

# Stock Market and Banks Performance in PRE and Post-Pandemic Periods: Evidence from The Indian Banking Sector

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## ABSTRACT

*Stock market serves a economic barometer that indicates the state of economy. It indicates the positive sign of the economy where major and minor changes in the share prices are which reflects the state of the economy. It is very clear that the stock market influences the economy. Stock market development is determined by the domestic credit given to private sector in short term bases, in case of India there is a strong positive integration between banking and financial center. The current examination emphasizes on the performance, relationship and impact of the share price of select PSB and private sector banks on the returns of the select indices of NSE. with respect to Nifty Bank, Nifty Public Bank, Nifty Private Banks. This is to focus on the aftermarket effect of the stock prices of select banks on the return of select indices of the stock market. This will help us in understanding the actual effect of the banking industry after the effect of the covid pandemic and the changes which has impacted the pay back of the select index of the national stock market.*

**Keywords:** covid pandemic, share prices, select banks of public and private, returns of select index of the NSE.

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## INTRODUCTION

Covid epidemic has posed serious challenges for the Indian banking sector. The COVID-pandemic has multifaceted influenced the banking system, ranging from operational and business continuity concerns to broader financial implications. Indian banks' profitability was harmed by a growth in non-performing assets (NPA) and demand credit. It has advanced humankind but also making it impossible for them to pay back the loan. What caused the liquidity problem to arise? Since they generate credit and mobilise savings, India's financial sector—which includes banks, non-banking financial enterprises, and the insurance industry—has a significant impact on the actual economy.

Risk is a term used to describe the possible harm that could be done to an asset or certain valuable qualities that could result from a current procedure or future occurrence. An investment coin has two sides: risk and reward, but they are complementary. Risk entails losing some of the invested money and gaining less. Thus, it can be concluded that the Indian equities market is very volatile, with measured volatility being higher in India specifically. As a result, there is a tendency for stock values to fluctuate among share market as an outcome of market and other risk factors. One such risk element is the COVID-19 pandemic. Although stock market volatility is normal, the pandemic is having a significant impact on the market, which has also had an impact on the return from the indices. The study is still focused on determining the precise nature of banks' influence on the pay back of indices in NSE.

## REVIEW OF LITERATURE

By creating and evaluating the most extensive comprehensive knowledge base, known as ontology (Covid19-IBO), which captures semantic information, Ambrish Kumar Mishra, Archana Patel, and Sarika Jain's research study "Impact of Covid-19 Outbreak on Performance of Indian Banking Sector" (Feb. 2021). They also look at a number of important study issues related to the economy of India.

In January 2021, Vikas Kumar and Sanjeev Kumar prepared a research study titled "Impact of Covid-19 on Indian Economy with Special Reference to Banking Sector: An Indian Perspective" to give an outline of the impacts of the COVID-19 crisis on the Indian economy and banking industry. In order to strengthen the country's economic position, the

Reserve Bank of India and the Indian government—both federal and state—implemented a number of policy initiatives, which were examined in the study.

A systematic literature review of the impact of the COVID-19 pandemic and lockdown on India's banking sector was carried out in 2020 by Drs. Jitender Singh and B. S. Bodla. This paper highlights how the pandemic affected banks and non-bank financial institutions (NBFCs), especially in light of the lockdowns that forced the closure of public and private organisations, enterprises, and educational institutions.

The policy initiatives implemented at the federal and state levels to improve the current state of affairs in the country are examined by both the Indian government and the Reserve Bank of India. Research on non-performing assets (NPA) in private and public sector banks is conducted by Ashly Lynn Joseph and Dr. M. Prakash, and it was published in July 2014. Their analysis charts the growth of non-performing assets (NPAs), identifies the underlying reasons for this growth, and offers solutions to mitigate the negative impact on the banking industry.

The study conducted by Dr. Nilam Panchal examined how the COVID-19 epidemic affected bank profitability. She painstakingly gathered information on NPAs and total advances in crores from a number of institutions, including Axis, SBI, Bank of Broda, and HDFC. The relationship between these parameters is examined using statistical approaches such as correlation in this study.

