

A Study of Impact of Covid 19 on Banking Financial Service in Haryana State (With Special Reference of Rohtak District)

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ABSTRACT

In 2020, in the mid of February last year, we unknowingly got in touch with Corona Virus and since then our world has changed completely. The disease first showed its presence in Wuhan, China and within 2 months it travelled the whole world. It left no corner untouched and every business took a direct hit, every sector was compromised and hence banking sectors was also not left untouched. As we all known as due to the Covid-19 pandemic which has nearly affected over 795,605 confirmed cases and 21632 deaths across India. The covid-19, corona virus pandemic has affected human beings and various economic sectors globally affecting a large number of populations. Covid-19 has spread globally and impacted on banking services and digital economy. The purpose of this research paper is to impact of covid 19 on banking financial services in Rohtak district. We all are directly or indirectly connected with banking services. COVID-19 Pandemic affected the Indian economy. Regulatory Indian RBI bank made required modifications with the guide of professional in their policy. Indian banking sector confronted and maintained to face the challenges inclusively liquidity issue, banking concern decreased REPO price to call awfully few. Since public are struggling to getting income, Reserve Bank of India specific to supply the remaining paying EMI from customer by growing the length for re-payment. The pandemic affected unswervingly deformed into human calamity. It surprise for all sectors of the economy. This research has perceived the socio-economic profile of customers. Paper based on primary data and their answers summarized used of tables and chart for better understanding.

I INTRODUCTION

Covid 19 has impacted every sector of our life; there were no sections of society which it has not impacted and with the second wave and third wave predictions. According to WHO, we are not fully totally free from Corona virus before at the least as we all known that covid 19 effects the banking performance in a positive and negative mode. The pandemic has changed the way in the people around the world in the field of digital banking. Banks have grown up and modernised and came up with technology called mobile banking services that encourage customers for online mode of transactions. Most bank branches encourage customers not to visit their branches and make use of online banking wallets for ongoing day to day transactions. The covid-19 crisis has tied with terrific progress in technology; hastened the appearance of all-digital competitor banks across the sphere. Due to sudden shock of pandemic and lockdown most of the people learn how to use mobile banking services and it is no longer an option left and became a mandatory task.

Banking system in India constantly framing reforms to deduct the impact of COVID-19. It will extrude the way that world works. It creates splendid depression. The Corona virus sicknesses was find out diagnosed in Wuhan, the capital of Hubai China in December 2019 and unfold to the planet. After watching its contamination death rate and World Health Organization showed as Pandemic on eleventh March 2020. As shown current scenario India is widely affected from Corona virus. In step with WHO presently showed instances of COVID-19 were 7,273,958 pronounced in the World including 4, 13,372 deaths. In India 1, 37, 448 lively instances of

COVID-19, out of those 8,102 deaths declared as a central authority of India.

Continuously upward pushes in unemployment, High pressure incurred on deliver chain management. Completely reduced the Government revenue suddenly downfall in Hospital and tourism industry reduced in purchaser purchasing for activity, considerably reduced in gas consumption activity. Big business in India like TATA Motors, BHEL, Aditya Birla, Larsen and Turbo reduced their Industrial operation. Indian Banking area vicinity affected from Corona Pandemic. Banks get outbreak because to novel Corona Virus. Borrowers and Industries are facing dangerous problem such as activity losses, slowdown in earning and decreased in the earning as virus unfolds in India. Banking customer desired some economic relief and Reserve Bank of India encouraging national banks to provide the comfort with the aid of using framing good banking policies towards purchaser. Safety problems among personnel it turned into determined to provide facility for personnel to paintings from faraway areas

Reserve Bank of India is the apex frame of India. RBI body the financial policy and give knowledge to all public region and personal region banks. RBI issue the Bank notes and retaining of reserves a good way to securing economic balance in India and function forex and credit score machine in India. RBI maintains price stability while keeping boom of the country. Reserve Bank Of India announce COVID-19 Regulatory Package for all commercial banks (such as Small Finance Bank, Local Area Bank, Regional Rural Bank) , All Primary Cooperative Banks / State Co-operative Banks/ District Central Cooperative Banks All All-India Financial Institutions ,All Non-Banking Financial Companies.

