

MASTERS DISSERTATION

**“Evaluating the performance and roles of banking/ financial sectors
on the Indian economy during the COVID -19 pandemic”**

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Abstract:

Introduction

The introductory chapter of this research sets off with the analysis of the research background, and in that way, illustrates the aim and objectives of the research. The aim of the research is to evaluate the performance and role of the banking and the financial sectors on the Indian economy during the covid-19 pandemic, based on which the research objectives are developed, which sets to fulfil the aim.

Literature review

An extensive review of the authentic literature articles from scientific journals and conference proceedings are carried out in this chapter. The literature review has provided information regarding the scope of the topic regarding the covid 19 and its implication on the economy of India by consideration of the different themes. The conceptual framework of the research was developed from this, based on which the framework of this research is established.

Methodology

The methodology has considered the research philosophy, research design, research approach and the research strategy that has been used in the scope of the research. The philosophy of interpretivism was considered in this research. Qualitative research was carried out, based on the interviews conducted for the data collection process.

Findings

Thematic analysis of the interview responses has revealed the current scenario of the Indian economy in the financial sectors. It is also evident from the responses of the interview that the covid 19 created severe implications in terms of the downturn of the economy and also resulted in the need for minimization of the impact of the covid-19 with the utilisation of the monetary policy as there were economic losses resulting in the unemployment. The findings from the interview responses have provided inferences about the scope of the topic of the research for in-depth analysis.

Submission of Thesis and Dissertation

National College of Ireland

Research Students Declaration Form

(Thesis/Author Declaration Form)

Name: Harleen Kaur

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Degree for which thesis is submitted: Master of Science in Management

Title of Thesis: Evaluating the performance and roles of banking/financial sectors on the Indian economy during the COVID – 19 pandemics.

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Chapter 1: Introduction

As it has been analysed through sufficient research and evidence available in the professional context, it can be evaluated that the opportunities available for organisations in numerous industries are enhancing and expanding rapidly, which eventually reflects the fact that there is a lot of potentials for individuals and organisations to aim for and achieve strategically and successfully in the long term (Behmer and Jochem, 2019). Several of these opportunities have been opened for the respective people and organisations due to their unique capabilities and their knowledge which represents their ability to undertake risks and accept significant challenges. Similarly, technological advancements can be linked as one of such developments in the world through which some of the major opportunities had been opened for individuals and organisations globally. However, not all these opportunities can be beneficial for everyone. Some of the aspects

can turn out to be destructive as well and they can eventually cause serious impacts on individuals and organisations globally (Batty, 2020). There are experiences in which unanticipated and unpredictable events had been witnessed and they caused severe harm to individuals and groups. Thus, one of such aspects which will be discussed extensively and critically in this study has been identified as the COVID-19 pandemic which affected the world at the beginning of the year 2020 and is still present and effective in the majority parts of the world.

This pandemic was severely destructive, and it caused adverse impacts on nearly every industry in the world, causing most of the businesses operating in such industries to eventually shut down their operations, leading to a greater level of unemployment. One of the key industries which have faced the challenges of the COVID-19 pandemic is the global banking industry which will be explored extensively in this discussion (Venkatesh, 2020). However, India is considered among some of the vulnerable regions in the world where the COVID-19 impacts had been witnessed critically. Hence, this study will analyse all the arrangements which the Indian Banks made to overcome the COVID-19 impacts. All relevant and related concepts will be discussed critically in this research to aid an effective understanding of the readers.

1.1 Background of the Study

In continuance with the discussion provided above, it has been understood that COVID-19 was an unanticipated event globally which caused severe destruction to individuals and organisations due to misinterpretation and lack of knowledge regarding having robust control of the situation. As a result of the COVID-19 pandemic, it was observed that the virus was spreading vividly due to human interaction due to which it was officially announced that every individual and organisation must observe strict social distancing until further disclosures and notifications were issued formally (Walby, 2021). Due to this prevention initiative, several industries were directed to close their operations for an unspecified period and the banking industry had been one of them as well. The covid-19 resulted in indirect as well as direct impact on the economy of different countries, which resulted in the country bearing the cost of migration. The covid 19 and its market response can be identified in the graph below.

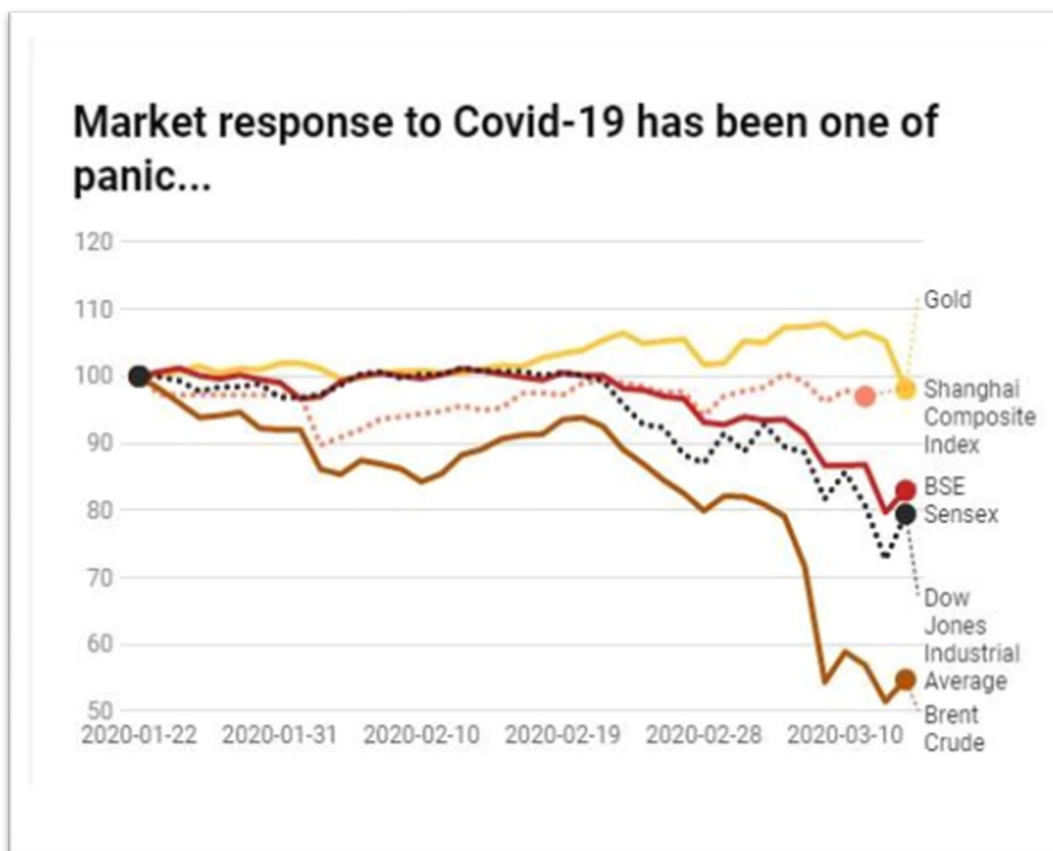


Figure 1: covid 19 and it's the market response

Source: Arora *et al.* (2021)

The occurrence of covid-19 resulted in the inflicting of two severe shocks on the economy across the world, including the economic shock as well as the health shock. As a result of the contagious nature of the disease, there has been the imposition of the social distance initiative and isolation of people at home, which created severe restrictions on the mobility of the people and resulted in the disruption of economic activities. The global restrictions and the policy changes necessitated the implication of the global restrictions and imposition of the lockdown. The period of lockdown observed the ramping up of the isolation, contact tracing and testing, which resulted in the confirmed patient being designated into the quarantine centres and provided them with treatment. In the pre-covid era, from 2015 to 2016, the GDP of the country was on a downward trajectory, and as per the official statistics, the growth trajectory slowed down to an amount of 4.2% in 2019. The industries which accounted for 30% of the GDP ramped to an amount of 0.58% in quarter 4 of 2019 - 2020 (Dev and Sengupta, 2020).

Like the other economies across the world, the Indian economy also encountered a severe hit due to the covid 19 pandemic, and the economic downfall due to the drop in the GDP created severe problems for the economy of India. The economy of India is majorly dependent on the primary, secondary, and tertiary sectors as well as the three pillars, which are well supported by the different banking sectors and the financial institutions with the help of the banking schemes and credit loans which are provided to the small and medium enterprises. Apart from that, the banks and the financial institutions are also responsible for providing support to banking e-commerce and digital banking systems. The impact on the banking sectors results in severe implications for the other sectors of the industry as well. The impact of covid 19 was identified to be severe in India apart from the other different countries as well as it created a severe impact on the overall economy of the country and resulted in the drop of the GDP to an amount of 7.3% in 2020, which was identified to be the worst GDP performance for the economy of India (Das *et al.* 2020). The pandemic also affected the country in terms of creating negative growth in the overall GDP of the country and also created an attempt to grow back to normal economic growth. However, the pace of recovery was disrupted due to the pandemic. The banking sector was identified to be one of the crucial sectors which encountered a severe disruption in operations and required immense time for recovery as it was identified as a tough and challenging task for the banks in India to the management of the changes in the liquidity as well as the other challenges which was encountered in terms of the policy changes, the introduction of the process of digital banking, the credit risk, cyber security challenges and the crisis management (Dev and Sengupta, 2020). The Reserve Bank of India also implemented different measures to bridge the disastrous situation which was encountered due to the covid-19, which required providing relief to the financial institutions and banks to cope with the challenge of the economic downfall.

During the initial few weeks of March 2020, global banks remain closed however the demand for financial services and assistance was increasing as the population needed to withdraw amounts from their accounts to meet routine household expenditures while some of the businesses remained effective which were involved in the production of basic COVID-19 prevention products including sanitisers, facemasks, etc. Thus, the banking services resumed but with very strict SOPs (Standards of Operations). Simultaneously, India also circulated a formal notice regarding resuming banking services but with a very limited facility without the permission of physically entertaining consumers as all transactions and services were to be conducted virtually and hypothetically (Wu

and Olson, 2020). Being a developing country, it was critical for Indian banks to cope with this challenge effectively and hence the industry started entering its learning phase through which it can sustain in the long term, adhering to the fact that the elimination of the pandemic was still a mystery to resolve.

1.2 Aim and Objectives of the Study

Moving further, before sufficient information is provided and an in-depth evaluation of this study is undertaken, it is important to establish the key aim and objectives of the research so that the researcher has a guided direction to proceed with the flow of research activities whereas the users can be acknowledged of the basic aspects which will be discussed and evaluated critically. Hence, this research will emphasise a particular study aim and certain key objectives, which are further identified below.

