges faced by Indian banks, the impact of COVID-19 on the economy, and the need for innovative financial solutions to address these issues. Our research is grounded in a comprehensive review of existing literature, empirical studies, and primary data collected from various sources. We propose a set of recommendations to policymakers and industry stakeholders to navigate these challenging times and build a more resilient and inclusive financial system.

Keywords: *FinTech, DeFi, Environmental, Social, and Governance (ESG), Crypto Currencies, COVID-19.*

Effect of Penetration Pricing Strategy on Customer Satisfaction and Retention

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The rise of streaming services has changed entertainment and information access. This study examines penetration pricing as a strategy to attract customers and checks if they get membership after price increase. It assesses the role of user interfaces in customers' satisfaction, retention drivers and AI-managed recommendations and prolonged membership. Streaming services often use low introductory prices to attract users, but it is a challenge to maintain them after the price increase. This research highlights the satisfaction of customers and influence of AI-managed personalised services which leads to retention, quality of material and the impact of user experience. The purpose of the study is to analyse the demographic profile of the respondents, to identify key factors influencing customer retention post-price hike, to Assess the relationship between customer satisfaction, retention and loyalty and to provide strategic recommendations to improve retention despite the price increase. A structured questionnaire was used, divided into demographics and factors affecting satisfaction. Data was collected through a purposive sampling method in Chennai (November 2024) with 254 respondents. The reliability test (alpha = 0.975 of Cronbach's) confirmed the reliability of the questionnaire. Statistical techniques such as percentage analysis, T-test, anova, correlation and multiple regressions were used. Conclusions suggest that customer support and transparency in communication and Consistent Service quality are the two major factors which creates confidence and reduces dissatisfaction. Affordability remains important for retention. Streaming platforms should offer loyalty programs, flexible pricing and coherent service to maintain development in competitive market.

Keywords: *Penetration Pricing, Customer Satisfaction, Customer Retention, Artificial Intelligence.*

Impact of Environmental Performance Factors on GDP Growth in Specific OECD Countries

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In the past two decades, the GDP growth in OECD countries such as Italy, Germany, France, and the UK has been high, averaging about 2% each year. Increase in government spending, investment levels, and worldwide economic conditions are some of the variables influencing this GDP increase. Additionally, environmental performance considerations have a significant influence on both industrialised and emerging nations' GDP growth. This study examines how environmental performance parameters affect GDP growth in a few chosen OECD nations, including the UK, France, Germany, and Italy. Due to growing concerns about environmental conservation, the link between environmental protection activities and economic performance has become imperative to understand. The independent variables examined include environmental tax revenue, greenhouse gas emissions, air quality, government expenditure on environmental protection, and the percentage of renewable energy in the total energy supply. At the same time, GDP growth is considered as the dependent variable. Data for this analysis is sourced from the OECD and World Bank databases, encompassing 25 yearly observations from 2000 to 2024, resulting in a panel time series dataset. A Panel Autoregressive Distributed Lag (ARDL) model, which accounts for both short- and long-term dynamics, is used in the study to assess the correlations between the variables. The results indicate that renewable energy adoption positively impacts short term GDP Growth, while greenhouse gas emissions have a mixed impact with the coefficient of EMI in the error correction term showing a significant negative relationship in contrast to the short run where the relationship is not significant. Environmental tax revenues and government expenditure on environmental protection's impact on GDP growth has limited effectiveness, indicating inefficiencies in their implementation. This study adds to the collection of knowledge on sustainable development by emphasising how important environmental performance factors are to improving economic growth.

Keywords: *GDP Growth, Environmental Tax Revenues, Greenhouse Gas Emissions, Government Expenditure on Environmental Protection, Renewable Energy Production*

Green Finance and Sustainable Development: Insights from an Indian Perspective

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Green finance has emerged as a transformative mechanism to align economic growth with environmental sustainability, particularly in developing economies like India. This research explores the role of green finance in fostering sustainable development, emphasizing its capacity to address pressing environmental challenges. Financial institutions and corporations in India have embraced various green finance strategies, such as renewable energy funding, energy-efficient infrastructure investments, and digital banking, to reduce environmental impact and promote low-carbon growth. The study highlights contributions from major financial players which have implemented initiatives such as issuing green bonds, financing renewable energy projects, and promoting eco-friendly technologies. Digital transformation, sustainable banking practices, and innovative financial instruments like green insurance and green bonds are pivotal in mitigating environmental degradation. Furthermore, the research underscores the importance of partnerships, regulatory support, and corporate social responsibility (CSR) in advancing India's green finance landscape. By examining the challenges and opportunities in adopting green finance, this study provides actionable insights for policymakers, investors, and stakeholders. The analysis concludes that India’s financial sector must play a leading role in fostering a sustainable economy by integrating environmental considerations into its core strategies. Through innovative products, ESG-driven investments, and policy alignment, green finance can become a cornerstone of India’s transition toward a resilient, low-carbon future.

Keywords: *Green Finance, Sustainable Development, Renewable Energy, Green Bonds, Sustainable Banking*

Professional Skepticism and Fraud Detection: The Moderating Role of Ethical Considerations

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Sri Lanka has limited access to training due to a lack of forensic accountants, along with local constraints faced by audit firms like EY, Deloitte, and KPMG. In such a situation, this research explores the role of auditors' professional skepticism in detecting fraud within Sri Lanka's unique auditing environment. This study aims to enhance fraud detection tactics by filling these gaps and emphasising the critical traits of professional skepticism. The research focused on the level, relationship, and impact of professional skepticism on fraud detection in external auditors at the Big Three audit firms in Sri Lanka. Apart from the above study, the ultimate aim was to determine how ethical consideration moderates the relationship between professional skepticism and fraud detection. In this study, professional skepticism is considered the independent variable, fraud detection is the dependent variable, and ethical consideration is the moderation variable. A quantitative approach has been used as the research method for this study. The study's population is the external auditors at the Big Three audit firms in Sri Lanka. This research study was conducted among the intended population using a sample of 244 external auditors who work at KPMG, EY, and Deloitte. Data were collected through a self-administered questionnaire, and the gathered data were analysed using the IBM Statistical Package for Social Science (SPSS) Version 22. To analyse and interpret the data, descriptive statistics and inferential statistics were used. According to the findings of this research, there is a high level of professional skepticism regarding fraud detection. Professional skepticism and fraud detection have a strong positive relationship, and professional skepticism significantly impacts fraud detection. Furthermore, this research also revealed that ethical consideration has a moderating effect on the relationship between professional skepticism and fraud detection.