Prof. Anu Alex and Drs. Priyanka Bhubade from D.Y. Patil Vidyapeeth discuss how COVID-19 has affected the change in RBI policy. Their study describes the scope of RBI reforms and emphasizes the government's focus on supporting creative business models.

Monthly data for a ten-year period is collected by Darjana, D., Wiryono, S. K., and Koesrindartoto, D. P. (2022) from Indonesia Financial Statistics, which is disseminated by Bank Indonesia, the country's central bank. A statistical method called the regression model is used to analyse this data.

For businesses, particularly small and medium-sized ones, the current COVID-19 pandemic presents a new problem, according to Rakesh Kumar, MD and CEO of TransUnion Cibil. Due to their placement in the highest risk category—7 to 10—among the 2.32 lakh crore MSME loans that are currently at risk, microenterprises totaling Rs 13,500 crore may become non-performing assets (NPAs) within the next 12 months, according to credit information firm TransUnion Cibil (as cited in Financial Express Online, April 27, 2020). Banks and NBFCs will hence unavoidably suffer if a sizable percentage of microbusiness loans defaults.

## **DESCRIPTION OF THE PROBLEM**

Trends in the stock market have drawn a lot of attention from investors and individuals looking to earn from stock market trading. India is among the rising economies that have had notable advancements in the share market outcome of the government's liberalisation policies. Investing in banking shares, however, carries a substantial risk that is guided but not controlled. Thus, one of the nation's economies is the banking industry. Investors have previously received exceptionally high returns from this area.

As a result, banking stocks are erratic and constantly fluctuate, particularly given the volatility of the banking industry and the rises and dips in their values. And in turn, it had an impact on the stock market's index performance as well. As a result, we have two opposing viewpoints. Some claim that a progressive stock market will increase savings and investments, which will accelerate the growth of the banking industry.

The well-evolved stock market is a result of another set of ideas that lead to opportunities in the banking industry. Additionally, there is the idea that causality flows in both directions, meaning that growth in the stock market drives expansion in the banking sector and vice versa. Thus, this concentrates on the share price performance of a few public and private sector banks in pre and post COVID period, as well as how these price variations affected certain national stock exchange indices and how they related to returns. To get a clear picture, use statistical tools like regression analysis, correlation analysis, and paired t-test.

### **These problems are discussed using the research problems such as?**

- Whether there is a change in the share price before and during the covid pandemic?
- Is there a relationship between the share price of select PSB, private sector banks on select indices of theNSE?
- Whether there is any impact of these share price changes on the return of select indices of the NSE?

**Aim and Purpose**

- To research the return of Nifty Bank, Nifty Private Bank, and Nifty PSB as well as the share price functioning of banks prior to and following the COVID-19 epidemic.
- To investigate the correlation between the returns of Nifty Bank, Nifty PSB, and Nifty Private Bank and the share prices of specific banks.
- To clarify the relationship among the pay back of Nifty Bank, Nifty PSB, and Nifty Private Bank and the share prices of particular banks.

**Presumptions of the study**

- Before and after the COVID epidemic, there were no appreciable differences between a select banks.
- The pay back of the Nifty Bank, Nifty PSB, and Nifty Private Bank do not differ much from one another.
- Select PSB returns doesn't significantly correlate with those of the Nifty Bank or Nifty PSB.
- The pay back of the nifty private banks and the nifty banks of the private sector do not significantly correlate.
- Select public sector banks have no discernible effect on the performance of nifty banks and nifty PSB.
- Select private sector banks have no discernible effect on the performance of the Nifty Bank and Nifty Private Bank.

**RESEARCH METHODOLOGY**

Study is analytical

**Source of data**

The data, which come from official websites of the National Stock Exchange and other official sources like news stories from Indian and economic periodicals, are secondary sources of information.

**Tools used for the study**

The tools used for the study are Paired T-test, Pairwise Granger causality Test, Correlation Analysis, and Regression analysis.

**Time frame for the investigation**

The study period runs from January 2019 to April 2022.