1.2.1 Aim

The primary aim of this research is to *“Explore the key impacts of the COVID-19 Pandemic on the Indian Banks and evaluate the recovery program adopted and implemented in the Indian Banking Industry”*

1.2.2 Objectives

Some of the major and key research objectives which will be focused on in this study to obtain and compile relevant and critical data and information are further identified and listed as follows:

- Assessing the role of Indian Banks before the COVID-19 pandemic in the Indian Economy
- Analysing the practices undertaken by Indian Banks during the COVID-19 pandemic
- Evaluating the capability of Indian Banks in boosting economic success during the COVID-19 pandemic
- Identifying and explaining the strategies adopted by other Indian Financial Sectors to overcome the COVID-19 pandemic impacts on the Indian economy
- Providing key recommendations for the Indian banking sector keeping in view the unpredictability of the COVID-19 pandemic and its existence or reoccurrence

1.3 Research Questions

Simultaneously, to achieve the anticipated outcomes from the literature review (provided below) successfully for this research, the research objectives need to be framed as questions which will make the research process easier for the researcher. Thus, certain questions need to be answered thoroughly during this study, which is further identified and outlined below.

- What was the role of Indian Banks in the Indian Economy before the COVID-19 pandemic?
- What are some of the key practices followed by Indian banks during the COVID-19 pandemic?
- How strong have the strategies of Indian Banks been in boosting the economic success of the nation during the COVID-19 pandemic?
- What are some of the strategies adopted and implemented by other financial sectors in the Indian economy during the COVID-19 pandemic?
- What are some of the key recommendations which can be provided for the Indian banking sector despite the unpredictable nature of the COVID-19 pandemic?

1.4 Significance of the Following Study

Furthermore, the next important segment to be discussed critically and extensively in this report has been identified as the significance of this study which will reflect the rationale of undertaking this research. The scope of the research is significant as it would provide sufficient knowledge regarding the various financial areas of the banking sector of India and how the covid-19 has created an impending effect on the economy of country. The research is significant as it would provide sufficient knowledge about the challenges due to the covid 19 on the economy of the country and how the global lockdown impacted the GDP of the country and created a downturn in the economy. According to the perspective of an economist, it can be evaluated that the banking sector of a nation is its core strength, which assists individuals and organisations in proceeding with their financial transactions and having a thoroughly supported and secure environment to rely on their financial figures (Demir and Danisman, 2021). The research is also significant in the form that it would provide sufficient knowledge about how the banking sector of India as well as across

different countries can take necessary initiative in order to deal with the challenges like the global pandemic and would enable the banking sector as well as the financial institutions to focus on the existing strategies and new strategy for minimising the impact of economic crisis by generating the financial recovery within the organisations and strategies to ensure that the economic crisis can be mitigated. The scope of the research is noteworthy as it would provide the researcher with the ability to identify the different dimensions of the economic factors and what has been undertaken within the country for coping with the economic crisis and the management strategies by a change in the policy which is to be focused on as a future part of the research and initiative for ensuring the long term profitability and fiscal growth of the country as well as for the improvement of the small and medium enterprises by consideration of the existing practices and ensuring the challenges in the future are minimised. The scope of the research would provide the researcher with the ability to develop a profound understanding of the influence of the pandemic on the economy of India and the various significant initiative and roles of the banking industry for increasing the pace of the economic recovery across the country.

Due to an increase in the globalisation impacts, the demand for banking services has outgrown whereas the presence of the COVID-19 pandemic has been a serious restriction for banks operating in the global environment. However, the challenge becomes intense for developing nations as their dependence on the financial sector is elevated and has a sudden impact in the form of an unanticipated event that can cause several destructions at individual and enhanced levels. Hence, shutting down the banking industry of developing countries, such as India, can be a difficult task for which it is important to plan effectively and efficiently (Goodell, 2020). Eventually, this study will emphasise all the critical measures which are to be adopted and implemented vividly in the banking sector of India and enhance its sustainability in an unpredictable situation as the pandemic could minimise or reach its peak without prior notifications.

1.5 Chapter Summary:

It can be summarized that the scope of the introduction chapter has provided a summary of the chapter and has provided background information regarding the covid-19 and its impact on the economy. The scope of the chapter has also considered the identification of the aim, objectives and research question and has also carried out inference the significance associated with the scope of the research. It can further be summarised that the introduction chapter has provided knowledge

about the dimensions that are to be covered in the scope of the research and how the outcome of the research is expected to provide a better understanding of the topic of the research

Chapter 2: Literature Review

The next chapter that has been undertaken in the continuity of this research is highlighted as a literature review. The general perception regarding an in-depth literature review is to obtain an understanding of multiple concepts and aspects being discussed related to a selected topic and then conduct further research based on the outcomes. A literature review includes some of the key and relevant study outcomes which had been obtained by other researchers and practitioners and then identify any of the research gaps for further amendments and mitigation accordingly (Snyder, 2019). Similarly, a detailed literature review has been undertaken for this study as well, which had been challenging as the COVID-19 pandemic is a recent event for which limited research is available. Yet, to provide effective understanding for the users, a reliable literature review is provided effectively as below.

2.1 The Role of the Indian Banking Sector before the COVID-19 Pandemic for the Indian Economy

According to the initial findings of Jain and Natarajan (2011), it can be analysed that the banking sector of every nation holds significance due to its practices, assistance and its services for individuals and organisations operating in several industries. Simultaneously, the significance becomes critical for developing and developed countries as demand continues to outgrow due to the presence of globalisation impacts. Similarly, India has been confronted as one of the emerging and developing countries in the world, serving all the industries active in the nation, regardless of their segment which is primary, secondary, or tertiary. Hence, as per the evaluations made by Jain and Natarajan (2011), the banking sector of India has undergone a continuous development process in which there have been some key and major improvements as the government has detected the sector's influence on the economy and its role in boosting economic activities successfully. Furthermore, Jain and Natarajan (2011) have analysed that digital transformations have been adopted extensively and in a planned approach through which most of the industries and organisations working in these industries have been attracted to digital means of handling their financial transactions. With digital improvisation in the Indian Banking sector, increased convenience and enhanced efficiency are provided for the consumers whereas new opportunities have been opened for the industry to acknowledge and proceed with introducing new aspects further as well. Today, Jain and Natarajan (2011) state that a majority of the banking services and products available within the Indian economy can be availed through a single tap on smart devices in the form of a smart application and this initiative has elevated current success and contributions of the Indian banking sector for economic success in the future and opening new opportunities successfully in the long term. According to Jain and Natarajan (2011), the Indian banks have been established as the most prominent banks in the world having premium and high-quality services for its consumers, especially with the help of modern technology. Digitalisation and its vivid adoption in Indian banks have attracted Indian consumers extensively whereas the Indian banks were able to witness and experience foreign direct investment (FDI) in-flow as well, which contributed to the economic development successfully. Jain and Natarajan (2011) include that despite India's struggle as a developing country, the nation has successfully included all major

considerations of enhancements to its banking industry and success can be witnessed effectively through the achievements and the progress of the banking sector of India.

2.2 Practices Undertaken by Indian Banks during the COVID-19 Pandemic

The next study which is critical for its inclusion in this research is compiled and published for the public by Demirgüç-Kunt et al. (2021). This study has been conducted and made available recently as it governs the key impacts of the recent COVID-19 pandemic on the banking industry of India. Generally, Demirgüç-Kunt et al. (2021) state that the banking industry had been affected the least during the COVID-19 pandemic as it is a highly demanded industry whereas several financial services and assistance are provided to individuals and organisations within India by Indian banks. Similarly, as the COVID-19 cases peaked in India during the mid to late 2020, the crisis worsened, and the financial position of the nation had been declining significantly. According to the evaluations of Demirgüç-Kunt et al. (2021), shutting down the banking sector completely would have led the Indian economy into a vulnerable state whereas introducing strategies and tactics for reinstating the banking practices became a necessary incentive. Similarly, Demirgüç-Kunt et al. (2021) state that the Indian economy has availed significant benefits due to its digital and technological exposure which was reflected as an opportunity for the banking sector of India during the peak of the COVID-19 pandemic. Thus, the government of India encouraged the technical experts and knowledgeable individuals and institutions within India to step forward and develop a specifically designed web and smart application for the Indian banking sector, which

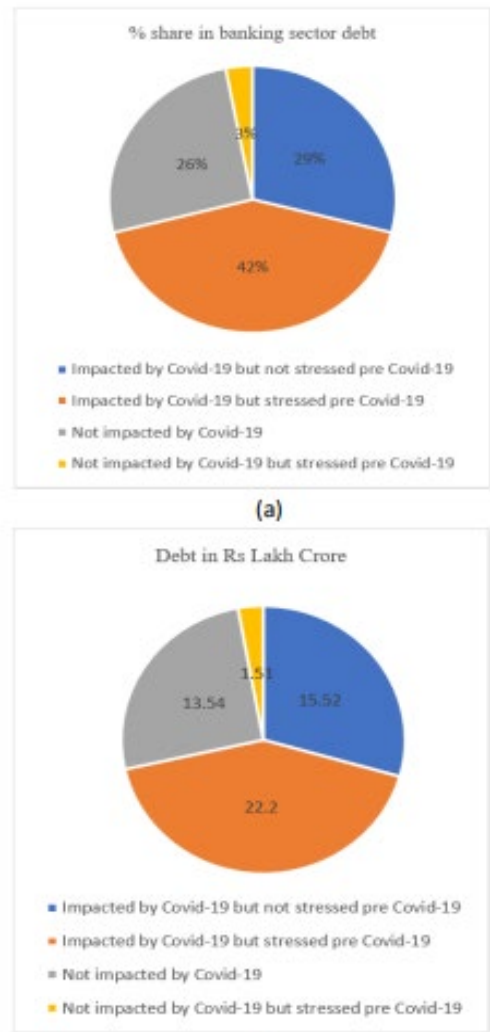


Figure 2: Covid -19 and Indian banking Sector
source (Mishra et al.,2021)

will be thoroughly interactive and it will entertain nearly all of the banking services demanded in routine. According to Demirgüç-Kunt et al. (2021), the COVID-19 pandemic has been a boost to the technology industry of India and it was the right time when e-banking (electronic banking) was being demanded and used extensively. Following this approach effectively and efficiently ensures the government of India and other healthcare organisations related adherence to basic COVID-19 prevention measures and it helped in managing the future sustainability of the banking industry during the unpredictable COVID-19 environment effectively and strategically as well. Additionally, there also have been reports from the financial sector of the Indian economy regarding banks looking forward to introducing all aspects of technology intervention, in which Artificial Intelligence (AI), machine learning and robotics have been emphasised (in the form of chatbot service). All these initiatives are sufficiently expensive, especially during the crucial time of the ongoing pandemic, yet Demirgüç-Kunt et al. (2021) state that the Indian banks had been looking forward to minimising and eliminating competition from international banks such as Standard Chartered, etc. effectively and efficiently during this time and remain sustainable in the long term.