Keywords: *Professional Skepticism, Fraud Detection, Ethical Consideration*

Factors Affecting Consumers' Intention to Purchase Eco-Friendly Products

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Consumers who are concerned about the environment have seen a positive and noteworthy increase over the past few decades in environmental protection knowledge, attitudes, and activities. Developing countries are now increasingly cognizant of the green movement and its significance for environmental preservation as well. As a result, the aim of this research is to determine the most causal factor, affecting consumers' purchase intention of environmentally friendly products. In this study, there were four independent variables such as environmental concern, environmental attitudes, subjective norm and willingness to pay. The dependent variable of this study was purchasing intention. The target research population of this study was the population in the Galle district. The total population in the district is 11,014,000 according to a census. Based on the population, the study includes 384 consumers in Galle district according to Morgan table. The simple random sampling techniques were the sampling technique. This research used an online survey to gather data. The questions in the questionnaire were about both independent and dependent variables of the study. Respondents were requested to fill in the questionnaire. The five-point Likert scale guides the construction and posing of all questions in the study's questionnaire. SPSS was used to analyze the data gathered from the questionnaires. The study finds that consumers' purchase intentions for eco-friendly products in Galle are significantly influenced by environmental concern, attitudes, subjective norms, and willingness to pay. The findings emphasise the necessity of fostering environmental awareness in order to improve the adoption of green products and sustainable consumer behaviour.

Keywords: *Consumer Intention, Environmental Concern, Environmental Attitudes, Subjective Norm, Willingness to Pay.*

The Evolution of Audit Technology: A Case Study on Ernst and Young's Application of Blockchain Technology

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The rapid evolution of audit technology has significantly transformed traditional audit practices, with blockchain technology emerging as a key driver of this change. This case study examines how Ernst & Young (EY), one of the world's leading professional services firms, has integrated blockchain technology to address longstanding challenges in auditing. The primary objectives of this study are to analyze the impact of blockchain on EY's audit processes, evaluate the benefits and challenges of its implementation, and explore how this technology has enhanced transparency, efficiency, and security in financial auditing. The research methodology relies on secondary data sourced from EY's official publications and industry reports, focusing on the firm's adoption of blockchain technology and its subsequent outcomes. The results indicate that blockchain has enabled real-time transaction tracking, improved data integrity through immutable records, and automated audit processes via smart contracts. These innovations have led to faster, more accurate audits, reduced costs, and enhanced regulatory compliance. However, the implementation of blockchain also presented challenges, including the need for employee training, integration with legacy systems, and navigating regulatory uncertainties. Despite these hurdles, EY's adoption of blockchain has positioned the firm as a leader in audit innovation, demonstrating the transformative potential of emerging technologies in the accounting and finance sectors. This study concludes that blockchain technology offers significant advantages for modern auditing, though its successful implementation requires careful planning and investment.

Keywords: *Blockchain Technology, Audit Innovation, Ernst and Young, Real-Time Auditing, Smart Contracts*

Factors Influencing Women Entrepreneurs' Success: A Special Reference to Gampaha District

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This study explores factors that influence women entrepreneurs' success in the Gampaha District, Sri Lanka. Generally, women entrepreneurs contribute to economic growth, job creation, and socioeconomic transformation. Still, they face specific challenges, including less access to finance, mentoring, and cultural biases. The research explores key factors shaping their entrepreneurial journeys, including early childhood experiences, family background, social networks, sociocultural values, and economic factors. The aim of the study is to investigate the factors that influence women entrepreneurs' success in the Gampaha district. Additionally, it examines the influence of family background, including parental occupation and financial stability, on business growth. Social networks are evaluated for their role in providing mentorship, resources, and market opportunities, while sociocultural values are analyzed to understand their effect on business operations and access to resources. Economic factors such as financial accessibility, market dynamics, and government policies are also considered to determine their impact on women-owned businesses. While there is an emergent literature on women's entrepreneurship, the need still exists for contextual research in developing countries like Sri Lanka. This study, therefore, seeks to add to the literature by providing a clear idea about the opportunities of women entrepreneurs in Gampaha District. Such findings will provide contributions to policy development and targeted interventions in pursuit of supporting women entrepreneurs for economic growth in the region. The study is limited to a number of factors that include a shortage of related research in the area, time constraints, and limited access to information. However, the findings from this research are bound to be useful and contribute to the already existing knowledge while offering strategic directions in the effort towards empowering women entrepreneurs in Gampaha district.

Keywords: *Women Entrepreneurs, Early Childhood Experiences, Family Background , Social Networks, Sociocultural Values, Economic Factors*

Firm-Specific Determinants of Corporate Environmental, Social and Governance Disclosures: Evidence from Colombo Stock Exchange

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Environmental, Social, and Governance Disclosure (ESGD) involves companies reporting on their environmental, social, and governance efforts exposing social responsibility to the community. In view of the critical role of sustainability challenges in a firm's long-term value creation, investors are more keen on ESGD in corporate reporting than ever. Since ESGD is currently voluntary in Sri Lankan financial reporting, the extent and quality of disclosures vary significantly across firms. Therefore, this study aims to identify the firm-specific determinants of the level of corporate ESGD in Sri Lanka. The study used content analysis to develop an ESGD score to measure the ESG disclosure level of each company. Eight independent variables namely; firm profitability, ownership structure, board gender diversity, board size, board independence, firm size, company age, and board meetings identified through a comprehensive theoretical and empirical review were used in the study. Data were collected over three years, from 2021 to 2023, using the annual reports of 32 listed companies selected through purposive sampling. Pooled Ordinary Least Square Model, under panel data regression analysis, was conducted to achieve the purpose of the study. The results indicated that firm profitability, board independence, company size, and company age have a significant positive impact on the ESGD level. Further, board gender diversity has a positive but insignificant impact on the ESGD level while ownership structure, board size, and board meetings showed a negative but insignificant impact on ESGD. The graphical analysis of the ESGD score shows an increasing trend in ESG disclosure in Sri Lanka over the period of 2021-2023. The findings of this study provide insights for policymakers and managers to enhance their sustainability strategies and governance frameworks. Further, it implies the need to mandate ESGD among listed firms in the Colombo Stock Exchange.