**Analysis and Interpretation**

**Examination of the Paired Sample T-Test for the NSE share price of a particular public sector bank from January 2019 to April 2022**

**Table 1.3**

<b>Paired Samples Correlations</b>				
		N	Correlation	Sig.
Pair 1	SBI1 & SBI2	20	-.493	.027
Pair 2	BOB1 & BOB2	20	-.749	.000
Pair 3	CANARA1 & CANARA2	20	-.867	.000
Pair 4	PNB1 & PNB2	20	-.321	.168
Pair 5	IOB1 & IOB2	20	-.682	.001

**(Source: computed from Spss)**

The paired sample correlation for the stock cost of specific banks listed on the NSE is displayed in table 1.3 above. A pandemic is found to be statistically significantly negatively correlated before and during a COVID-19 outbreak at a 5 percent significance level for SBI, BoB, Canara Bank, IoB, and value -.682. There is also a significant negative correlation found before and during a COVID-19 outbreak at a 5 percent significance level for Punjab National Bank. As a outcome, the tentative statement is rejected, proving that the share price fluctuates before and during a COVID epidemic.

**Test using paired samples for the NSE share prices of specific public sector banks from January 2019 to April 2022**

Table 1.4

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	SBI1 - SBI2	-117.440	148.916	33.298	-187.135	-47.744	-3.527	19	.002
Pair 2	BOB1 - BOB2	8.275	48.179	10.773	-14.273	30.823	.768	19	.452
Pair 3	CANARA1 - CANARA2	23.300	115.486	25.823	-30.749	77.349	.902	19	.378
Pair 4	PNB1 - PNB2	22.432	22.601	5.053	11.854	33.010	4.439	19	.000
Pair 5	IOB1 - IOB2	-6.617	6.883	1.539	-9.838	-3.396	-4.300	19	.000

(Source: computed from Spss)

The matched sample test for the NSE share prices of particular public sector banks before and after the COVID-19 pandemic is displayed in Table 1.4. With a value of -3.527 at a 0.05 significant level, the t statistics for the share price of State Bank of India exhibits opposite effect of directionality, which has no significant difference between groups of State Bank of India before and during the period. However, the significant value is below 0.05, indicating that a difference exists.

Furthermore, the directionality of the effect is indicated by the share price of Punjab National Bank, which bears the significant difference between the bank's groups at a significance level of 0.00 (value = 4.439). In addition, the directionality of the effect appears to be reversing in the share price of Indian overseas bank. There is no significant difference between the Indian overseas bank at a significance level of 0.05 percent; however, the significance value is less than 0.05, indicating the existence of difference. With the exception of the share prices of Canara Bank and Bank of Baroda, the tentative statement, which claims the that there is a difference between the means of the variables, is thus rejected.

**An analysis of the NSE share prices of specific private sector banks from January 2019 to April 2022 using paired sample test**

Table 1.5

Paired Samples Correlations				
		N	Correlation	Sig.
Pair 1	HDFC1 & HDFC2	20	.321	.168
Pair 2	ICICI1 & ICICI2	20	.181	.446
Pair 3	KOTAK1 & KOTAK2	20	.270	.249
Pair 4	AXIS1 & AXIS2	20	-.243	.302
Pair 5	INDUS1 & INDUS2	20	-.099	.677

(Source: computed from Spss)

Table 1.5 above displays the paired sample correlation for the NSE share prices of a few chosen private sector banks. There is no difference in share price between before and during a COVID pandemic, as tentative statement is accepted. Before and during a COVID pandemic, there is a statistically significant relationship at a 5 percent significance level for HDFC Bank at a correlation value of .321, ICICI Bank at a value of .181, Kotak Mahindra Bank at a value of .270, and a negative correlation with Axis Bank at a value of -.243 and IndusInd bank at value -.099; the significant value is above the 0.05.