Government & RBI is ongoing in motion mode for imparting relaxation to the people. Government has declared 1.7 trillion package deal for the terrible individuals who wants money for their livelihood and meals security. Many organizations personnel lose their job because of COVID-19 Pandemic. Governments are constantly forming financial measure and methodology so the unemployment rate will reduce. Government has also given instruction to various welfare agencies in India for strengthening their self and to help the society for upliftment. Government also delivers awareness on municipal party. Grampanchayat for understanding the root motive and discover out the solution for minimizing the problem. Government also give emphasize on precedence zone like hospital, schools, service sector who takes mortgage from bank and they need support for survival.

II REVIEW OF LITERATURE

- (a) Asli Demirguc-Kunt, Alvaro Pedraza, Claudia Ruiz-Ortega, did a study in the title of “Banking Sector Performance during the COVID-19 Crisis” in the year 2020. This research also examines the role of financial sector policy announcements on the performance of bank stocks. The finding suggest that the crisis and the countercyclical lending role that banks were expected to play have put banking systems under significant stress, with bank stocks underperforming their domestic markets and other non-bank financial firms.
- (b) Ambrish Kumar Mishraa, Archana Patelb and Sarika Jainc did a study titled “Impact of Covid-19 Outbreak on Performance of Indian Banking Sector” in the year of 2021. The main objective of this research work was too though that the data amount was enormous; the major problem was to get the appropriate data according to the customer needs. The databases available online was being regularly updated but these databases were not able to provide inference over the knowledge already stored. Various ontologies for Covid-19 are available online but they did not focus on the performance of banking sector of India during Covid- 19. So, many times users do not get appropriate information according to the imposed query. This article attempts to highlight the repercussions of the Covid-19 in the performance of the Indian banking sector by creating and analyzing the largest comprehensive knowledge base called ontology (Covid19-IBO) in order to get semantic information, in continuation of the same we address few important research questions with respect to Indian economy.
- (c) C. Vanlalawna, “Study of Financial Performance Evaluation of Banks in India” in the year of 2016. The present study has obtained ranking of selected two public and two private sector banks in terms of CAMEL variables.
- Ranking of commercial banks is difficult to the extent that any type of ranking is subject to certain criticism as the ratio used for the purpose of ranking can be interpreted in the way one likes. This method of analysis 139 provides simplicity, reader friendly version of presenting complex data regarding performance of players in the banking industry. The ranking system makes judging and analyzing the financial data of banks much simpler for the common man. Thus through this particular data set, it can be established that private sector banks are at the top of the list with their performances in terms of different parameters compared to public sector.
- (d) Dr. Priyanka Bobade, Prof. Anu Alex, did a study tilte “Study the effect of covid-19 in Indian banking sector” in the year of 2020. Study showed that Indian Banking system has added various measures because COVID-19 to make Banking system very effective. Mostely Indian banks were have been dealing with the trouble of NPA, Non recovery of loan, customer frauds, Bad Loans etc. and to add on to it COVID-19 has expedited the collapse of Indian Banking business. It has modified the scenario of Indian customers. Due to lock down of businesses income source of the public came to halt. These challenges our Indian banks are facing in current pandemic situation.
- (e) Dr. Divyang Joshi, Mr. Samir Thakkar, Ravina Machhi, Devyesh Chauhan, “Financial performance analysis of banking sector in India” in the year of 2021. The main aim of this research work was to The financial performance of banks was analyzed using net profit, assets, liabilities, income, expense, margin ratio, and return on equity ratio. After evaluating financial data from 2015 to 2019, the study concluded that the private banks performed better than public banks. The results of this study will benefit bank, shareholders and customers, as well as bank management.
- (f) Dr. Priyanka Bobade, Prof. Anu Alex, did a study titled “Study the effect of covid-19 in Indian banking sector” in the year of 2020. The study objective that Indian Banking system has added various measures due to COVID-19 to make Banking system very essential. Many of the Indian Banks were facing the problems of NPA, Non recovery of loan, frauds, Bad Loans etc. and to add on to it COVID-19 has expedited the collapse of banking business sector because to shut down of businesses source of earning for the people came to halt. Then where lie the scope of availing loan and repaying with interest. These tasks our Indian banks are facing in current pandemic situation.
- (g) Thangudu Varun Raj, studied in the Title of “Impact of covid-19 on returns of large, mid and small cap stock indices of national stock exchange” in the year of 2021. This study uses the data of Covid-19 related daily confirmed