Keywords: *Colombo Stock Exchange, Disclosures, Environmental, Governance, Social*

Entrepreneurial Finance and the Issue of Funding in Startup Companies in India

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Entrepreneurial finance plays a crucial role in the success of startup companies, particularly in a dynamic and rapidly growing economy like India. Despite the proliferation of funding avenues, startups often face challenges in securing adequate financial resources. This paper examines the entrepreneurial finance landscape in India, the various sources of funding available to startups, the challenges encountered, and potential solutions to enhance financial accessibility for emerging businesses. The study is based on primary as well as secondary data. Primary data is given more importance in order to achieve better accuracy, data was collected through interview/survey method from the sample size of 300 respondents (Businessmen, Entrepreneurs) of Hyderabad, Telangana, India suburbs. Secondary data collected through various books, journals and internet available data. Based on the analysis of funding trends in India, it is observed that while venture capital and angel investments have increased, early-stage startups still struggle to secure funding. Bootstrapping remains a common practice, particularly for startups that lack substantial collateral or a proven track record. Government schemes, such as Startup India and MUDRA loans, have provided crucial support, but many startups face challenges in accessing these funds due to bureaucratic hurdles. Moreover, venture capitalists and angel investors prioritize scalability and profitability, making it difficult for startups with long-term growth strategies to attract investments. Crowdfunding and alternative financing models are gradually gaining traction, providing additional funding options for startups. However, regulatory uncertainty around these methods poses a challenge. Additionally, the role of financial literacy cannot be overstated, as many entrepreneurs lack the necessary knowledge to navigate the complexities of fundraising. Despite the rapid growth of India's startup ecosystem, funding challenges persist due to various financial, regulatory, and market-related factors. Addressing these challenges through policy support, financial literacy, and innovative funding mechanisms can pave the way for a more inclusive and sustainable entrepreneurial ecosystem in India. Strengthening alternative funding options and simplifying regulatory frameworks will be crucial in ensuring broader access to capital. Future research should focus on evaluating the long-term impact of recent funding trends and policy changes on startup success rates.

Keywords: *Self-Employment, Entrepreneurial Skills, Startup Funding*

Impact of Intellectual Capital on Firm Value of Banking Sector in Sri Lanka

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The advent of the knowledge-based economy has shifted many businesses operations to relying more on intellectual capital mechanisms than physical capital. This also applies to the banks that operate in developing nations, such as Sri Lanka. The current study explores the effect of intellectual capital on the firm value of the banking sector in Sri Lanka. To accomplish this objective, the primary data was collected from 306 executive-level employees of listed banks on the Colombo Stock Exchange. Data were gathered from a structured questionnaire. The study used univariate, bivariate, and multivariate analysis techniques. It uses two dimensions of intellectual capital: human capital and customer capital. The study's findings revealed a strong positive impact of human capital on the firm value of listed banks in Sri Lanka. Further, it found that the customer capital of listed banks represents a strong positive influence over the firm's value. The findings of this study may help banks to attain economic benefits by identifying and engaging in building a corporate image as a bank with public spirit to captivate socially induced clients and increase firm value by addressing intellectual capital mechanisms.

Keywords: *Banking Sector, Customer Capital, Firm Value, Human Capital, Intellectual Capital*

The Impact of Social Media Marketing on Online Consumer Buying Perception

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The growing influence of social media has revolutionized the way businesses interact with consumers, significantly affecting their buying perceptions and behaviours. This study explores the impact of social media marketing on online consumer buying perception, focusing on how platforms like Facebook, Instagram, Twitter, and others shape decision-making processes. The research examines key factors such as the role of targeted advertising, influencer endorsements, user-generated content, and brand engagement in influencing consumer attitudes and trust. Using a mixed-methods approach, the study collects quantitative data through surveys and qualitative insights via interviews with active online shoppers. The findings reveal that social media marketing plays a pivotal role in building brand awareness, fostering trust, and creating personalized shopping experiences, which collectively impact consumer perceptions positively. However, challenges such as information overload and privacy concerns also emerge as critical factors influencing consumer scepticism. This study provides valuable insights for businesses aiming to optimize their social media marketing strategies to align with consumer expectations and enhance their online shopping experience. It also highlights the importance of transparency and ethical practices in maintaining long-term consumer trust and loyalty.

Keywords: *Social Media, Buying Perception, Trust, Shopping Experience, Brand Awareness.*

Challenges Faced by Takaful Players in Initiating Green Takaful Products in Sri Lanka

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Takaful as a risk-mitigating tool plays a significant role in the modern Islamic finance landscape, since it has experienced substantial growth and expanded globally in the field of economics. The alignment of the Islamic financial sector with conventional financial market trends, while adhering to Shariah law has contributed to the growth of Islamic finance and Economics. In order to attain sustainable development goals, several countries have already introduced green insurance products, and the takaful market in various countries has competitively initiated green takaful products under the climate finance concept. This study aims to explore the challenges to initiate the green takaful products as a climate financial tool. The study adopts a qualitative and inductive approach, utilizing interview data as the primary source of information. Thematic analysis was employed to analyze the collected data to the study. The findings indicate that there are numerous challenges such as regulation challenges, risk challenges, cultural challenges and learning and development challenges in implementing green takaful in the Sri Lankan takaful market. This research holds significant contribution to the takaful sector in terms of initiating green takaful products in the insurance market in Sri Lanka. Furthermore, each challenge discussed in this study and the ways to overcome them can be a major focus in future studies. Hence, it provides valuable insights for policymakers, regulatory authorities, product creators, practitioners and future researchers in the fields of climate finance and green takaful scheme.