**Test using paired samples for the NSE share prices of a few chosen private sector banks from January 2019 to April 2022**

Table 1.6

Paired Samples Test							
		Paired Differences			t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean			

					Lower	Upper			
Pair 1	HDFC1 - HDFC2	-319.973	138.399	30.946	-384.746	-255.200	-10.339	19	.000
Pair 2	ICICI1 - ICICI2	-220.664	131.321	29.364	-282.125	-159.204	-7.515	19	.000
Pair 3	KOTAK1 - KOTAK2	-334.957	197.31189	44.120	-427.301	-242.612	-7.592	19	.000
Pair 4	AXIS1 - AXIS2	-48.270	197.289	44.115	-140.604	44.064	-1.094	19	.288
Pair 5	INDUS1 - INDUS2	238.702	519.235	116.104	-4.307	481.712	2.056	19	.054

(Source: computed from Spss)

The matched sample test for the NSE share prices of particular private sector banks before and after the COVID-19 epidemic is displayed in Table 1.6. The effect of directionality has reversed, with no difference between groups before and during the COVID period at a 0.05 significant level, according to the t statistics for the share prices of HDFC, ICICI, and KMB. However, the significant value is below 0.05, indicating that a difference exists. The directionality of the effect has reversed, according to T data for Axis Bank's share price, but this has no bearing on anything because the significant value is still over 0.05 percent.

Additionally, the directionality of the effect is indicated by the IndusInd Bank's share price, which bears the significant difference among the bank's groups at 0.00 significance (value of 2.056). With the exception of the share prices of Canara Bank and Bank of Baroda, the tentative statement, which claims that there is a difference between the means of the variables.

**Analysis of Paired Sample T-Test for the Return of select indices of NSE for the period January 2019 to April 2022**

**Table 1.7**

Paired Samples Correlations				
		N	Correlation	Sig.
Pair 1	NIFTYBANK1 & NIFTYBANK2	20	-.188	.427
Pair 2	NIFTYPVT1 & NIFTYPVT2	20	-.140	.557
Pair 3	NIFTYPSB1 & NIFTYPSB2	20	-.746	.000

(Source: computed from Spss)

The paired sample correlation for the returns of the selected indices in the NSE before and during a pandemic is displayed in Table 1.7 above. For Nifty Bank and Nifty Private Bank, the significant value is above 0.05 at a 5 percent level of significance; for Nifty PSB and Nifty Private Bank, the correlation value is -.188 and -.140; for Nifty Public Bank, the significant value is below 0.05.

**Paired sample Test for the Return of select indices in NSE for the period January 2019 to April 2022**

**Table 1.8**

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	NIFTYBANK1 - NIFTYBANK2	190312.026	201941.358	45155.460	284823.491	-95800.561	-4.215	19	.000
Pair 2	NIFTYPVT1 - NIFTYPVT2	-66205.888	85745.636	19173.307	106336.081	-26075.695	-3.453	19	.003

Pair 3	NIFTYPSB1 - NIFTYPSB2	1381.663	30926.691	6915.418	-13092.474	15855.800	.200	19	.844
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(Source: computed from Spss)

The returns of paired sample T-Test of NSE's select indexes, Nifty Bank, Nifty PSB, and Nifty private banks, both before and during a COVID-19 pandemic, is presented in Table 1.8. Nifty Bank's and Nifty Private Bank's t statistics are -4.215 and -3.453, respectively, the significant value is less than 0.05. This indicates that there prevails a difference between groups. The significant value is above 0.05 and the T statistic for Nifty Public Banks is.200. As a result, the null hypothesis is disproved, indicating that there is variation between the select index groups.

**An examination of the correlation between the price of certain public sector banks' shares and the returns of nifty PSB and nifty banks from January 2019 to April 2022.**

H0 = There is no discernible correlation between the returns of the nifty PSB and nifty banks and the share price of certain public sector banks.

**Table 1.9 Correlation Matrix of Nifty Bank and Nifty PSB returns with the share prices of a few public sector banks**

Correlations							
	SBI	BOB	CANARA	PNB	IOB	NIFTYBAN K	NIFTYPSB
SBI	1						
BOB	<b>.601**</b>	1					
CANARA	<b>.564**</b>	<b>.975**</b>	1				
PNB	.025	<b>.769**</b>	<b>.792**</b>	1			
IOB	<b>.831**</b>	.323*	.287	-.122	1		
NIFTYBANK	<b>.894**</b>	<b>.487**</b>	<b>.451**</b>	-.006	<b>.783**</b>	1	
NIFTYPSB	<b>.650**</b>	<b>.905**</b>	<b>.901**</b>	<b>.668**</b>	<b>.467**</b>	<b>.663**</b>	1
**. Correlation is significant at the 0.01 level (2-tailed).							
*. Correlation is significant at the 0.05 level (2-tailed).							