cases, death cases and closing prices of nifty 50 for large cap, midcap 150 for mid cap stocks and small cap 250 for small cap, used lockdown dummy variable and 20 lakh crore also used as other dummy variable for better analysis of the study. The results of the research suggested that Covid-19 confirmed cases were manipulating index performance of the stock. We can witness that the increasing pace of the confirmed cases, the economy caused significant damage, reflected by the Indian economy being decreased due to which the stock exchange experienced fall in nature.

- (h) Tesfaye Boru Lelissa, "The Impact of covid 19 on the Ethiopian Private Banking System" in the year of 2020. The main purpose of this work was to identify immediate liquidity need have around Birr 17 billion to private banks so that they can comfortably meet the NBE's liquidity requirement. This in fact will be challenged by less resource mobilization and reduced loan collection of Birr 10 billion per quarter. To measures improve the liquidity, capital position, asset quality; earning and cost profile of banks will have paramount importance for sustainable soundness of the private banking system. The banking business after Covid-19 shall be intensified with new sources of growth: advisory services, e-commerce, digitalization, e-banking services etc.

III IMPACT OF POST COVID-19

- (a) **Impact on Banking Sector-** India's monetary stock has experienced a skilled sizable worth disintegration from begin of the pandemic of COVID 19 for example: Nifty Bank is the benchmark of Indian banks has fallen alarmingly began out for the reason that from March. Kotak Mahindra Bank's credit growth score dropped to 6.7 percent in the primary quarter of the FY 2020, the slowest, in any event, 3 years and down from 10.3 % in the past 3 months. HDFC Bank expressed begin a new lending shape month of March, the impact of COVID 19 in Non-Banking Financial Companies named as 'genuinely inconsequential' as the lazy economy stayed one of the biggest stresses. However, after fourteen days the very crucial area (monetary) look to be in the center of attentions but due to the lockdown many of the organizations' shut own. The document of Global named "For Asia-Pacific Banks, COVID-19 Crisis Could Add USD three hundred Billion to Credit Costs" specifies that the effect of the COVID-19 might be fractional in 2020 income.
- (i) **Gross state Domestic Product-** State of Haryana analyze the GSDP, as per the Advance State at current rate has been estimated as for the financial year 2019-20 (8,31,610.21 crore), growth rate (13.3%) in

FY 2019-20 as compared with growth rate of (13.0%) achieved in FY 2018-19.

- (ii) **Structural transformation of the state's economy-** 11th Five Year Plan, the pace of structural transformation of the State's economy remained continued. Growth recorded in Services Sector against from other two sectors during the period, the share of Services Sector in GSVA strengthened shows 50.6% in FY 2019-20 with a decline in the share of Agriculture and Allied Sectors at 16.6%.
- (iii) **Per Capita Income-** The formation of the current rate of PCI was only ` 608 Haryana State FY 1966. The State PCI growth in it has been showed in capita income of the State during FY 2019-20 at both current & constant rate, is greater as against to the National per capita income of ` 1,35,050 and ` 96,563 respectively.
- (iv) **Industry Sector-** Gross State Value Added along with the growth percentage rate recorded by the Industrial sector in the State at constant of FY 2011-12. The Gross State Value Added for Industry Sector has been recorded as `1,53,990.23 crore as against `1,43,971.02 crore in FY 2017-18 recording a growth rate of 7.0% in FY 2018-19 as compared to the development of 7.9 %. Advance Estimates for FY 2019-20 the GSVA from Industry Sector is estimated to be `1, 64,526.83 crore recording a growth of 6.8% over previous year.
- (v) **Services Sector-** The benefit of the Services Sector can be gauged by looking at its contribution to the Gross State Value Added of the economy. The share of Services Sector in the GSVA at constant of FY 2011-12 rates has been increased to 50.6% in FY 2019-20. 11th Five Years Plan, it grew at the average yearly growth rate of 12.2%. This growth rate of Service Sector was higher than the average annual growth recorded for combined Agriculture and Industry Sectors during this period.
- (vi) **Financial, Real Estate and Professional Services-** This sub-sector recorded the growth rate of 5.9 % & 9.3 % in FY 2017-18 and FY 2018-19 respectively. As per the Advance Estimates for FY 2019-20, this sub-sector is likely to achieve the growth of 8.7%.
- (vii) **Revenue receipts and revenue expenditure-** The revenue receipts and expenditure of the State since FY 2016-17 to FY 2019-20 indicate that revenue receipts comprises State's Own Tax and Non-Tax Revenue, Share in Central Taxes and Grant-in-Aid from Centre. Government of Haryana expected revenue receipts are to be ` 82,219.41 crore against the estimated revenue expenditure of ` 94,241.90 crore.