Keywords: *Takaful, Insurance, Challenges, Green, Sri Lanka*

Factors Affecting Financial Literacy of Undergraduates: A Study of Undergraduates in Department of Business and Management Studies, Trincomalee Campus

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Financial literacy for undergraduate students at universities around the universe was recognized as an important element to achieve number key requirements which include student loan management, career preparation, personal financial management, economic independence, building savings habits, avoiding financial pitfalls, and enhancing financial confidence. Accordingly, this research was conducted to determine the factors affecting financial literacy as a study carried out targeting undergraduates in the department of Business Management Studies in Trincomalee Campus. Due to the increased inflation in Sri Lanka and other financial constraints, undergraduates encountered various financial issues, and these students do not have sufficient knowledge and skills in the form of strong financial literacy to manage financial difficulties. This research was conducted as quantitative research, and the selected research philosophy was positivism. The research choice was chosen as a mono method since only one research method was applied under quantitative. The survey strategy was applied during the data collection process. Further, this research was conducted under the deductive research approach. The sample population was selected as 274 undergraduates at Business and Management Studies (BMS) faculty at Trincomalee Campus under the stratified sampling technique. But 210 responses received only Based on the primary data analysis, it was identified that independent variables of financial knowledge, financial behavior, financial capability, financial resources, financial attitudes and savings habits have a significant positive affect with the financial literacy of undergraduates. Based on the outcome, it was recommended to provide peer mentoring programmes, hold financial literacy clubs, create real-word financial situations, conduct awareness programmes, arrange financial counselling services, introduce smartphone apps for financial management, provide training and development programmes.

Keywords: *Financial Knowledge, Financial Attitudes, Financial Behaviour, Financial Capability, Saving Habits*

Law and Financial Education and Literacy

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Financial illiteracy poses significant threats globally, undermining economic stability and exacerbating social inequalities. Objectives of the study were to examine the nexus between law and financial education, assess conceptual frameworks of financial literacy, and evaluate theoretical underpinnings of legal regulations on financial education. A theoretical approach employing critical literature review and conceptual analysis was undertaken to explore these complex relationships. This methodology enabled a deep examination of existing research and identification of gaps in current theoretical frameworks. Results revealed substantial gaps in existing theoretical frameworks on financial literacy and legal regulations, highlighting the need for integrated approaches combining law, finance, and education. The analysis suggested that current frameworks fail to adequately address the intersections between legal regulations, financial education, and literacy outcomes. Discussion suggests that integrated theoretical models combining law, finance, and education are crucial for promoting informed financial decision-making and economic stability. Such models must account for the complex interplay between legal regulations, financial education programs, and individual financial literacy outcomes. This study contributes significantly to informing theoretical discourse on the nexus between law, financial education, and literacy. By highlighting gaps in existing frameworks and advocating for integrated theoretical models, this research promotes a deeper understanding of the complex relationships between law, finance, and education.

Keywords: *Financial Literacy, Financial Education, Legal Frameworks, Consumer Protection, Economic Stability*

Effect of Digital Financial Literacy on Investment Decisions among Millennials in Sri Lanka

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Investment decisions can be considered as one of the most critical milestones that every investor has to confront in achieving an optimal outcome. In history, investors utilized more traditional options to take rational investment decisions. But, with the convention of the technology driven options, digital integration has become indispensable across all the fields, which can also be inculcated to the principle of investment decision making. However, in order to tackle with these digitalized options, investors also should necessarily possess digital literacy in combination with financial literacy. When it comes to the Sri Lankan context, despite the vital role played by the emerging, technology driven options, investors are still keen on using more traditional methods, in investment decision making. This may be because of lacking skills & negative perception and experience of investors on digital based options. Hence, the purpose of this study is to identify the effect of digital financial literacy on investment decisions among millennials in Sri Lanka. Accordingly, digital financial knowledge, digital financial experience, digital financial awareness and digital financial skills were considered as independent variables whereas investment decision was the dependent variable. The study is a quantitative one where a structured questionnaire was circulated among 205 investors in Sri Lanka using a convenient sampling method. For the purpose of analyzing data, Multiple Linear Regression Analysis was employed and all the hypotheses developed were tested using the same. According to the findings of the analysis, it could be revealed that, digital financial experience, digital financial awareness and digital financial skills have an impact on investment decisions as hypothesized while digital financial knowledge showed no impact on investment decisions. Eventually, it can be concluded that enhancing digital financial awareness and necessary skills can improve investment decision making.

Keywords: *Digital Financial Literacy, Investment Decisions, Millennials*

Level of Awareness, Customer Satisfaction, and Perceptions of Islamic Banking Services in Matara

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This research explores the state of Islamic banking in Matara, Sri Lanka, focusing on customer awareness, satisfaction, and the challenges and opportunities for growth in the sector. Using a mixed-methods approach, primary data was collected through surveys of 150 customers, interviews with 12 key stakeholders, and two focus group discussions with local residents. The study found that while there is a general awareness of Islamic banking, customers' understanding and satisfaction levels vary. Challenges such as limited service availability, misconceptions about Islamic banking, and regulatory hurdles were identified. However, the research also highlighted opportunities for growth, including expanding product offerings, increasing community engagement, and leveraging religious leaders' influence to promote Islamic banking. The findings suggest that by addressing these challenges and focusing on awareness and service expansion, Islamic banking in Matara has significant potential for growth and development.