(Source: computed from Spss)

Outcome of the Correlation analysis between the share price of a select banks and the pay back of nifty PSBs and nifty banks is displayed in the above table. The share prices of SBI (value of.894), BoB (value of.487), Canara Bank (value of.451), and IoB (value of.783) have a statistically significant high positive link with the returns of Nifty Bank. Furthermore there is a significant, high positive relationship between the returns of the nifty public sector banks and the share price of SBI, with a value of.650.

The values of the BoB are.905, Canara bank is.901, PNB is.668, IoB is.467, and the Nifty bank is.663. Aside from that, the value of the relationship between the share price of the BoB and the SBI is positive (.601), andthe correlation between Canara Bank and the SBI is significant (.564 versus.975).

Furthermore there is a significant correlation between the share price of PNB and the share prices of Canara Bank (.792) and the Bank of Baroda (.769). Hence there is a strong positive correlation (value of.831) between the share price of the Indian overseas bank and the share price of the SBI. As a result, it is clear that the tentative statement is rejected, concluding that there is a high positive relationship between the return of nifty banks and the stock price of certain banks.

**Analysis of the correlation between the returns of the Nifty Bank and Nifty Private Bank and the share prices of a few selected private sector banks from January 2019 to April 2022.**

H0 = The returns of the nifty banks and nifty private bank do not significantly correlate with the share prices of some private sector banks.

**Table 1.9 Correlation Matrix of Nifty Bank and Nifty Private Bank Returns with the Share Prices of Selected Private Sector Banks**

Correlations							
	HDFC	ICICI	KOTAK	AXIS	INDUS	NIFTYBANK	NIFTYPVT
HDFC	1						
ICICI	.899**	1					
KOTAK	.914**	.853**	1				
AXIS	.609**	.568**	.484**	1			
INDUS	.101	.024	.024	.790**	1		
NIFTYBANK	.833**	.863**	.775**	.722**	.311	1	
NIFTYPVT	.788**	.773**	.732**	.772**	.433**	.983**	1

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

(Source: computed from Spss)

The correlation matrix between the share prices of a few chosen banks and the pay back of nifty public and nifty private banks is displayed in the above table. With a value of .833, ICICI Bank's share price is .863, Kotak Mahindra Bank's share price is .775, and Axis Bank's share price is .722, there is a significant positive relationship between the return of Nifty Bank and these other bank prices. The return of the Nifty private bank and the share prices of HDFC Bank, which is valued at .788, ICICI Bank, which is valued at .773, Kotak Mahindra Bank, which is valued at .732, and Axis Bank, which is valued at

Nifty Bank's return, valued at .983, and IndusInd Bank's, valued at .433. Aside from that, there is a high correlation between the share price of ICICI Bank and the value of .899, and a good correlation between the share price of KMB and the values of .914 and .853 for both HDFC and ICICI and Axis bank's share price, with values of .609, .568, and .484, has a relationship with HDFC, ICICI, and KMB. and with a value of .790, the share price of IndusInd Bank and Axis Bank have a good correlation. Consequently, it can be concluded that there is a substantial relationship between the share price of banks and the returns of the Nifty public sector banks.

**For the period of January 2019 to April 2022, a regression analysis was conducted on the share price of specific public sector banks using the returns of nifty banks and nifty PSB.**

**Table 1.10 Model Summary of the Price of Selected Public Sector Banks for the Period of January 2019 to April 2022, including Returns of Nifty Banks and Nifty PSB**

Model Summary					
Model	R	R Square	Adjusted R Square	Std. The errorin the Estimate	Durbin-Watson
1	.968 <sup>a</sup>	.937	.926	4521.83270	1.472
a. Predictors: (Constant), NIFTY BANK, PNB, IOB, CANARA, SBI, BOB					
b. Dependent Variable: NIFTYPSB					

(Source: computed from Spss)

The model summary for the link between the share prices of particular banks and the pay back of nifty PSB is displayed. The R-value is =.968, indicating a very strong relationship when the return of Nifty Public sector Bank is the dependent variable. With a R square value of .937, the independent variables may account for 93.7 percent of the total variation in the dependent variable. The model works well enough to establish the association. The criterion variable's variation is 92.6 percent, or the corrected R square value of =.926. This indicates that the Durbin Watson coefficient is 1.472, indicating a positive correlation and the model's fit.