(viii) **Financial Position-** The revenue account is estimated to indicate a deficit of ` 12,022.49 crore in FY 2019-20 as compared deficit of ` 10,562.48 crore in FY 2017-18. The net deposits of small savings, provident fund etc. was estimated to show a surplus of ` 453 crore in 2019-20 (BE) as compared to ` 802 crore in 2018-19 (RE).

(ix) **State Annual Credit Plan-** Annual Credit Plan of the State for the FY 2019-20 envisages a credit lending of ` 62,196 crore. The targets of the FY 2019-20 was increased by 6 % as against to those for the year FY 2018-19. Overall achievement under State Annual Credit Plan for the FY 2019-20 stood at ` 56,574 crore up to month of September.

(x) **Financial inclusion direct benefit transfer-** It is a essential reform initiative begin by Indian government in the year of 2013 to re-engineer the existing the cumbersome delivery processes using latest technology. The total saving for is to the tune of ` 295.28 crore. Similarly for the FY 2018-19, the saving are ` 263.96 crore. The total beneficiaries of the DBT schemes in the FY 2018-19 were 1, 99, 26, 909 and in the year FY 2019-20 (upto Oct., 2019) are 1, 73, 94,566.

IV OBJECTIVES AND RESEARCH METHODOLOGY

- (a) **Objective of the study:** To examine the financial performance of the private bank in Haryana state in the era of COVID-19.
- (b) **Research Methodology -** To collect more accurate data, primary method of data collection was adopted, since data has been collected from the local public in rohtank district. We opted for online survey method to carry out our study. Total 10 questions were asked. The basic questions covered the demographic details of the participants (name, gender, occupations and incomes of the respondents). For this study, the fact has been gathered from the process of convenience sampling techniques. A sample size of the study was 25 respondents. The data has been accumulated through self-structured questionnaire. In terms of statistical measures frequency count percentage was used to analyze the responses of all the questions and later graphical representation of data was done to highlight responses of the participants.

V DATA ANALYSIS & INTERPRETATION

- (a) **Data Compilation -** This section comprises of the demographic data pertaining to the 25 respondents, who have filled the questionnaire for the study.

- (b) **Data Analysis**

Table 1
Descriptive Statistics

	N	Mean	Std. Deviation	Std. Error
Sex of Respondent	25	1.4400	.50662	.10132
Age of respondent	25	1.7600	.87939	.17588
Occupation of the Respondent:	25	2.3600	1.52425	.30485
Annual Income of the Employees:	25	1.6800	.80208	.16042
Usage of Electronic payments and other online banking services (Pre-Covid-19)	25	2.6400	1.31909	.26382
Usage of e-payments and other online banking services (Post-Covid-19)	25	3.5200	1.22882	.24576
Analze on how people see the future of Indian banking system ahead	25	3.0000	.95743	.19149
xyz	25	1.2800	.45826	.09165
Waiting for the formation of the account	25	1.2000	.40825	.08165
Lack of awareness of online banking facilities	25	1.1600	.37417	.07483
Lack of awareness of online banking facilities	25	1.0800	.27689	.05538
Security and privacy issues	25	1.4800	.50990	.10198
Cheque/Funds bouncing	25	1.4000	.50000	.10000
Cheque/Funds bouncing	25	1.4400	.50662	.10132

Table 2
Sex of the Respondent:

Male	56%
Female	44%

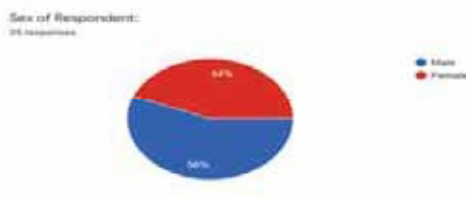


Table 2 shows that 56% of the respondents were male and 44% Female. There are more male participants than female.