Keywords: *Islamic Banking, Customer Satisfaction, Challenges, Opportunities*

From National to Global, a Comparative Study of G-SIB and Indian SIB: Application of CAMEL Model

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This study explores the pathways for Indian Systemically Important Banks (SIBs) to achieve Global Systemically Important Bank (G-SIB) status by comparing the performance of the State Bank of India (SBI) and JPMorgan Chase & Co. (G-SIB) using the CAMEL model over the period 2020–2024. The CAMEL model assesses key financial parameters: Capital Adequacy, Asset Quality, Management Efficiency, Earnings Quality, and Liquidity, to provide a comprehensive understanding of each institution's performance. The research aims to identify gaps in SBI’s current operational and financial strategies when compared to JPMorgan Chase, a globally recognized leader in the banking industry. Data is collected from credible sources, including Bloomberg, RBI, the Financial Stability Board (FSB), annual reports, and peer-reviewed journals. The analysis highlights SBI’s performance in maintaining capital adequacy and liquidity while addressing challenges in asset quality and risk management practices. Furthermore, the study examines macro-prudential policies, regulatory frameworks, and SBI’s global exposure to identify factors limiting its progression to G-SIB status. Insights from JPMorgan Chase’s strategic practices in cross-border activities, diversified revenue streams, and risk mitigation are evaluated to propose actionable recommendations for SBI. The findings emphasize the need for SBI to enhance its global presence, improve asset quality, and adopt more robust risk management frameworks. Additionally, aligning with international regulatory standards and increasing cross-border activities are suggested as key strategies. This research provides a roadmap for Indian SIBs, particularly SBI, to transition to G-SIB status, contributing to India's financial stability and global banking competitiveness. The study concludes with strategic recommendations aimed at bridging the gap between national and global banking standards.

Keywords: *CAMEL Model, Global Systemically Important Banks (G-SIBs), Indian Systemically Important Banks (SIBs), Financial Performance, Macro-Prudential Banking Policies, Global Exposure, Risk Management.*

Diversifying with Alternatives: How Non-Traditional Assets Reshape Portfolio Dynamics during Market Stress

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In this study, the role of alternative assets in improving portfolio diversification and resilience through systemic shocks, specifically during the COVID-19 pandemic (2020) and the Russia-Ukraine conflict (2022), is examined. The goal is to explore if adding alternative assets, like cryptocurrencies, would help enhance risk-adjusted return and improve their performance during market uncertainty. The research employs Modern Portfolio Theory (MPT) and Mean-Variance Optimization (MVO) in analysing the impact of alternative assets on risk-return trade-off of portfolios. The research further seeks to compare alternative and traditional assets and whether these alternative assets provide effective diversification benefits and risk mitigation in periods of stress. In this research, cryptocurrencies provided little to no correlation with the other asset classes, allowing a diversification effect and reduction in portfolio risk. Although real estate and private equity with a higher correlation with equities still provided steady returns and resilience during market downturns. These findings highlight the advantages that alternative assets possess, especially when political and global crises occur. This reveals in conclusion that alternative investment offers a strategic advantage to an investor interested in optimizing portfolio returns during times of stress. Enabling such an asset class gives an opportunity to bolster diversification in portfolios, mitigate risks, and deliver higher returns at the end. These clearly point the path to the integration of alternative assets for the magnificence of building portfolios that are resilient enough to bear shocks and optimum performance during periods of global market turbulence.

Keywords: *Portfolio Diversification, Alternative Investments, Market Stress, Modern Portfolio Theory (MPT), Risk-Adjusted Returns*

Behavioural Insights into Insurance Purchase Decisions: A Risk Management Perspective

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This study delves into the pivotal role of behavioural factors in shaping insurance purchase decisions and their profound implications for effective risk management. While insurance serves as a crucial tool for mitigating financial risks, consumer decisions are often swayed by cognitive biases rather than rational assessment. Drawing from secondary data from insurance market studies, consumer behaviour reports, and industry surveys, this research uncovers key biases, such as loss aversion, overconfidence, risk perception, and heuristics. These biases significantly influence critical decision-making aspects like product selection, policy coverage, and trust in providers. The analysis also brings to light demographic trends, revealing that younger consumers are drawn to digital platforms for their convenience and social proof. In comparison, older consumers lean towards traditional methods, valuing personal trust and face-to-face interactions. Financial literacy emerges as a pivotal factor, fostering informed decision-making and mitigating cognitive biases. Social proof, mainly through peer-reviewed platforms and online reviews, exerts a strong influence on younger demographics. The research underscores the imperative of integrating behavioural insights into insurance product design and marketing. Strategies such as personalised communication, digital financial education tools, and simplified policy terms can effectively bridge the gap between consumer behaviour and optimal risk coverage. The research concludes that a comprehensive understanding of behavioural factors empowers insurers to develop targeted interventions that address biases and enhance adoption rates, thereby aligning consumer behaviour with effective risk management practices. This, in turn, positions the insurance industry to play a more significant role in fostering financial security and resilience, thereby reassuring stakeholders of its impact.

Keywords: *Behavioural Insights, Insurance Purchase, Risk Management, Cognitive Biases, Financial Literacy*

Impact of Corporate Governance Attributes on Firms' Capital Structure: Evidence from Listed Financial Companies in Sri Lanka

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Determining the perfect balance in capital structure presents a critical and intricate task. Corporate governance emerges as a vital mechanism in alleviating the agency problem, ensuring rigorous supervision, and astute allocation of firm resources. As a result, companies can enhance their accessibility to both debt and equity financing at more favorable terms, bolstering their prospects for sustained success. The aim of the study is to investigate the impact of corporate governance attributes on firms' capital structure of listed financial companies in Sri Lanka. The sample of the study encompassed 25 financial companies listed on Colombo Stock exchange (CSE) in Sri Lanka over the period of ten years, from 2013 to 2022. Since there is no specific research carried out on investigating corporate governance attributes and capital structure on finance firms of Sri Lanka, this study stands as a significant addition to the local literature. Board size, board composition, board committees, board meetings and institutional ownership were used as corporate governance variables whereas debt ratio as the measure of capital structure and firm size as control variables. The data were analyzed and hypotheses were tested through regression analysis and correlation analysis by use of SPSS. The findings of the study revealed that board committees, board meetings, and institutional ownership have positive significant impact on capital structure, while, the variable of board composition has a significant negative effect and board size has an insignificant positive impact on capital structure.