H0 = With returns of nifty banks and nifty PSB, there is no discernible effect on the share price of some public sector banks.

**Table 1.11 shows an ANOVA of the share prices of a few public sector banks from January 2019 to April 2022, comparing the returns of nifty PSB and nifty banks.**

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10105337368.698	6	1684222894.783	82.370	.000 <sup>b</sup>
	Residual	674750041.296	33	20446970.948		
	Total	10780087409.994	39			
a. Dependent Variable: NIFTYPSB						
b. Predictors: (Constant), NIFTY BANK, PNB, IOB, CANARA, SBI, BOB						

(Source: computed from Spss)

The ANOVA for the effect of certain public sector banks' share prices on Nifty PSB returns is displayed in the above table. It suggests that the p-value is significant at the 0.05 percent significance, and the f value show how the efficient model fitting process improved the variable's prediction, with an 82.37 percent accuracy. which indicates that the share price of certain public sector banks has a positive impact on the return of the nifty PSB. As a result, the null hypothesis, which claimed that the share price of certain public sector banks had an impact on the returns of the nifty PSB, is rejected.

**Table 1.12 Coefficient of the nifty PSB and nifty banks' returns on the share prices of a selected group of public sector banks from January 2019 to April 2022**

Coefficient						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-14492.655	5154.136		-2.812	.008
	SBI	-104.840	34.500	-.663	-3.039	.005
	BOB	273.658	147.900	.430	1.850	.073
	CANARA	151.930	59.558	.560	2.551	.016
	PNB	-51.406	146.812	-.058	-.350	.728
	IOB	746.826	308.153	.233	2.424	.021
	NIFTYBANK	.063	.010	.611	6.008	.000
a. Dependent Variable: NIFTYPSB						

(Source: computed from Spss)

The impact coefficient for the aforementioned table indicates that there is a relationship between the return of the nifty PSB and the stock price of banks. The impact of the share prices of SBI, BoB, Canara Bank, and IoB is particularly powerful, as represented by the significant value, which is significant at the 0.05 percent level.

**Regression analysis of the share prices of a few chosen private sector banks from January 2019 to April 2022 using returns from the Nifty Bank and Nifty Private Bank.**



**Table 1.10 presents a model summary of the share price of specific private sector banks for the period of January 2019 to April 2022, along with the returns of nifty banks and nifty private banks.**

Model Summary					
Model	R	R Square	Adjusted R Square	Std. The error in the Estimate	Durbin-Watson
1	.999 <sup>a</sup>	.997	.997	3863.57157	1.722
a. Predictors: (Constant), NIFTYBANK, INDUS, KOTAK, ICICI, HDFC, AXIS					
b. Dependent Variable: NIFTYPVT					

(Source: computed from Spss)

The model summary for the link between the stock prices of particular banks and the returns of Nifty private banks is displayed in the above table. When the return of Nifty Private Bank is the dependent variable, the R-value is =.999, indicating a very strong relationship. With a R square value of =.997, the independent variables may account for 99.7% of the total variation in the dependent variable. The model works well enough to establish the association. The criterion variable's fluctuation accounts for 99.7% of the adjusted R square value, or =.997. This indicates that the Durbin Watson coefficient is 1.722, indicating a positive correlation and the model is fit.

H0 = From January 2019 to April 2022, the returns of the Nifty Banks and Nifty Private Banks do not significantly affect the share prices of a few selected private sector banks.