2.3 Effect of Covid -19 on the economy of India during the Lockdown in different sectors:

According to Chaudhary *et al.* (2020), as per the reports of the international monetary fund (IMF), the world faced extraordinary challenges and uncertainty regarding the duration and depth of the crisis, which resulted in the worst economic fallout and necessitated external financing for the developing economies and the emerging market in terms of trillion of dollars.

Impact on retail, aviation and tourism

Every sector across India encountered a massive impact in retail, aviation, and tourism because of the covid-19. The estimates made by the World tourism organisation depicted a fall of approximate 20 to 30% of the arrivals of international tourists, and millions of people were expected to lose their occupations. Within India, travel and tourism contribute a major portion of the GDP and contribute to the economy in a suitable manner. Within India, tourism accounted for 9.2% of the total GDP and was able to generate an approximate amount of US\$ 247.3 billion in the year 2018, which supported the creation of 26.7 million jobs and is identified to be the 8th largest country in contributing to the GDP.

Impact on the growth rate of GDP

The Economic Survey, which was carried out in 2019-20, provided estimates regarding the growth in the real GDP during the time between 2019-20 at a proportion of 5% in comparison to the growth rate of 6.8%, which was identified in 2018-19. The GDP rate felled down by 24.4% between April and June 2020 and further it dropped by 7.4% during the second quarter of the year 2020-2021. However, the condition became better in the third and fourth quarters of year 2020-21 with a moderate increase in GDP rate by 0.4% and 1.6%, respectively (Zaman et al. ,2020).

Impact on migratory labour

The graph below shows the proportion of employment in the different sectors across India over the years:

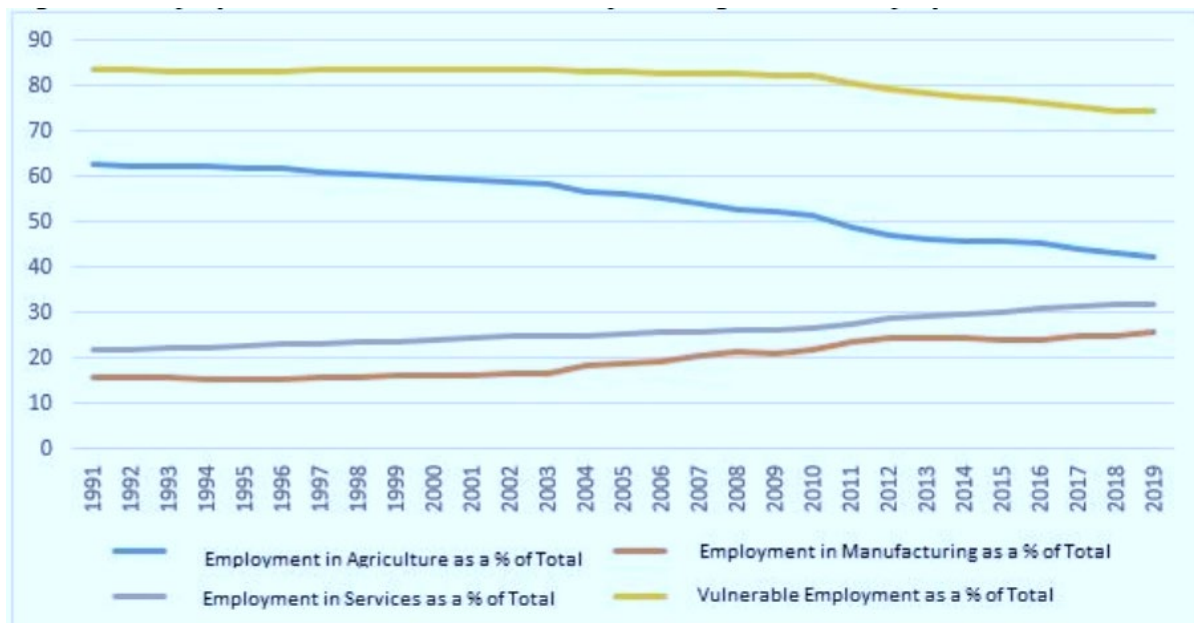


Figure3: proportion of employment in the different sectors

Source: Singh, (2020)

The reports of the international labour organisation describe the pandemic to be one of the worst crises resulting in approximately 400 million people, which accounts for 76.2% of the employees working in the informal sector of economy across India, falling into the prey of poverty because of the catastrophic consequences of the virus spread. The graph below shows the impact of the covid-19 and the subsequent lockdown on the migrant population:

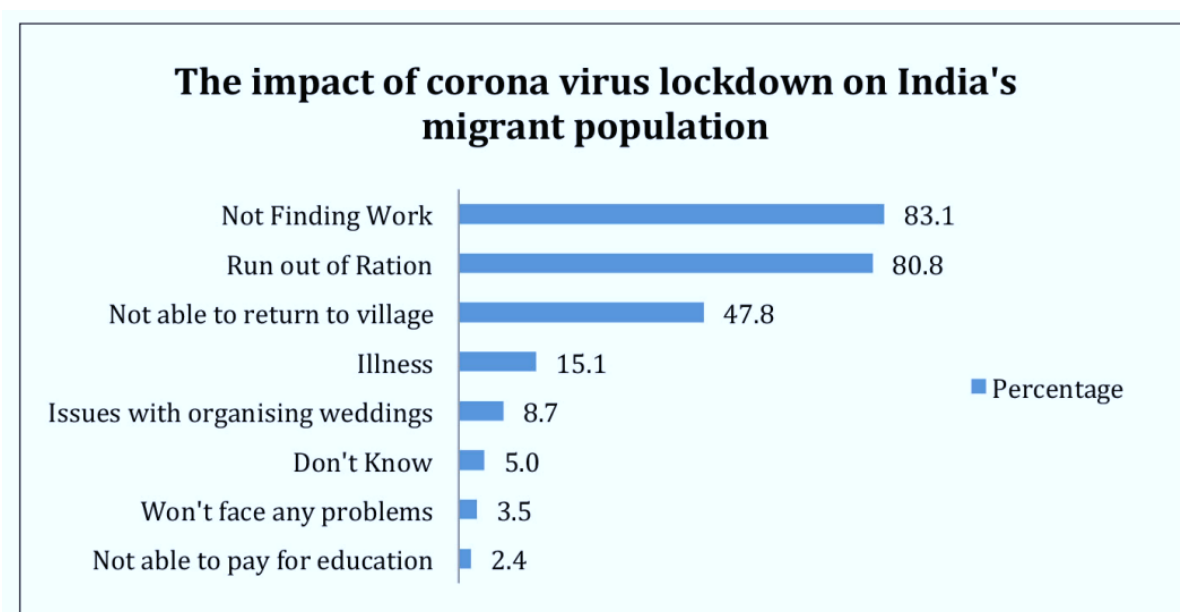


Figure 4: Impact of covid 19

Source: Chaudhary et al. (2020)

Impact on the Finance industry

The covid-19 and its effect influenced the sector of digital payment across India as a result of the prediction of the dramatic impact, which resulted in the loss of approximately \$348 million dollars (Kumar *et al.* 2020). The negative implications of digital payment have taken the brunt of a slowdown in tourism, transportation, and trade in the noteworthy sectors within the economy of India. The offline and online transactions are taken out through organisations and major companies, which have an adverse impact because of the constraints due to the covid-19.

The financial sector is an economic sector that must play a critical role in alleviating pressure on the actual economy during times of crisis. Time is needed to keep credit flowing to all types of economic agents, firms, and individuals and to assist them in overcoming the crisis. Banks are the financial middleman most firms rely on in a bank-dominated economy, especially when the stock market is hitting new lows every day. To address this economic dilemma, the central bank must act. Banks also play a major role in the debt and capital markets as institutional investors. However, India's financial system is severely harmed. Banks, particularly those in the public sector, are experiencing greater losses because of troubled assets on their books. Problems in the banking system have harmed credit development, and when the epidemic hit India, these issues began to affect the bond market as well. In the context of financial intermediation, it also plays a significant function (Singh, et.al, 2021).

Impact on capital market:

As has been identified, the economic impact on India due to the covid-19 has also been identified because of the historic drop in the demand for oil. However, the capital outflow from India was expected to exceed the potential amount of savings in the existing account deficit and the devaluation of the valuation of the Indian currency.

2.4. Initiative was undertaken by the Indian Government and the different banking sectors to boost the economy of the country

In the wake of covid-19 and the emerging prices due to the fall in the GDP resulted in a major threat to the economy of India due to the reduction of the repo rate by 75 basis points and the loose monetary policies which had been introduced. The monetary policy was identified to be less effective to deal with the consequences of the pandemic as the only problem associated with the economy was not only the liquidity but also disruption of the various economic activities as well

as uncertainty for the future to bring in the sentiment of investment and which led to the anxiety induced frugality among the investors and the firms which wiped out the demand for the investment. However, there were certain measures which were initiated by the Indian government to boost the economy of the country, including various fiscal and monetary measures. The banking system across India is also identified to be the strongest area of the country, which has been able to play a significant and pivotal role in the overall development of the economy and the recovery of the economy contributing to the pandemic. As has been identified by Deshmukh and Haleem (2020), banks of India have also reformed the market with the help of a fall in medium enterprises and the Government of India to overcome the losses which have been faced by the organisations and the country during the pandemic. It is also evident from the inferences drawn by Shrivastava et al. (2020) the non-banking financial organisations that have also played a significant role in the economy of India, which has faced severe losses during the lockdown for overcoming the reduction of the GDP.

Monetary and fiscal measures

According to TYAGI (2020), the fiscal and monetary policies which were introduced by the government of India included the government providing immediate help to the jobless and the homeless migrant workers and arrangement of transportation and health facilities to benefit the day-to-day wages of the work of the labour. The Reserve Bank of India also provided exceptional finance accounting to a value of 50000 crores for reduction of the burden of the various financial organisations amid the covid-19 and ensured guarantee of the debts, incentive for the liquidity and extended insurance of the unemployment.

The monetary and fiscal measures also included the special economic package in the form of the Pradhan Mantri Garib Kalyan Yojana scheme, which tried to take care of the economy and the poorest people of the population through the effective implementation of the scheme.