Keywords: *Corporate Governance, Capital Structure, Board Composition, Institutional Ownership, Debt Ratio*

Determinants of Corporate Environmental Disclosures in Sri Lanka: The Role of Corporate Governance

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This study examines the determinants of corporate environmental disclosures (CED) in Sri Lanka, focusing on the role of corporate governance (CG) structures. By adopting a multi-theoretical approach, this study draws upon stakeholder theory, legitimacy theory, and agency theory to assess the impact of CG characteristics on CED practices in both high-profile and low-profile industries in Sri Lanka. Utilizing firm-year observations from 2019 to 2023, the study analyses data from the annual reports of 20 listed companies, with 10 companies selected from each industry category based on market capitalization. The researcher employed the purposive sampling technique for this study. This paper uniquely applies a panel quantile regression (PQR) model to investigate the determinants of CED in Sri Lanka. The findings reveal significant differences in the determinants of CED between the two industry groups, with board independence and industry profile emerging as key factors in high-profile industries, while profitability (ROE) significantly influences disclosures in low-profile industries. This also highlights the limited influence of board size, frequency of meetings, and CEO duality on CED within the Sri Lankan context. This research identifies a positive relationship between board size, board independence, and CEO duality with CED, while also finding a negative relationship between board meeting frequency and CED. High-profile industries consistently demonstrate higher CED levels compared to low-profile industries, driven by regulatory and stakeholder pressures. These findings offer valuable insights for policymakers and practitioners in tailoring governance reforms and regulatory frameworks to enhance environmental disclosure practices in Sri Lanka.

Keywords: *Corporate Environmental Disclosure (CED), Corporate Governance (CG), CEO Duality, ROE, GRI Index*

Effect of Environment, Social and Governance Disclosure on Investment Decision Making: Analysing Investor's Behaviour and Perspectives

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Environmental, social, and governance (ESG) considerations are increasingly influencing investing decisions as individual investors strive to reconcile financial objectives with sustainability and ethical principles. This study investigates the impact of ESG disclosures on retail investors in Bangalore, specifically how they affect trust, awareness, motivation, and investing behaviour. The study used structural equation modelling (SEM) to evaluate data from 405 retail investors, drawing on the Theory of Planned Behaviour and the Behavioural Asset Pricing Model. The findings show that clear and credible ESG disclosures increase investor trust and motivation, resulting in more informed and ethical investment decisions. However, issues like as varying reporting requirements and restricted access to standardized ESG data impede widespread implementation. The report emphasizes the relevance of training programs in bridging knowledge gaps and empowering investors to properly implement ESG principles. This study emphasizes the rising importance of ESG issues in emerging economies such as India, where individual investors play a critical role in sustainable financing. The report provides practical insights into fostering a more balanced strategy that promotes both financial returns and societal well-being by arguing for increased openness, regulatory support, and investor education.

Keywords: *ESG Disclosures, Investment Decision-Making, Retail Investors, Ethical Motivations, Investment Trust*

Impact of Digital Literacy and Sustainable Literacy on Sustainable Investments: Study among Accounting and Finance Students

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Digital and sustainable literacy are becoming more and more crucial when making investing decisions as financial markets move toward sustainability. On the other hand, nothing is known about how well-prepared Sri Lankan accounting and finance students are for sustainable investment. In order to determine the most important element, this study looks at the link between students' capacity to promote sustainable investments, digital literacy, and sustainable literacy. 196 third and fourth year University of Jaffna students majoring in finance, accounting, and accounting & finance were chosen by simple random sampling to participate in the survey. Primary data for the study was gathered using structured questionnaires, and SPSS 20 software was used for analysis. The study included descriptive statistics, regression analysis, and correlation to assess literacy levels and their influence on the promotion of sustainable investments. By identifying important trends and quantifying the impact of each literacy type on investment behavior, these techniques offered empirical validation. Digital literacy and sustainable investment promotion were shown to be strongly positively correlated, whereas sustainable literacy and promotion for sustainable investments were found to be moderately positively correlated. The dependent variable (sustainable investment promotion) showed a moderate connection with the combined independent variables (digital and sustainable literacy), according to the regression model. To fully understand how financial professionals embrace digital and sustainable literacy, Innovation Diffusion Theory is crucial. By facilitating easier access to resources, digital literacy accelerates adoption, while sustainable literacy cultivates a more profound and sustained dedication to ESG-focused investing, both of which support sustainable investment practices. This emphasises how important it is to improve sustainability education in finance courses. In order to give students the information and abilities they need to make sustainable investment decisions, the findings highlight the importance of institutions including sustainability-focused teaching within their financial curricula. Future financial professionals will be better equipped to support responsible investing and promote environmental stability and economic prosperity in Sri Lanka if sustainable literacy is strengthened.

Keywords: *Digital Literacy, Sustainable Finance, Sustainable Investment, Sustainable Literacy*

The Economic Impact of the Insolvency and Bankruptcy Code (IBC) 2016 on Corporate Reconstruction in India

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The Insolvency and Bankruptcy Code (IBC) of 2016 has been a game changer for India's insolvency regime, significantly improving the resolution of non-performing assets (NPAs) and enhancing recovery rates (Abhirami & Rahul, 2022). Despite the progress, several challenges such as delays in proceedings, lack of cross-border insolvency regulations, and a shortage of tribunals persist (Karanth & Prabu, 2024). This study aims to empirically analyse the economic effects of IBC and the performance of the judiciary in the reconstruction of sick companies. The research uses a new dataset comprising orders passed by the National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) under the IBC. By examining cases from October 2016 to April 2024, this paper explores key trends in the corporate insolvency resolution process (CIRP), including the number of cases admitted, settled, closed, or withdrawn under Section 12A, as well as companies liquidated or revived through a resolution plan. The findings show that of the 7,813 companies admitted to CIRP, 1,005 were resolved, while 32.59% of closed CIRPs resulted in liquidation compared to 12.86% ending with a resolution plan. These findings highlight the economic impact of IBC and underscore the need for further reforms to enhance the resolution process.