**Table 1.11: shows an ANOVA of the share prices of a few chosen private sector banks from January 2019 to April 2022, compared to the returns of the Nifty Banks and Nifty Private Banks.**

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	166580699398.0 38	6	27763449899.67 3	1859.925	.000 <sup>b</sup>
	Residual	492597113.777	33	14927185.266		
	Total	167073296511.8 16	39			
a. Dependent Variable: NIFTYPVT						
b. Predictors: (Constant), NIFTY BANK, INDUS, KOTAK, ICICI, HDFC, AXIS						

(Source: computed from Spss)

The ANOVA for the effect of certain private sector banks' share prices on Nifty Private Bank returns is displayed in the above table. This indicates that there is a positive impact of the stock price of select banks on the return of nifty private banks, rejecting the tentative statement that there is an effect of the share price of select banks on the returns of a nifty private bank. The f statistics represent the improvement in the prediction of the variable by fitting the efficient model, which is 1859.25.

**. Table 1.12 Coefficient between the January 2019 to April 2022 returns of the Nifty Banks and Nifty Private Banks and the share prices of a few selected private sector banks.**

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	149.726	6170.890		.024	.981
	HDFC	15.149	10.586	.046	1.431	.162
	ICICI	-138.275	13.635	-.316	-10.141	.000
	KOTAK	21.729	7.079	.078	3.069	.004

	AXIS	15.567	19.813	.030	.786	.438
	INDUS	11.093	5.442	.063	2.038	.050
	NIFTYBANK	.453	.009	1.116	47.791	.000
a. Dependent Variable: NIFTYPVT						

(Source: computed from Spss)

The impact coefficient for the aforementioned table indicates that there is a relationship between the return of nifty private banks and the share price of certain banks. The influence of ICICI, KMB, IndusInd, and Nifty Bank share prices is particularly high, as indicated by the p-value, which is significant at the 0.05 percent level.

### Findings of the study

- With the exception of the share prices of Canara Bank and Bank of Baroda, there is a difference.
- The share prices of a few private sector banks listed on the NSE are the same before and during a COVID pandemic.
- The NSE's Nifty Bank, Nifty PSB, and Nifty private bank select index returns exhibit a statistically significant negative correlation both prior to and during a COVID-19 pandemic.
- The Nifty Bank, Nifty PSB, and Nifty Private Bank select index categories differ from one another.
- There is a statistically substantial and positive correlation between the share prices of SBI, BoB, Canara Bank, and IoB and the returns of Nifty Bank.
- There exists a statistically substantial and positive relationship among returns of Nifty banks and the share prices of SBI, BoB, Canara Bank, PNB, IoB, and the Nifty bank.
- The share prices of some banks and the returns of nifty banks and nifty public sector banks are significantly correlated.
- There exists a statistically substantial positive relationship among the pay back of Nifty Bank and the share prices of HDFC, ICICI, KMB, and Axis Bank.
- The Nifty private bank has returned. has a good correlation with the return of the nifty bank and the share prices of HDFC, ICICI, KMB, Axis, and IndusInd Bank.
- A positive relationship has been found among the share price of specific banks and the return of nifty PSB.
- The return of the nifty PSB is influenced by the share prices of certain public sector banks.
- The impact is greatest on the share prices of IoB, SBI, BoB, and Canara Bank.
- The return of nifty private banks is positively impacted by the share prices of banks.
- The returns of a nice private bank are impacted by the share prices of banks.
- The return of nifty private banks is influenced by the share prices of banks.

### CONCLUSION

The overall stock market is thought to be far more volatile than people realise; this is dependent on the market forces at work, which determine how much the stock market's price fluctuates. Furthermore, the banking industry is the key industry that drives the economy's use of money. The covid epidemic has had a significant impact on the banking industry's ability to operate, as seen by the rise in non-performing assets (NPAs) and changes in societal saving habits. These developments have mostly led to changes in the share prices of banking companies.

Additionally, the performance, relationship, and effect of certain banks' share price fluctuations—both public and private—on the returns of particular national stock exchange indices have been taken into consideration in this research. Therefore, based on the study, we can draw the conclusion that share prices were volatile both before and during the COVID pandemic. Additionally, changes in the share prices of certain public and private sector banks have been important and have an effect on the return of certain indices, including the Nifty Bank, Nifty Public Banks, and Nifty Private Banks. Thus, it can be said that the COVID pandemic has had an influence, and that its aftermath has also had an effect on stock market returns.

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