Roles of the bank on the economy of India before covid 19

The bank-based economy of India is where the banking sector can play a significant role in the growth of the overall economy. According to Gafoor et al. (2018), the banking system of India is expected to reach the third biggest in the world over the next decade as the revenue of the banks of the country increased by an amount from a value of USD 11.8 billion in the year 2001 to the valuation of USD 46.9 billion in 2010 which is further expected to reach an amount of 400 billion dollars by the year 2026. The complex nature of the banking systems across India made it

necessary to carry out the regulations in a stringent approach for identification of the importance associated with the structure of the bank board and to carry out the proper functioning of the system of banking and the regulators of India emphasised on the need for the development of the regulatory framework for insurance that the market regulator and the guidelines issued by the securities exchange board of India (SEBI) are being implemented across all the companies.

Roles of the bank on the economy of India after covid 19

As per the opinion of Chatterjee et al. (2022), the banks played a crucial role to deal with the financial difficulties and the economic slowdown, which was initiated due to the covid 19, and it extended the support for carrying out the economic recovery. The banking system of India functions with a network of approximately 1.6 lakh branches as well as 2.1 lakh ATMs which provided service to the people during the lockdown. This was because the people were dependent on the banks as well as the banking partner to discharge the monetary transactions and consequently relied on the online banking facilities because of the lack of option of offline banking (Berger and Demirgüç-Kunt, 2021). The banking branches of India facilitated the payment of more than crores through online transactions on an everyday basis to ensure that the economic engine was able to keep running even during the lockdown as the public was not able to move out of their homes. Also, 38 crore accounts of Jan Dhan were operated with the banks, which helped the government in transferring the fiscal packages to the beneficiaries in a safe and timely manner (Chatterjee et al., 2022). Also, the banks accelerated the transformation with the help of digitalisation to conduct business on an everyday basis and enabled to vest the vulnerable section of the population by offering them access to financial services and credit. In addition, as per the measures taken by the Reserve Bank of India, the banks also tried to ease the interest rate which was accumulated on the different short-term products and to minimise the stress on the small and medium enterprises for facilitating the growth even during the lockdown.

2.5 Capability of Indian Banks in Boosting Economic Success during the COVID-19 Pandemic

In continuance with the discussion provided earlier in the literature review section of this study, another critical research which has been conducted and was considered important for further

evaluation and explanation for clarifying different concepts of the users of this research has been compiled and published by Tripathy and Bisoyi (2021).

This is an important study which emphasises assessing the ability of the Indian Banks in elevating the economic success of the nation during the COVID-19 pandemic. According to the key aspects introduced by Tripathy and Bisoyi (2021), it can be assessed that the whole world assumed a complete lockdown situation during the initial period of the COVID-19 pandemic. During this period, every significant industry in the world had been shut down, except for the medical and healthcare institution, which included the banking industry as well. The figure (Figure 2) represents the response as well the impact of COVID-19 on the Indian Banking Sector. However, Tripathy and Bisoyi (2021) state that the Indian economy is well-progressing towards success and growth, yet the excessive population in the country has triggered different concerns for the global environment and hence some key aspects need to be managed and controlled strategically. Analysing the pre-COVID-19 economic position of India, it can be assessed that the industry had been struggling extensively to secure a beneficial position which was profitable and which can overcome competitive stress developed from some of the high-end international banking institutions, such as Barclays, Standard Chartered, HSBC, Citi Bank, etc. Tripathy and Bisoyi (2021) state that most of the international banks that expanded to India were successfully overtaken and bought by the existing and local Indian Banks, portraying the strength and the collective and collaborative working success of the Indian local banks. Till the beginning of the year 2020, the financial sector of the Indian economy, including the banking industry, worked effectively, efficiently, and profitably, however, the during and post-COVID-19 situations are quite worst for the Indian economy, especially for the Indian banking industry, which needs to be analysed and accompanied with robust solutions for long term considerations and sustainability during the unpredictable economic situations.

Hence, it is important to assess the current capability of Indian banks in the light of boosting economic success which is particularly draining at a fast pace during the ongoing COVID-19 pandemic. This can be a challenging perspective to analyse and implement decision-making effectively as the Indian banking industry is widespread and due to the sensitivity of the industry, there are key aspects which are uncontrollable or cannot be provided sufficient access to proceed with in-depth analysis and evaluations. Hence, the following study will be supported by another

research compiled and presented by Arunachalam and Crentsil (2020), in which all the mere capabilities have been discussed and further evaluated with the assistance of comparative analysis as well. According to Arunachalam and Crentsil (2020), the capability of Indian banks in terms of boosting the economic success of the nation before the COVID-19 pandemic was considered above average as the industry was working extensively in the light of proceeding with new interventions and introducing all key and major aspects through which economic success can be boosted. Considering the example of introducing modern and digital technology in the banking industry, India had been ahead in this initiative with all focus on successful implementation and assessment. This eventually aided the industry in opening several employment opportunities and the abundant population in India, which was considered unemployed, was able to have access to employment opportunities to earn their living and support their households, while minimising the burden on the government which had been supporting them. With the reduction of the governmental burden, the government was further able to conduct in-depth research and development for the nation and proceed with investments that are beneficial for the public of India.

However, emphasising the ongoing COVID-19 pandemic, the ability of Indian banks in boosting economic success was although being challenged, especially during the early days of the pandemic period. According to Rasul et al. (2021), this was the time when the pandemic was at its peak and there was frustration and panic generated extensively. Practically, complete lockdowns were only effective for a maximum of 15 days to 1 month, after which it was impossible, especially for employed households who had been considerate regarding losing their employment role and opportunities and concerns were collecting vividly. Thus, to avoid chaos, Rasul et al. (2021) analysed that the Banking sector of India resumed its operations, to support households with their financial assistance and to provide relevant support to industries and organisations which were working during the pandemic as well, such as the Indian healthcare industry and those manufacturing products which were effective in preventing the spread of the COVID-19 virus, including facemask production, hand sanitisers, etc. However, Rasul et al. (2021) state that the COVID-19 prevention measures have been developed and circulated formally under governmental guidelines in the form of SOPs (Standard Operating Procedures) which obliged the organisations and the general population to be followed extensively and effectively. Thus, to proceed with effective banking services being provided unaffected, it was analysed by banking institutions to

focus on the use of modern and digital technology embedded into key banking services, such as online transactions, online disbursements, and e-banking, etc. As per the findings of Rasul et al. (2021), the major consideration of ensuring social distancing was being followed authentically through the vivid use of e-banking, which was eventually beneficial for the long-term success of the Indian banking industry and triggered an economic boost of the Indian economy as well. This was achieved in the light of minimising operational costs, such as with the help of shutting down additional banking branches as the work can now be performed virtually, providing sufficient employment opportunities in different departments such as online communication (chatbot, call centres, etc.) and for virtual assistants.

However, it has been assessed in the findings of Mustafa (2021) that as technology has been associated with the Indian banking sector, there now remains a need for frequent updates and upgrades to the digital banking environment to maintain effectiveness and efficiency. Hence, continuous investment and effective and in-depth monitoring and control practices need to be deployed within Indian banks, which can be expensive but the long-term benefits for economic boost are indeed fruitful.

2.6 Roles of the bank on the economy of India after covid 19:

As per the opinion of Chatterjee et al. (2022), the banks played a crucial role to deal with the financial difficulties and the economic slowdown, which was initiated due to the covid 19, and it extended the support for carrying out the economic recovery. The banking system of India functions with a network of approximately 1.6 lakh branches as well as 2.1 lakh ATMs which provided service to the people during the lockdown. This was because the people were dependent on the banks as well as the banking partner to discharge the monetary transactions and also consequently relied on the online banking facilities as a result of the lack of option of offline banking (Berger and Demirgüç-Kunt, 2021). The banking branches of India facilitated the payment of more than crores through online transactions on an everyday basis to ensure that the economic engine was able to keep running even during the lockdown as the public was not able to

move out of their homes. Also, 38 crore accounts of Jan Dhan were operated with the banks, which helped the government in transferring the fiscal packages to the beneficiaries in a safe and timely manner (Chatterjee et al., 2022). Also, the banks accelerated the transformation with the help of digitalisation to conduct business on an everyday basis and enabled to vest the vulnerable section of the population by offering them access to financial services and credit. In addition, as per the measures taken by the Reserve Bank of India, the banks also tried to ease the interest rate which was accumulated on the different short-term products and to minimise the stress on the small and medium enterprises for facilitating the growth even during the lockdown.

2.7 Strategies Adopted and Implemented by Other Indian Financial Sectors to Overcome the COVID-19 Pandemic Impacts on the Indian Economy

Moving further, another key and foremost important study which needs to be included in this discussion critically has been compiled and published by Nair et al. (2021). In the findings of Nair et al. (2021), it can be evaluated that other than the banking industry of a nation, there are other financial sectors in an economy operational as well which serve the organisations and individuals extensively and successfully. The banking industry had been effective in introducing and implementing digital working reforms which could attract sufficient attention, and interest and stimulating positive actions of the consumers which were ultimately reflected as an opportunity to expand and grow for other similar institutions and industries as well. Nair et al. (2021) highlighted an important discovery and development of the banking industry's services in which organisations and individuals were able to make instant payments through a single tap on their smart devices or even through scanning a particular code in which the bank details of the other party were shared instantly. However, this was a measure that was restricted between bank accounts, similar or different banks. Hence, to further make this initiative convenient, other financial segments of India became active and spontaneous in adopting modern technology within their products and services as well.

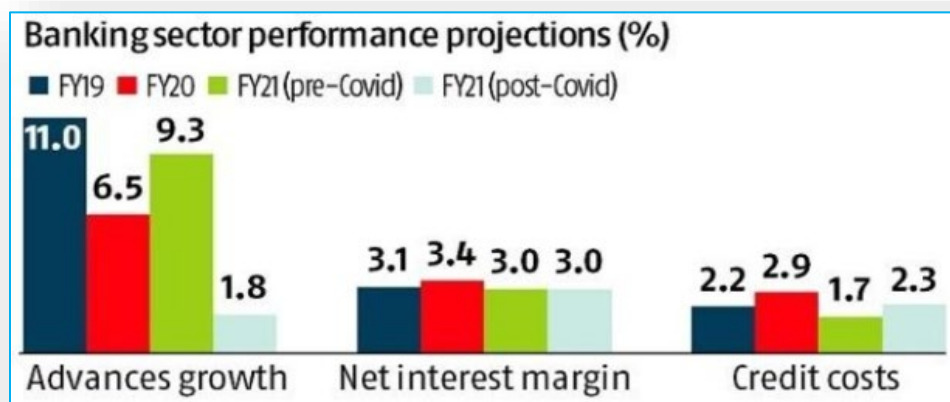


Figure 5: Banking Sector India – (COVID-19 Projections)

(Source: Standard 2022)

According to the practical exposure and detailed assessment conducted by Nair et al. (2021), most other financial institutions in India, such as PayPal, U-Pay, etc. became quite common and were demanded extensively by the Indian consumers as their services allowed the Indian users to have access to easy, secure, convenient and safe payment approaches, which were inclusive of the COVID-19 prevention measures as well. Moreover, these organisations were further requested by other industries, such as high-end retailers, so that collective and collaborative working can be proceeded with. In this way, different FDIs were introduced in India in the last accounting period (2021), in which the nation was able to have access to increased investment. A statistical survey included in the study of Nair et al. (2021) highlights the years 2021 and 2022 for being successful for the financial segment of India and continuous improvements and enhancements are being focussed on present as well.