Table 3
Age of the Respondent

Age	Percentage
25-30 Years	52%
30-40 Years	20%
40-50 Years	28%
Above 50	Nil

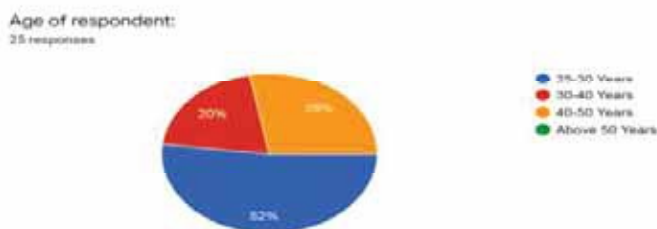


Table 3 Shows that 52% of the respondents were age between 25-30 years, 20% of the respondents were 30-40 Years, 28% of the respondents were of 40-50 Years. Above 50 was nil.

Table 4
Occupation of the Respondent

Occupation	Percentage
Government	32%
Private	40%
Business	-
Agriculture	-
Others	20%

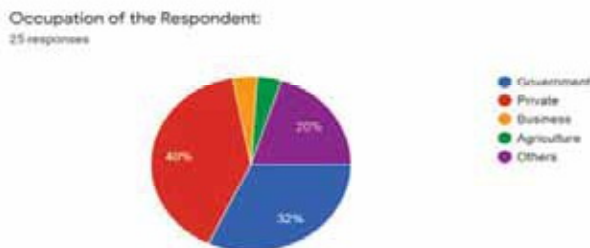


Table 4 shows that 32% respondent's occupations were Government, 40 % of respondents were private employees. No one has filled the business and Agriculture parameters and 20 % of the respondent's occupations were others.

Table 5
Annual Income of the Employees

Income	Percentage
Less than 200000	41.7%
210000-500000	29.2%
510000-1000000	25%
Above 1000000	Nil



Table no 5 show the Annual income of the respondents which shows that Less than 200000 were 41.7 %, 210000-500000 were 29.2%, 510000-1000000 were 25%, above 100000 was nil.

Table 6

Usage of E-payments and other online banking services (Pre-Covid-19)

Use of E-Payment	Percentage
Never	20%
Often	16%
Always	28%
Rarely	20%
Mostly	16%

Usage of E-payments, and other online banking services (Pre-Covid-19)
25 responses

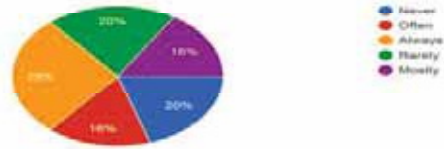


Table no 6 shows that the number of people who used e-banking services was not very satisfying, all the indicators shows the low percentages against to the technological advancements. Many of

respondents were not fully aware of the e-payment system as they preferred buying things from the local stores by paying in cash.

Table 7

Usage of e-payments and other online banking services (Post-Covid-19)

Use of E-Payment	Percentage
Always	20.08%
Never	Nil
Rarely	8.3%
Mostly	58.3%
Often	12.5%

Usage of e-payments and other online banking services (Post-Covid-19)
24 responses

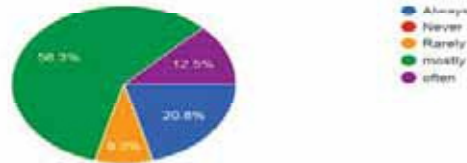


Table no 7 shows that usage of e payments and banks services after covid-19 impact was positive. Most of

the respondents adapted themselves to online banking.

