

Integrated Reporting on Firm Value of Listed Companies in Consumer Staples Sector in Sri Lanka: Analysis of Moderating Effect of External Financing

M.A.K.M. Perera¹, A.L. Gunasekara²

Department of Finance, University of Kelaniya, Sri Lanka^{1,2}
kaveenaperera99@gmail.com, gunasekaral@kln.ac.lk

Abstract

Introduction: The concept of integrated reporting has arisen as a progressive approach to corporate reporting, merging financial and non-financial data to provide a holistic perspective of a company's value creation and sustainability. The consumer staples sector plays a critical role in the economy of Sri Lanka. By adopting integrated reporting practices, companies in the consumer staples sector can enhance transparency, accountability, and their ability to create long-term value. The primary objective of this research is to analyze the relationship between integrated reporting and firm value among listed companies in the consumer staples sector in Sri Lanka.

Methodology: The target population for this research comprises all the listed companies operating in the consumer staples sector in Sri Lanka. The present study based on secondary data of listed consumer staples sector companies at Colombo Stock Exchange (CSE). The secondary data are collect for the study during the period of eight years (2015 -2022). The data analysis using SPSS version 22.

Findings: In the consumer staples industry of Sri Lanka, integrated reporting has a substantial effect on firm value, according to the study.

Conclusion: The study's implications carry significant importance for the consumer staples industry in Sri Lanka. Due to the adverse relationship between IR and firm value, companies need to rethink their integrated reporting.

Keywords: Integrated Reporting, Profitability, Leverage, Firm Size, Firm Value, External Financing