2.8 Strategies Adopted by Indian Government to Induce Indian Banking Services in COVID-19

The next study which is aimed for inclusion in this research has been identified as the effectiveness of key strategies adopted and implemented by the Indian Government to enhance banking services in the Indian Banking industry. This study has been produced and compiled by Goyal (2020) in which different influential factors are discussed critically and extensively. Thus, some of the key

factors and elements impacting this aspect are identified by Goyal (2020) with a detailed illustration provided below.

Maintaining Asset Quality – Bad loans are a huge issue for the banking division of India, specifically the PSBs. The total debt of 36.9% in India is at threat and banks can consume barely 7.9% damage, according to an IMF report (Walter, 2020). Augment the COVID catastrophe to this and, the banks are striving to repay loans from small companies, which have been seriously influenced by COVID. The epidemic has imposed a stop on companies entirely, therefore, loan recovery is a huge question, which damages the banking division as they strive to protect the integrity of their assets.

Technology Upgrades – Digitalization is the catchword for companies and banking, specifically, PSBs should modify the notion of digital to create banking operations smooth (Arumugam and Kanagavalli, 2020). Technology will prosper or halt the way individuals notice services in the future, so banks of India drive the car before it misses the finish. From augmenting top-notch technology to restoring services to boosting existing arrangements, plenty of chances lie in technology and suppressing the same enables bring in a huge modification in strategies. Tech inclusion as well as tech literacy drives are begun to guarantee that paperless banking or fundamental technology services are simple to employ and that it is accessible and functional for all (Kumar, et al., 2020). This is not unattainable. In case individuals can order goods on Amazon, and utilise Facebook, they can also banking services through technology, with reasonable security regulations in place.

Customer-centric Innovation – Innovation is pivotal to client loyalty in nowadays and generation and to earn client loyalty in long run, banks concentrate further on innovation (Ozili and Arun, 2020). Maintaining velocity with the shifting atmosphere and different industry methods the banking sector capitalises on innovation that enables them to fulfil their clients with peace. The further agile the services as well as banking processes, the simpler it is for the client to bank with the supporter.

Maintaining Growth – The across-the-board economic development of India shifted during the period and an external force can just support every contributing division of the economy such as retail, corporates, and pastoral. The growth motivation is financial during the period and the shortly

the division recover, the stronger it is for the banking division (Cariappa, et al., 2021). Previously, the banking sector of India has no way of maintaining its growth aspirations and is hardly striving to keep up on the ground, but now it is getting better.

Focus on MSMEs – Presently banks, containing PSUs, are largely maintaining their notoriety on retail progress or corporates. The banking division primarily selects to avoid the MSME progress. This thing is not prosperous for the economy and does not enable banks to accumulate in the days attending a statement that the total debt of 36.9% in India is at threat and banks can comprehend hardly a 7.9% failure (Walter, 2020). MSMEs are the spirit of the Indian economy and develop jobs for 70 million individuals. This division has a 16% participation in the Indian GDP, which by 2022, come to be 25% according to reports. The success and development of this division will help power the economy and provide it with an affluent enrichment.

2.9 Effectiveness of Encouragement Schemes for Banking Services in the Indian Economy

According to the evaluations compiled in the findings of Dev and Sengupta (2020), it can be analysed that the Government of India has been inaugurating various schemes and strategies to facilitate financial inclusion (Dev and Sengupta, 2020). These schemes are aimed at giving social protection to the less advantageous units of the community. Following comprehensive planning and study by numerous financial professionals and policymakers, the state has inaugurated schemes with the idea of financial inclusion, and they are explained critically as below.

Investments – In India, FDI equity inflow stops at 49.97 billion dollars from 2019 to 2020 (Agarwal, et al., 2020). In India, Foreign Portfolio Investment has been Rs. 12.9 which is approximately 174.31 billion dollars from 2020 to 2021.

NIBRI Index – The economy has indicated growth possibilities because of fiscal activism. NIBRI (Nomura's India Business Resumption Index), a calculation for tracing the degree of normalisation in the economy, which in February 2021 struck 98.1 points (Maiti et al., 2020). From April to June, it had struck a record lesser at 44.8 at the time of the nationwide lockdown.

Regeneration of Imports and Exports – In December 2020, merchandise imports suffered a development of 7.6 per (Alam et al., 2020). The increase in the imports of pearls as well as valuable stones, electric goods and machinery exhibits the regeneration of Domestic Economic Activities.

GDP Indications – The real GDP growth was estimated by The National Statistical Office, in October 2020 to be negative 7.7% as obstructed to negative 10.3% foreseen by IMF. RBI's monetary policy committee had foreseen a negative 7.5% of GDP.

GST Collection – The collection was increased when the GST execution (Martínez-Campillo, et al., 2020). In December 2020, the GST collection was nearly Rs 1.15 lakh crore.

Financial Market Surges – The BSE index bounced 91% from a report downward of 25,881 for nearly 10 months.

Household Savings – RBI, The Centre for Monitoring Indian Economy, told India's household financial savings increased GDP by 21% at the start of the fiscal year from 2020 to 2021 (Alam, et al., 2020). From 2018 to 2019, the household financial savings was 7.2% and from 2019 to 2020 8.2%. CMIE Managing Director illustrated a current statement by the McKinsey Global Institute that anticipated a powerful rebound in buyer demand along with the pandemic end in states like China, the US, as well as Germany (Martínez-Campillo, et al., 2020). As mobility regulations are eliminated, households are in a powerful stance to use. Household savings will perform an important part in the economic resurrection.

K- Shaped Recovery – The economy of India is anticipated to retain a K-shaped retrieval. In the September 2020 Quarter, K-shaped retrieval was most apparent (Dev, and Sengupta, 2020). The GDP of India is anticipated to accumulate by 12.5% in the fiscal year. The risen imbalance will strike the consumption and development of the economy.

Consumer Sentiment in India – The Indian Index of Consumer Sentiments was 46.8% poorer in March 2021 as compared to its regular level in the period from 2019 to 2020, according to the CMIE Report (Agarwal, et al., 2020). Indian households noticed a big rise in savings however, the sentiments retrieval is not similar. The Index of Consumer Sentiments says regarding the shifted perspectives of households considering the buying of non-necessities as well as durables. The

Indian government transferred fiscal to households during the period of the lockdown in the structure of PM-KISAN and MGNREGA influenced client sentiments in rural regions (Maiti, et al., 2020). CMIE reports, Consumer Pyramids Household Survey, that the client sentiments in households along with a yearly income of nearly Rs10 lakh as of March 2021, were the limited influenced.

2.10 Literature Gap

This section imposes the gap that occurs during the research it deals with the research approach within the study which include the lack of focus of banks on their daily clients because during the pandemic banking sector has initialized their own online portals which become challenging for their clients in adopting those technologies. For that reason, banks should start their easy way of communication with the customers which becomes effective for them to perform their daily transactions moreover, banks in India have created uncertain conditions during the COVID-19 in which they bring sudden amendments to their national economy. This could be another gap in the research that the study should contain that period in which the government have taken the hard steps overnight for the identification of taxpayers in the country. This factor can bring a vital change in the research which that create a significant impact on the overall research because that initiative from Indian government affected the banking business throughout the state which become reason of uncertainty in the Indian economy.

2.11 Chapter Summary:

The literature review chapter has provided in-depth knowledge about the different themes relevant to the scope of the topic, which is the valuation of the performance of banking and the fiscal sectors on the Indian economy throughout the covid-19 pandemic. The scope of the literature review has considered different themes for determining the various areas of consideration in relevance to the

research topic and has identified the themes in the form of identification of the impact of covid-19 and its influence on the economy and the socio-economic status of the people. The literature themes that have been considered in the scope of the research also include the effect of covid-19 on the economy of India during the lockdown imposed by the governments due to the social distancing measures. The theme that has been considered also includes initiatives undertaken by the government of India as well as the different banking sectors to boost the overall economy of the country and the Effectiveness of encouragement schemes for Banking services in the Indian Economy. The theme that has been considered also includes the future strategies and initiatives that can be undertaken to mitigate the challenges of the economy. The literature review section has also included the literature gap, which has not been addressed in the scope of the literature review and has provided the summary of the chapter.

Chapter 3: Research Methodology

Moving along with the following discussion, the next critical chapter in the continuance of this dissertation has been identified as the research methodology. The primary purpose of a research methodology is to identify all the applicable and relevant resources through which the required

information for a particular study can be gathered and then synthesised according to the context and the concepts discussed in the initial literature review provided (Gupta and Gupta, 2022).

There are different approaches to proceeding with a specific research methodology which eventually provides a step-by-step guide to conducting specific research effectively. The research methodology related to a particular topic needs to be robust, effective, and understandable so that the users of the study can extend their reliance on the research outcomes, use the information practically and professionally and be able to make valid and justified decisions in related and relevant situations (Saunders et al., 2015). The research onion is used for ensuring the validity, reliability, and credibility of the structure of the research and the research design, which is considered in the scope of the research and for identification of the different dimensions. The methodology chapter includes the consideration of research philosophy, research design, research approach, research strategy, sampling, data collection, data analysis, ethical consideration, and the chapter summary.