Keywords: *Insolvency and Bankruptcy Code (IBC) 2016, Corporate Restructuring in India, Economic Impact of IBC, Debt Resolution Mechanisms, Business Revival in India.*

The Influence of FinTech on Small Business Success: A Study of Merchants and Entrepreneurs

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This paper aims to study the impacts of FinTech adoption on small business success, mainly by describing how it impacts revenue growth, operational efficiency, and expansion of the customer base. The research challenges traditional financing for SMEs and difficulties in running the operations of their businesses. The research object was to analyze how the frequency of FinTech usage impacts business performance. This is a quantitative approach. Structured surveys were used to gather primary data from SMEs and entrepreneurs from various industries. Most of the important performance indicators, such as growth in revenue, the customer base, and operational efficiencies, after adopting FinTech solutions, were measured. Stratified random sampling was applied to ensure diverse presentations of business types and sizes. The main results show that firms that employ FinTech on a daily basis are able to note larger increases in revenues and better operational performance. Regular users of FinTech tools could also note a higher percentage increase in customers due to the integration of multiple digital payment interfaces like Google Pay, Phone Pe, and Paytm. Less frequent users of FinTech reported smaller gains in the mentioned categories. The evidence goes on to point out that small businesses need the best possible integration of FinTech within their day-to-day business operations to ensure optimum benefit. Policymaking shall promote regulatory frameworks for accommodating the adoption of FinTech, while FinTech providers shall develop solutions tailored toward the needs of small businesses. These insights added to the literature on the transformational role of FinTech in improving the performance of small businesses.

Keywords: *Fintech, Small Business Success, Digital Payment Platforms, Operational Efficiency, Revenue Growth.*

Muslims' Perception of Family Takaful Scheme in Sri Lanka: A Study based on Kekirawa

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Takaful plays a crucial part in the contemporary Islamic finance sector, having undergone considerable growth globally. This study examines the perception of Muslims in Kekirawa, Sri Lanka, concerning the family takaful scheme, which is an Islamic insurance model based on mutual cooperation and risk-sharing principles. Despite the growing presence of takaful in the country, its acceptance among Muslims remains varied due to religious, economic and social factors. This study employs qualitative study design with inductive approach. Accordingly, this research gathers primary data through semi-structured interviews from Muslim participants, including policyholders, non-policyholders, and industry professionals. The data obtained has been analysed using the method of coding analysis. Even though the country's demand for takaful and family takaful is rising, a sizable section of the populace is either ignorant of its existence or reluctant to use it. The findings show that, mainly, most of the public are with misconception, lack of knowledge, lack of awareness and lack of accessibility with facilities because of common misconceptions. The study emphasises how crucial it is to raise knowledge and comprehension of takaful in order to promote increased use of this type of insurance. Future studies could also look at the causes of low takaful engagement and investigate ways to encourage takaful literacy and active participation in the risk sharing mechanism. This study contributes to the existing body of knowledge by providing insights into the specific challenges and motivations affecting Muslim engagement with family takaful in a Sri Lankan context. The research highlights the need for targeted awareness programs, improved transparency, and enhanced affordability to promote greater participation. The output of the study as a contribution, provide significant message to the policymakers, financial institutions, and takaful providers, to enhance the sector and whole community more effectively.

Keywords: *Family Takaful, Islamic Insurance, Perception, Muslims, Kekirawa*

Carbon Accounting in Europe and India: A Comparative Analysis of Implementation Frameworks and Strategic Opportunities

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This study examines the implementation of carbon accounting frameworks in India, analysing global best practices and their adaptability to the Indian context. The research addresses the critical need for systematic carbon emissions measurement and reporting in India's rapidly growing economy. Through a qualitative research approach, the study evaluates successful carbon accounting systems from developed and developing economies, focusing on the European Union Emissions Trading System, China's national carbon market, and other international frameworks. The methodology incorporates comprehensive document analysis of policy frameworks, international organization reports, and industry case studies, complemented by a comparative analysis of implementation strategies across different countries. The research identifies key challenges in implementing carbon accounting in India, including limited data availability, capacity constraints among small and medium enterprises, and the need for standardized methodologies. The findings suggest that successful implementation requires a phased approach, sector-specific strategies, and robust monitoring mechanisms. The study proposes a comprehensive framework for carbon accounting implementation in India, highlighting the potential for significant emission reductions, economic benefits through improved energy efficiency, and enhanced international competitiveness. The research concludes that effective carbon accounting implementation in India necessitates clear policy frameworks, capacity building initiatives, and strong coordination between government agencies and businesses, while considering India's unique economic and industrial structure.

Keywords: *Carbon Accounting, Emissions Trading, Climate Policy, Environmental Accounting, Sustainable Development*

Leaving No One Behind: Financial Inclusion through Pradhan Mantri Jan-Dhan Yojana -A Study of Selected Indian States

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The Pradhan Mantri Jan Dhan Yojana (PMJDY) serves as a national initiative aimed at achieving financial inclusion, employing a holistic approach to ensure that all households in the country can access formal financial services. PMJDY has effectively transformed financial inclusion into a widespread reality, significantly reshaping the financial landscape in rural India. This paper assesses access of financial services especially in the female population of Rajasthan and Gujarat in by comparative lens and identifies policy-related obstacles. This study aims to highlight these dynamics and offer operational and policy recommendations to enhance the PMJDY's impact. This research adopts a dual-method approach, incorporating both primary and secondary data sources, with a strong emphasis on participatory action research methodology. This approach aims to develop a conceptual framework and offer theoretical insights for the study. The findings reveal that the Pradhan Mantri Jan Dhan Yojana (PMJDY) has markedly enhanced access to formal financial services in rural areas, and this initiative has been especially beneficial for women in Rajasthan and Gujarat, empowering them through improved financial literacy and access to essential services. To bolster the program's effectiveness, the research proposes specific operational and policy recommendations focused on advancing women's financial inclusion. These strategies include enhancing awareness of available financial services, challenging social norms that limit access, and developing financial literacy programs tailored specifically for women. Additionally, by utilizing participatory action research methodology, the study not only collects valuable insights from the community but also encourages active engagement among local stakeholders. This collaborative approach is vital for identifying and addressing the unique challenges that women face in accessing financial services. Ultimately, this research seeks to enrich theoretical perspectives on financial inclusion, laying the groundwork for future studies and guiding policy development. By emphasizing the complexities of financial access and the necessity of inclusive practices, the study contributes to a deeper understanding of how to effectively implement and sustain financial inclusion initiatives like PMJDY.