Table 8

Evaluate how people see the future of Indian banking system ahead

Particulars	Percentage
Will go back as usual	12.5%
Use of e wallets	9.6%
UPI Payments	45.8%
Internet banking	33.3%

Analysis on how people see the future of Indian banking system ahead
24 responses



This table shows that respondents preferred UPI Payments system like Paytm, Google pay etc. Due to the covid situation many of the respondents avoid

visiting banks an ATM's and also avoid cash transactions so they preferred UPI Payments.

Table 9

Standing in ATM queues

Responses	Percentage
Pre COVID	76%
Post COVID	24%

25 responses



This result shows due to the covid situation, respondents didn't visit the ATM.

Table 10
Waiting for the formation of the account

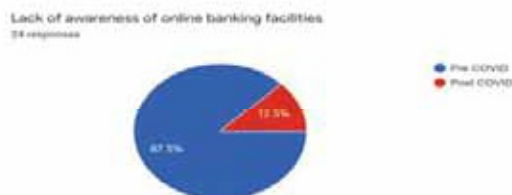
Responses	Percentage
Pre COVID	83.3%
Post COVID	16.7%



This result shows that due to the covid situations, mostly respondents preferred to open the account by online mode.

Table 11
Lack of awareness of online banking facilities:

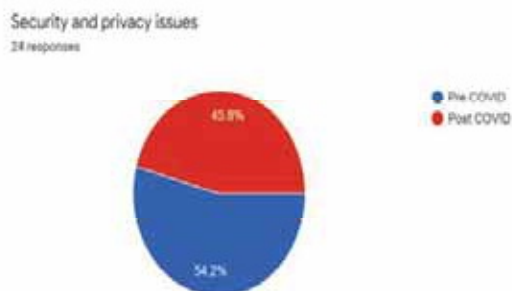
Responses	Percentage
Pre COVID	87.5%
Post COVID	12.5%



The table result shows that during the covid situation most of the respondents aware about online banking facilities.

Table 12
Security and privacy issues

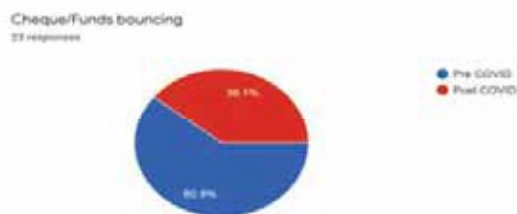
Responses	Percentage
Pre COVID	54.2 %
Post COVID	45.8 %



This table result shows that there is a risk in online banking services.

Table 13
Cheque/Funds bouncing

Responses	Percentage
Pre COVID	60.9 %
Post COVID	39.1 %



This table shows that during covid situation mostly preferred online payment.

(c) **Interpretation** - A statistical tool like Mean and Standard deviation was used for this study. The average score (mean) shows the result is to be 2 (2.64 approx). Those who scored less than 2 were perceived that they have positive impact of COVID 19 of financial services of the bank in Haryana State. Those who scored more than 2 were considered to have negative response the questions related to impact of COVID 19 on financial services for the banks in Haryana State. Total sample/ Number of the respondents were

10. 4 out of 10 are based on the demographics of the respondents.

VI FINDING

- (a) Reserve Bank of India should take all schemes to keep up adequate liquidity in the financial system and its constituents despite COVID-19.

- (b) Government is needed to create a choices and services to reduce vulnerability and financial worry in the economy.
- (c) Current situations should themselves shift to online banking and e-wallet payment services to carry out their financial transactions.
- (d) To conduct awareness drives to educate people about the take to switch to online banking and its benefits.
- (e) Government should encourage these online services and decreased the charges levied on e-wallet and UPI payments.

VII CONCLUSION

The various points in a crux about the impact of COVID 19 on banking services are:

- (a) The Indian banks used of effective planning and provisions, they were able to reduce their overall damage.
- (b) Customers banking practices did also changed a lot; their trust in the online banking services has increased and has started using that more than going to the bank personally to get things done.
- (c) The online banking infrastructure improved a lot and the interface has become more user friendly during this pandemic.
- (d) Online banking, e-wallet and UPI payments were forward as they reduce the human contact and are becoming very safe as more money was being spent to develop the apps with better safety features

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