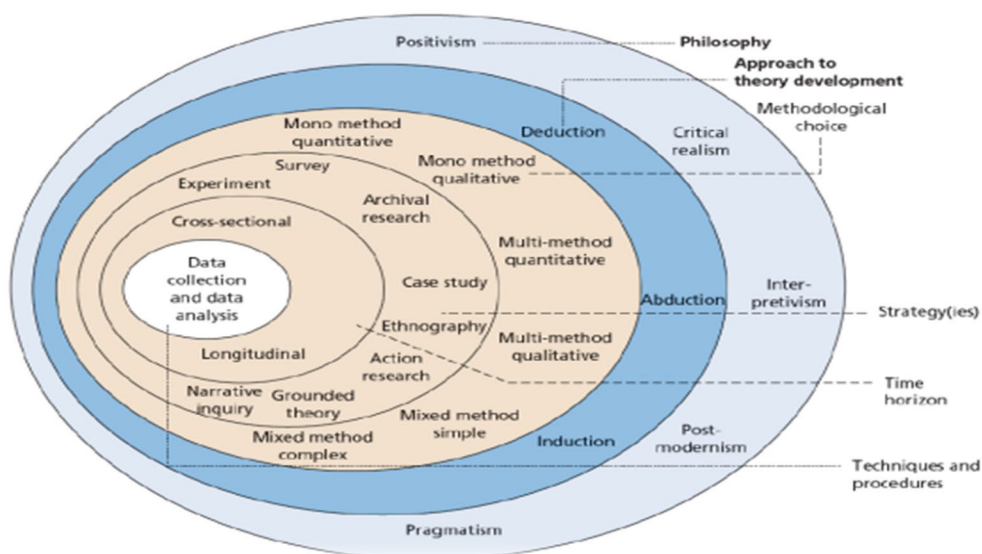


Figure 6: Research onion Framework

Source: (Saunders et al., 2015)

However, there are different aspects of a research methodology which have been identified and explained critically in this research, as below.

3.1 Research Philosophy

The initial consideration of selecting and proceeding with a particular research methodology is to identify and opt for a specific research philosophy. Generally, a research philosophy can be explained as the assumptions, beliefs and perceptions which help to collect and collate important and relevant data and information for a particular research topic. It is important to opt for a specific research philosophy as it helps the researcher in understanding the purpose of the study being undertaken which further assists in the aspect of exploration, evaluation and effective synthesis (Mkansi and Acheampong, 2012). There are different research philosophies which can be selected to conduct specific research. These research philosophies are inclusive interpretivism, realist, positivist, and pragmatist. These research philosophies can be opted for based on the purpose of a particular study and the preference of the researcher as well which highlights their research capabilities, their experience, and their knowledge. Similarly, the research philosophy which has been followed in this study has been identified as interpretivism. The basic purpose of this research philosophy is to analyse the information which can be interpreted from the outcomes of the literature review (Alharahsheh and Pius, 2020). Similarly, emphasising the interpretivism research philosophy in this study has aided the researcher to review the impacts of the COVID-19 Pandemic on the banking sector of India and how it has been influenced positively or whether it has lost major business opportunities. Furthermore, the interpretivism research philosophy is also useful in the light of assessing the impacts on behalf of personal knowledge of the researcher as the COVID-19 pandemic has been experienced by every individual whereas its results and outcomes can be contrasted in the corporate environment effectively with the help of relevant knowledge and professional evidence.

3.1.1 Justification of Research philosophy:

The research philosophy that has been considered in the scope of the research is the interpretivism research philosophy, as it has enabled the researcher to create a distinction between the social world and the perception regarding the scope of the research and has also facilitated determining the critical factors relevant to the evaluation and performance of the banking and the financial sector in the Indian economy during the covid-19 (Ryan, 2018). Interpretivism research philosophy

is justified in the scope of the research as it has enabled the researcher to determine the nature of the specific phenomena associated with the scope of the research and has provided the cognitive orientation regarding the social process associated with the consideration of the role of banking and the financial sectors during the covid-19 pandemic (Junjie and Yingxin, 2022).

3.2 Research Approach

The next important aspect that needs to be focussed upon in this research has been identified as the selection of an appropriate research approach. The purpose of selecting a research approach is to emphasise the outcomes of the research which will assist the end users of the study. There are three broad categories of research approaches which can be selected for a specific study, inclusive of deductive, inductive, and abductive research approaches (Oyegoke, 2011).

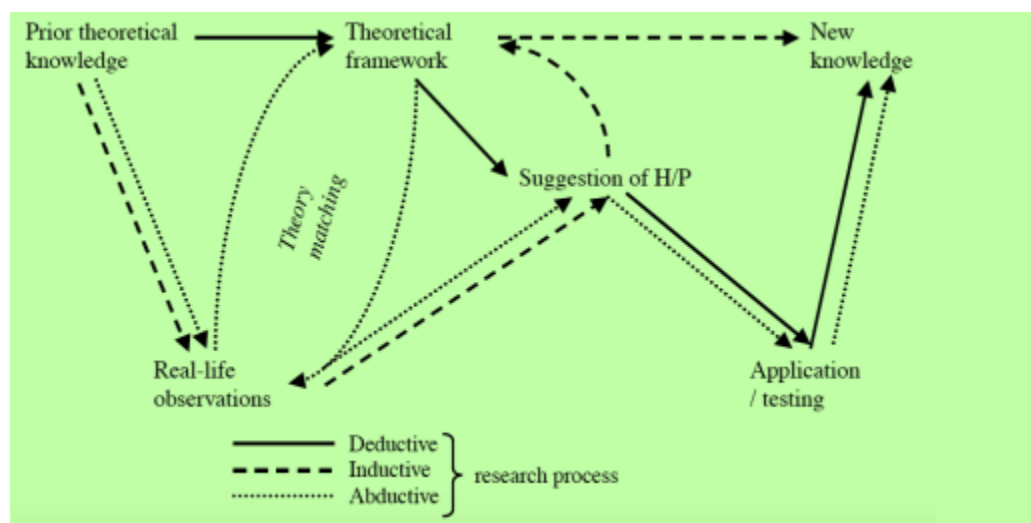


Figure 7: Different research approaches

Source: (Spens and Kovacs, 2016)

Simultaneously, it can be analysed that the research approach which has been optimised for this study is highlighted as the deductive research approach. A deductive research approach is completely dependent on the scientific facts of the research, and it majorly relies on the literature review that has been provided. Similarly, considering the literature review context and concepts discussed in this study, the deductive approach has identified the primary factors which have reflected increased demand for technology and digital banking measures being adopted and

encouraged within India, whereas a majority of the bank branches closed as well in response to the increasing COVID-19 cases, so that the general and governmental SOPs to prevent COVID-19 virus can be followed, leading to a high amount of unemployment in the country which was unexpected and unanticipated (Zalaghi and Khazaei, 2016). However, the deductive approach has further focussed on the benefiting areas of this impact as well, which can be left for the users to decide and adopt a perception accordingly.

3.3 Methodology

In continuance with the discussion provided above, the next and the foremost important aspect of this study which needs to be focussed on critical depth has been identified as the main research methodology. A methodology states the primary approach through which the research philosophy and approach can be implemented, the required and appropriate data and information can be collected successfully. There are two types of research methodologies which can be adopted for a particular study primary and secondary (Daniel and Sam, 2011). These further need to be classified into the type of research followed which can be quantitative, qualitative or mixed (including both quantitative and qualitative aspects).

Similarly, considering the following study being undertaken, it has been identified that a primary research methodology has been adopted whereas the obtained data and information has been synthesised using the qualitative research approach. The reason that a primary research methodology has been selected is that the main aspect of this study is the COVID-19 pandemic, which has occurred and experienced recently and hence there is very limited information and critical impacts related to it available in the global literature (Driscoll, 2011). Hence, it becomes the primary responsibility of the researcher to conduct first-hand research in which the data will be collected primarily.

The collection of required data will be conducted by adopting the interviewing approach in which the selected participants will be asked certain questions requiring them to answer completely and authentically. This perspective is further explained in detail below in the ethical consideration segment.

Moreover, the synthesis of the collected results has been done using the qualitative assessment approach as it emphasises the hypothetical aspects which explain the factors affecting the banking industry of India along with its justification which assists the users of this research to establish a perception and govern their recommendations accordingly (Williamson and Burns, 2014).

3.4 Research Strategy – Grounded Theory

Simultaneously, once the major research methodology aspects have been selected and highlighted effectively, the next step is to emphasise a particular research strategy. A research strategy is a basis on which the research questions are established which pertain to the results that are being looked upon for collection and synthesis for the future accordingly (Oliva, 2019). Similarly, the research strategy which has been focused on in this study has been highlighted as the grounded research strategy.

A grounded research strategy is a research approach in which a comparative analysis of two different perspectives is made which provides a relevant and robust conclusion and establishment the basic idea behind the research accordingly (Hensel and Glinka, 2018). The reason that a grounded research strategy has been selected for this research is that it has provided an active comparison between two major scenarios of the banking industry of India. One is identified as pre-COVID-19 and the other is known as post-COVID-19 which is important for this study.

3.5 Sampling Techniques – Stratified sampling approach

Moving along with the discussion provided above, the next important aspect of this discussion has been identified as sampling. Sampling can be evaluated as the selection of an appropriate population for proceeding with the collection process of the required research outcomes with the help of the research method selected initially (Acharya et al., 2013). There are different approaches to selecting a sampling method and participants whereas the following study emphasises the stratified sampling approach. The reason that a stratified sampling approach has been opted for in this research is that it will only include relevant participants and a specific number of participants will be selected so that the outcomes obtained from them can be used efficiently rather than having excessive data which can be difficult and challenging in terms of being synthesised respectively (Corlay and Pagès, 2015). The stratified sampling approach has aimed at participants currently

employed in the banking sector of India and who have experienced equally both situations which are pre- and post-COVID-19 pandemic. Additionally, it is also important to emphasise the ethical side of the questions being asked for which the researcher has focussed on following all the ethical considerations to eliminate any of the implications which can disrupt the interview process. A total of 20 interviewees have been interviewed in this study whereas the interview questions are further framed in the next sub-section below. Additionally, it is important to acknowledge that the 20 interviewees shortlisted for this study include 17 respondents solely from the Indian banking sector, who are employed in different banking departments and different Indian banks, whereas 3 of the respondents are from other financial sectors of India so that an effective comparison can be provided between both contexts efficiently.

3.6 Data Collection:

The data collection process includes the consideration of the procedure that is used for analysing, measuring, and collecting accurate insights for the research with the use of valid techniques, and which enables the researcher to answer the research questions for evaluation of the outcome. The data collection process is classified into primary and secondary data collection where the primary data collection is based on the consideration of the interview, questionnaire, observations, and discussion of the focus groups for gathering the inferences in terms of choosing the data with the help of the data collection tools (Mwita, 2022). The secondary data collection, on the other hand, includes the consideration of the secondary sources in terms of the data set that are available across the previously gathered inferences and which are used for consideration to answer the research questions and are in the form of ready to use data (Martins *et al.* 2018). The present scope of the research regarding the topic of the performance and the roles of banking and the financial sectors in the Indian economy during the covid-19 consider both the primary and the secondary data where the primary data are collected from the interview that is conducted by the researcher from the banking officials. The secondary data includes the consideration of drawing relevant inferences from the academic articles and journals that are available across the internet that can provide information regarding the consequences and the challenges faced by the banking and financial sectors and their respective roles in the overall economy of India during the covid-19.