Keywords: Leaving No One Behind, Financial Inclusion, Pradhan Mantri Jan-Dhan Yojana, India, SDG 5.

Impact of Blockchain Technology on Financial Transparency in Sri Lankan Banks: A Concept Paper

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This concept paper examines the impact of blockchain technology on financial transparency in the banking sector in Sri Lanka. It is worth noting that transparency has been a primary means to enhance credibility and responsibility among financial institutions, especially the global emerging countries such as Sri Lanka. Hence, technology like Blockchain can effectively intervene in the enhancement of transparency. This study uses a mixed research approach including a regression analysis on the transaction database and a series of interviews with practitioners, regulatory authorities and bank personnel to identify the extent to which the blockchain could improve transparency standards in Sri Lankan banks. The enduring implications of the study are likely to reveal how blockchain can benefit financial reporting by increasing accuracy, minimizing fraud, refining regulations, and increasing customer satisfaction by making processes more transparent. Further, the paper examines major issues on technology constraints, regulatory issues, and implications of the adoption of blockchain in a developing economy setting. Further, a set of policy implications based on the findings can be presented to suggest further steps to launch a systemic integration of blockchain into the banking industry of Sri Lanka. Overall, this research adds to the currently scant literature on blockchain implementation in the banking sector, but it prescribes general solutions for implementation in the Sri Lankan context. By so, this can offer recommendations for other new emergent economies on how to apply blockchain technology for improved credibility and openness of the financial sector.

Keywords: Blockchain Technology, Financial Transparency

Building a Sustainable Future: A Concept Paper on Unleashing the Potential of the Bio-Economy in Sri Lanka

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The more comprehensive goal of this concept paper is to argue for the creation of a bioeconomy as a novel development model towards a sustainable Sri Lankan economy focusing on its emerging nature as well as its vulnerability to challenges like environmental degradation, resource depletion and economic vulnerability. A bioeconomy involves the reorganization of the resource base with a focus on biological assets and the utilization of plants, animals and microorganisms for their generation of food, materials and energy in a sustainable manner. The strategic location of Sri Lanka as a country with extensive agricultural land, diverse bio-diversity, and the need for economically sustainable and equitable growth. Therefore, this paper formulates a conceptual framework that can be used to build a bioeconomy structure in Sri Lanka with main sectors such as agriculture, energy and biotechnology. This concept paper seeks to outline a coherent strategy on how to overcome these challenges and it is proposed that the solutions should be informed by the collaborative effort of government, the private sector, academia and the communities. Thus, this paper identifies the key components and implications of a bioeconomy for Sri Lanka and seeks to contribute to further theoretical analysis, policy debate as well as practical implementation plans for developments that are both economically prosperous and environmentally benign. This work advances knowledge of bio economies in emerging nations and provides practical guidance for Sri Lanka's bioeconomic growth.

Keywords: Sustainability, Bio economy, Sri Lanka

Navigating Financial Markets: Strategies for Smart Investing

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The financial markets offer a dynamic, often unpredictable playing field for the creation of wealth, with enormous risks. Success in these markets requires knowledge, strategic planning, and disciplined execution. This abstract discusses some key strategies for smart investment, covering fundamental and technical analysis, risk management, and portfolio diversification. This also emphasizes the significance of understanding market cycles, economic indicators, and the role of behavioral finance in shaping investor decisions. In addition, the incorporation of modern tools such as algorithmic trading, data analytics, and artificial intelligence into market participation are considered for their transformative impact. The paper goes on to explain long-term and short-term investment strategies and compares value investing, growth investing, and momentum trading while relating this with the need for alignment of investments in terms of personal financial goals and risk tolerance. Adopting a systematic approach would help the investor overcome the emotion bias and capitalize on market inefficiencies and improve decision-making processes. After all, continuous learning is heavily viewed as a strategic asset, given the evolving natures of global markets, which have been in fact greatly influenced by key political events, regulation changes, and technological advancements among other things. Optimum investment strategies are generally not those that just ensure that portfolios accomplish the desired return, but that do also help in, or indeed permission toward, capital preservation and adaptation to uncertainties, financial structure, and future market trendiness too.

Keywords: Financial Markets, Strategies, Smart Investment

Impact of Intellectual Capital on the Likelihood of Fraud in Financial Statements: Special Reference to Capital Goods Companies in CSE

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Fraudulent activities in financial reporting have intensified due to technological advancements and dynamic market environments. Intellectual capital, a key intangible asset, can mitigate such risks by enhancing financial statement accuracy and reducing the susceptibility to fraud. This study examines the impact of intellectual capital on the likelihood of fraud in the financial statements of capital goods companies listed on the Colombo Stock Exchange, Sri Lanka. Intellectual capital is the independent variable and likelihood of fraud in financial statements is the dependent variable. Intellectual capital, encompassing human, structural, relational, and customer capital efficiencies, is proposed as a critical factor in improving financial transparency and reducing fraudulent activities. Using a sample derived through random selection, data were collected from annual audited financial statements of 22 companies over five years (2019–2023). Intellectual capital was assessed through the Pulic Model (2004), while the likelihood of fraud was measured using the Beneish Model (1999). A systematic random sampling method was applied, and statistical analyses, including descriptive and inferential techniques, were conducted using SPSS. The findings reveal a significant negative impact of intellectual capital on the likelihood of fraud, underscoring the role of intellectual capital as a strategic tool for fraud prevention. This research is one of the pioneering efforts examining Intellectual capital's potential influence on fraud prevention and future researchers should investigate the same phenomenon in other contexts to confirm their findings. The findings apply to policymakers to improve the clarity of the business atmosphere and also recommended that Intellectual capital can be used as a fraud prevention instrument in Sri Lankan companies.

Keywords: *Intellectual Capital, Likelihood of Fraud.*

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