3.6.1 Interview Questions

- How important are banks for the economy of India?
- What differences are there in the banking activities in the COVID-19 environment compared with a pre-COVID-19 situation?
- What type of losses has the banking industry of India suffered during and after the COVID-19 pandemic?
- What are the key financial strategies which the banking sector of India has adopted to overcome the significant losses?
- How are you inclined towards participating in the improvement plan to assure your employment position in the banking industry of India in the long term?

3.6.2 Justification of selecting these questions:

The reason for selecting the above questions for the research has a major impact that reflects the structure and purpose of the entire research because it is a study which is accomplished by primary and secondary resources. Furthermore, the research question regarding to the role of Indian Banks in the Indian economy identifies the impact of the banking sector in the Indian business which become crucial for the last decades, because before the pandemic Indian banks were working effectively for the development of business in India.

The question highlighted the impact of COVID-19 on the Indian Economy which disturbed the business activities within the country because as a developing country the people serve their homeland with extensive patriotic feelings. The research question further elaborates on the significance of the banking sector on the economy of a country which develops the importance of that sector amongst the various sectors because banks play role of backbone for the economy of a country.

The second research question identifies the basic steps taken by Indian Banks during the pandemic situation and its importance for human health as the reason the disease were spreading quickly amongst the countries. For that reason, that query raised about the initial steps taken from the government for the continuation of banking process as it become the necessity for the people in their daily life routine. At that situation the banking sector played an effective role for providing financial support for the people within the country because at that time people desperately need

financial support for their basic needs. Moreover, the query raised for providing the information regarding to the initiative of online banking in the country which creates ease for the people because as India were affected badly by the Corona virus government strictly regulates the orders of dealing the customer online, no clients were allowed within the bank premises.

Third research question highlight the impact of initial steps taken by the Indian government and their effects on the national economy that become safeguard for the basic growth of the people in the country. The query has a significant impact on the national economy because without identification of basic problems faced by the people it become impossible for the researcher for providing effective study on the topic.

Fourth query regarding to the research identifies the impact of COVID-19 on the Indian banking sector and due to that several sectors become the victim of that particular disease in the pandemic era, moreover, the question raises the process of recovery for other affected sectors in the due to a virus because banking sector of a developing country can create vital impact and have an effect in providing financial support to the other related sectors including various manufacturing industries, assembling industries and film industry. The last query of the research deals with the personal recommendations which are developed after the extensive process of primary and secondary research that can assist in initializing the basic steps for the recovery of the loss in the banking industry. The reason COVID-19 impacted the major industrial areas of the country which become challenging for the government for taking some steps to overcome the losses regarding the economy of the country.

3.7 Ethical Considerations

In continuance with the discussion provided above, the next important part of the research methodology chapter that is recommended for an in-depth analysis has been identified as ethical considerations. Generally, ethical considerations of research can be explained as all the legal and ethical perspectives that need to be included while the research is being conducted and when the collected data is being synthesised to ensure appropriateness and compliance with the regulatory frameworks (Ketefian, 2015). Similarly, the following research has been identified as being sensitive as the financial situation of the economy of India is being emphasised in this study and hence various ethical consideration elements need to be considered in detail. Thus, some of the key ethical considerations related to this study, which have been followed extensively, are identified, and listed below.

- Ensuring the anonymity of the participants
- Taking formal approval from banks to synthesise their published financial information
- Discarding the interviews of the respondents once they have been analysed and synthesised in detail in the analysis chapter and the study is published publicly
- Maintenance of legal boundaries when selecting participants for the research
- Ensuring that the questions are appropriate, and they don't reflect biases in the answers that are anticipated

3.8 Demographics of Interviewees:

Interviewee Number	Profession	Type of Banks	Working Experience in the field
1.	Financial Manager	Public	6 years
2.	Financial Manager	Public	4.5 years
3.	Branch Manager	Public	10 years
4.	Branch Manager	Public	8 years
5.	Assistant Manager	Public	8 years
6.	Loan Officer	Public	6 years
7.	Financial Analyst	Private	4.5 years
8.	Financial Analyst	Private	3 years
9.	Economist	Private	7 years
10.	Senior Manager	Private	10 years
11.	Senior Manager	Private	8 years
12.	Audit Manager	Private	6 years
13.	Assistant Manager	Private	9 years
14.	Branch Manager	Regional	11 years
15.	Finance Manager	Regional	4 years
16.	Loan Officer	Regional	6 years
17.	Assistant Manager	Regional	10 years
18.	Economist	Financial	5 years
19.	Audit Manager	Financial	4 years
20.	Manager	Financial	9 years

Chapter 4: Findings and Discussion

Moving further with the following discussion, the next important segment of this dissertation which will be focussed on detail is highlighted as findings and discussion. This chapter primarily relates to the key findings of the research methodology explained earlier whereas all the concepts discussed in the literature review will be evaluated critically as well (Tan and Chapman, 2016). Hence, with the help of findings and discussion, the users of this study will be able to link their understanding in terms of making a valid decision and implementing it extensively. Hence, the findings and discussion related to the study topic are further provided in detail, as below.

4.1 Thematic Analysis

The first part of this chapter relates to analysing the key findings that have been obtained from the research conducted originally. As the following research has been completed through a primary research approach in which interviews have been used to gather relevant data as required. Hence, the interviews with 20 different interviewees along with the answers to the interview questions is discussed in following sections. In this research, thematic analysis has been utilised which is a qualitative research tool to analyse the qualitative data gathered from the research. Therefore, specific themes are generated in thematic analysis to analyse and interpret qualitative data. The themes designed under this research study in accordance with the collected data findings are discussed below:

4.1.1 Theme 1: Importance of Banks to the Indian Economy

The first theme is the importance of banks to the Indian Economy which has been analysed through the research questions for obtaining public views on the roles that Indian Banks play in influencing the Indian economy. 1 of the 17 respondents from the banking industry of India, these individuals concluded that:

Indian economy is among some of the “overpopulated” regions in the world and a continuous increase in the national population eventually reflects the enhancement of Indian industries as well.

Simultaneously other interviewee stated that:

“Globalisation has affected the need for Indian banks as well and hence the banking industry has not just developed within India but has successfully progressed as well. Today, the Indian banking sector is one of the highly demanded industries within the nation as it has dwelled into modern technology, providing increased convenience for the consumers, and serving them appropriately with their basic banking needs.”

As per the employment aspect of these respondents, 100% of the participants agreed with the fact that:

“The Indian Banking sector has promoted their occupational well-being, providing them with incentives for further growth and opening new opportunities for them.”

Simultaneously, the other 2 respondents that have been interviewed with the same question in the survey were from other financial institutions in India (Handa, 2018). These included Fintech companies, providing easy monetary solutions along with relevant and required financial assistance for the consumers in India. According to these participants:

“The current situation of banks is eventually declining because of frequent technological improvements which have led to the establishment of other financial solutions and banking has become a trend which is no longer followed.”

However, these participants are only expressing their concerns from the view of individuals whereas large companies operating in India, such as multinational corporations, still rely heavily on the presence of physical and traditional banks and they need to remain operational so that new organisations can be encouraged upon their formation whereas FDIs can be welcomed extensively in the country as well.

4.1.2 Theme 2: Differences in Banking Activities in India Considering Pre and Post-COVID-19 Pandemic

Moving along with the following discussion, the next important theme that has been included in the thematic analysis of this research study is the differences in the banking activities in India which has also been related to the conducted interview with the selected interviewees relates to assessing the role of banking activities in India in different environmental conditions. As it has been analysed that the COVID-19 pandemic had significant impacts on the commercial environment globally whereas it nearly crashed the corporate world, increased needs were emerging from within different industries of India to roll back on track and to reinstate the economic activities that had been affected during the pandemic (Mishra et al., 2020).

Hence, emphasising the interview question, 2 of the 17 interviewees interviewed, concluded the fact that:

“The Indian banks had been undergoing a significant decline phase since their establishment. They further supported their perspective with the fact that earlier banks had the sole power to control the money supply and to emphasise interest rates accordingly. However, banks in India today are inclined toward changing the traditional working aspect of banks and the literal meaning of banks has been forgotten.”

This was a serious and significant part to be highlighted in this study as these individuals were indeed experienced and had sufficient knowledge and in-depth information regarding the banking industry. Hence, these respondents further included that the COVID-19 pandemic further contributed to worsening the banking services and activities as the government looked forward to implementing strict measures as a part of its SOP guidelines to control the spread of the pandemic which became uncontrollable within India. Simultaneously, 5 of the participants who were interviewed in this survey focussed on the positive side of the banking industry (Bhatia and Gupta, 2020). These respondents highlighted that:

There are some key points such as the success indicators through the presence of competitor banks from international regions and services which eventually enhanced the ability of banks in terms of attracting key investments and proceeding successfully toward a sustainable future.

Additionally, these participants also commented with a positive perspective with regards to the existence of the COVID-19 pandemic, which although had been destructive to the overall industrial aspect of India, provided significant opportunities for the nation's economy, such as increased investment in digitalisation, obtaining modern technology and associating with banking services, such as e-banking approach, providing convenience for the users and allowing the employees to learn and grow positively. Moreover, the rest of the 2 interviewees were neutral in terms of the question asked as they had limited knowledge and exposure and they looked forward to relying on what the news channels and other sources provided them with specific knowledge.

4.1.3 Theme 3: Losses Suffered by the Indian Banking Industry during the COVID-19 Pandemic

The third theme which has been emphasised in the research discussion and analysis relates to analysing the losses which have been suffered by the Indian Banking industry during the COVID-19 pandemic. This question has focused on understanding the types of losses which were experienced by the Indian Banks during and after the pandemic. According to 13 of the initial participants interviewed in this survey, it was analysed that all of them agreed the fact that the COVID-19 pandemic was a serious disaster for the global economy, and it made all the key industries suffer globally (Bobade and Alex, 2020). However, the banking industry was made prominent in this survey as these individuals supported their view with the continuous deterioration of the Indian banking industry as it had already made a significant shift from traditional banking to non-conventional banking approaches, which includes e-banking and according to them it is not feasible or convenient, under their perceptions. Moreover, 2 of the participants who were interviewed expressed their views in a similar way to the previous 13 interviewees. These individuals were inclined to highlight a different perspective in which according to them the banking industry of India was facing constant decline due to the expansion and growth of other financial sectors in India. This included Fintech companies and other small-scale financial institutions whereas further assessment of their findings is further explained in detail below. Simultaneously, the rest of the 5 participants in this interview remained positive with their views regarding the fact and stated the fact that:

“Indian banking industry was not suffering any losses during the COVID-19 pandemic as the banking sector is considered a sole industry in the economy which assists individuals and organisations with their routine fund's management and during the pandemic there were significant exchanges of funds between individuals, groups and organisations in the form of medical aid, financial assistance, supporting organisations involved in the manufacturing of COVID-19 prevention necessities, etc.”

4.1.4 Theme 4: Key Financial Strategies Adopted and Implemented by Indian Banks to Overcome Significant Losses due to the COVID-19 Pandemic

This fourth theme is about the key financial strategies adopted and implemented precisely is in continuation of the previous question in which the type of losses has been identified for Indian banks due to the presence of the COVID-19 pandemic and now assessing the strategies to overcome this issue has become important. Similarly, according to the results of the interview conducted, it can be analysed that 11 of the participants interviewed initially were satisfied with the approach of introducing modern technology within Indian Banks. Two of the This approach was effective in terms of being focused on the economic stability aim of the nation while emphasising the level of adherence to the governmental SOPs as well to prevent the spread of the COVID-19 virus. Additionally, 3 of the interviewees stated that:

We are highly disappointed with the approach of digitalising the current banking industry of India, especially during the peak of the pandemic, because India had been suffering extensively and this was the time when governmental support towards the general public was required.

However, the rest of the 6 interviewees had neutral answers to the question as they stated that?

We are looking forward to the sustainability of the industry so that their employment can be secured, and they can obtain maximum benefits through the overcoming strategies implemented.

4.1.5 Theme 5: Personal Participation in the Improvement Plan for Indian Banking Industry

The next critical theme which is considered important for this research-based thematic analysis has been identified as acknowledging the core participants of the respondents in the improvement activity linked with their association with respective Indian banks. According to 14 of the initial

interviewees surveyed in this interview process, it has been evaluated that these people had minimal contributions extended in the light of improving the banking industry processes during the COVID-19 pandemic as this was a crucial time for the commercial world and individuals and organisations had been suffering significantly. Simultaneously, 4 of the participants included that:

“We have been confident, and the COVID-19 pandemic provided them with a significant opportunity in terms of providing their recommendations which are unique and can change the existing dynamics of the Indian banking industry. A lot of potential can be reflected in this aspect, and it has encouraged individuals to succeed in their careers positively.

Simultaneously, the rest of the 2 participants shared that:

“We have been inclined towards remaining neutral on our views in terms of making efforts and contributions on a personal level to aid in the improvement process of the banking industry during the COVID-19 pandemic.”

There are various reasons which can be associated with such a perception of these participants, which are further identified and analysed extensively in the next section of the analysis.

Keeping in view the following discussion, these are some of the key results obtained from the interviews which have been conducted. However, an in-depth evaluation of the core reasons behind these results is important which is further provided in detail in the next segment of data analysis.

4.2 Analysis of Key Findings

The next important part in the continuation of this chapter has been identified as the analysis of the key findings. In this section, all the major findings which have been discussed earlier will be explained in detail relating to the core reasons which eventually caused such results to be obtained and then synthesise these results critically to assist the readers in making effective decisions. Hence, an analysis of all five interview questions along with their results is provided below.

4.2.1 Finding One

The key finding of this research study is related to the importance of banks in the Indian economy, it has been analysed that participants who agreed on the importance of the traditional banking approaches for the economic well-being of India had been emphasising extensively on their views and perceptions because they had been associated with the early times of the economic progress of India during which there had been key responsibilities which they had to undertake and they have witnessed the success boom. However, as these individuals are old and are associated with a significant generation gap, they are not able to link traditional banking approaches with modern and digitalised banking practices which is a mere sign of a lack of necessary knowledge. Simultaneously, the respondents who had been positive towards the technical developments in the Indian Banking sector are the youngsters, who have sufficient knowledge related to the unique aspects of developments relevant to the banking industry through which operational efficiency can be elevated and greater success outcomes can be secured and recorded effectively.

4.2.3 Finding Two

The second finding of the research study by collected data relates to the comparative analysis in the Indian banking industry between two periods which are pre-COVID-19 and post/during a COVID-19 pandemic. According to most of the similar candidates who had been interviewed in the previous question, they were inclined to highlight the fact that the Indian banking industry has further deteriorated, and it can eventually enter a disastrous zone if it continues to remain closed especially during the peak time of the COVID-19 pandemic to emphasise on maintaining social distancing reforms. However, these individuals might not be acknowledged of the key developments in the Indian banking industry which have been focused extensively and critically during the COVID-19 pandemic having some core objectives such as cost minimisation and optimisation, boosting employment, encouraging the technical developmental process and adhere to the governing principles regarding social distancing policies to prevent the growth of the COVID-19 pandemic. These individuals were also effective in providing their contributions to the progress of the Indian banking sector and they were frequently involved in providing recommendations and communicating suggestions according to their exposure, knowledge and their understanding extensively in the banking industry.

4.2.3 Finding Three

The research further examined the different types of losses which are linked with the Indian banking sector which were reported during the COVID-19 pandemic. From the conducted thematic analysis, interviewees who believed that the losses were significant in the Indian banking sector can ultimately again be linked to the fact that they have limited knowledge regarding the processes of the banking industry of India during the pandemic. Most of these individuals were aged 50 and above which means that they have been retired from the banking industry and were now expressing their perceptions according to the knowledge and experience of their time. Although the key aspects presented by these participants were effective and surrounded with reliable information, such knowledge is considered irrelevant during the present era as various industries across the world are progressing frequently with key developments for their long-term improvement plans. Simultaneously, those individuals who supported the fact that the Indian Banking industry experience a boost during the COVID-19 pandemic had a valid point for their justification. Their response emphasised the fact that the COVID-19 pandemic although destructive to humanity and the economy as well, can be considered a “blessing in disguise” in different economic aspects. The Indian banking sector had been focussing on proceeding with technical developments for a long time whereas the pandemic ultimately provided them with a boost to their consideration the process eventually took speed, and the implementation activities were completed effectively and efficiently before the anticipated time. In this way, individuals losing their jobs during the peak of the pandemic were eventually able to gain access to learning opportunities whereas the Indian banks were able to manage their costs so that the pandemic impacts can be accounted for effectively and efficiently as well.

4.2.4 Finding Four

The research further alluded to the examination of the key financial strategies which the Indian banking sector adopted and implemented in the light of overcoming the major issues related to the COVID-19 pandemic. The participants who denied the effectiveness of strategies such as digital embracement had a perception that technology in traditional banking practices was a waste of resources and investment which could be applied elsewhere effectively and efficiently. This gap was majorly due to the lack of information and knowledge available to these individuals and hence it led them to adopt such a perception. However, those who were in support of the digital

transformation of Indian banks concluded the fact that it allowed healthy competition between local banks of India with international bank chains such as Standard Chartered, Citi Bank, HSBC, etc. through which the consumers achieved major benefits and the service quality improved while expected costs were minimised efficiently.

Chapter: 5 Discussion:

As per the discussion made by Kapur and Shira (2022), it is evident that the Reserve Bank of India introduced certain measures in order to overcome the challenges of covid-19 in terms of relaxation of the cash reserve ratio (CRR) and also introduced the measures of using the interest rate by the improvement in the strategies for providing financial help in the different sectors of construction, textile, aviation and agriculture to balance the economy across the country. It is also evident from the interview response that those challenges were faced by the banking in the financial sector during the covid-19 due to the impact encountered in the financial sector and the difficulty which was encountered because of the economic down term which resulted in the need for identification of challenges of impact on the capital market due to covid 19. It is further evident from the discussion made by Chaudhary *et al.* (2020) that over 19 faced a severe implication on the economy of the country because of the lockdown. It is also evident from the responses of the interview that the covid 19 created severe implications in terms of the downturn of the economy and resulted in the need for minimization of the impact of the covid-19 with the utilisation of the monetary policy as there were economic losses resulting in the unemployment. It is also evident from the discussion made by Deshmukh and Haleem (2020) that the Indian economy undertook measures for introducing the necessary framework for maintaining streamlined management of the supply chain and the management activities with the utilisation of the web technology, which acted as a powerful enabler. It is also evident from the discussion that the industry 4.0 concept also played a significant role in introducing automation for minimising the impact of the covid-19 with the introduction of 3D printing within the organisation that reduced the lead time, and the policy introduced by the financial organisations facilitated in automating the processes. It is evident from the discussions that the agriculture sector, as well as the other sector, encountered a serious setback in terms of the lack of proper financial policies. The Government of India introduced certain metals

in terms of the Garib Kalyan Anya Yojana and the Garib Kalyan Yojana to provide financial assistance for buying essential goods. The Government of India, as well as the Reserve Bank of India, also introduced the necessary provisions for providing financial assistance to the people to the reduction of the burden on the financial organisation during the pandemic and reduced the liquidity incentive. The major focus of the initiative is to reduce the dependence on the import and improvement of the goods and the quality of the product for expansion of the market across the world for insurance of the self-reliance concept.

The learnings that have been developed from the interview response and the discussions provided by the respondent of the participants in the primary research has also provided knowledge about the effectiveness of the initiative which has been undertaken by the financial sector and the banks for the improvement of the Indian economy in terms of the schemes such as the Pradhan Mantri Garib Kalyan Yojana and the various initiative for improvement of the fiscal measures for the homeless people and the support that has been extended to the small and medium enterprises to survive during the covid-19 pandemic and to overcome the challenges of the global lockdown. The discussions provided by Joshi *et al.* (2021) suggest that the challenges of the covid-19 created severe health implications and necessity for the implementation of policies to overcome the challenges which have been faced by the vulnerable population, and this required the need for intervention of the government as well as the banking and the financial institutions for effective allocation of the different resources to overcome the unforeseen challenges. The district-level planning which has been undertaken by the government and the utilisation of the monetary policy has also facilitated minimising the gap in terms of the economic down term and the challenges which were faced by the people across the country in terms of their survival strategy as a result of the lack of availability of the resources and funds which created the hardships in terms of the survival specifically in the rural as well as the urban areas. The discussion provided by Lea (2020) suggests that the banks expected a substantial increase in unemployment because of the global restrictions, which created instability in the fiscal report. It is also supported by the discussion provided by Chaudhary *et al.* (2020) that economies, through the utilisation of the simulation tools, are also predicting the various scenarios regarding the social-economic impact of the virus outbreak and the various efforts that are undertaken toward the containment. It is also evident from the discussion that India needs to reach the developmental paradigm for the development and reduction of the inequality in income with better allocation of resources and introducing eminent

reform in terms of the introduction of the social security measures for minimising the implication of the covid 19. The discussions of Arora *et al.* (2021) suggest that there have been different initiatives undertaken by the banks and the government of India in terms of monetary policies, such as the RBI has cut down on the agreement of repurchase in order to control the economic situation in India and has introduced the effective repo rate of 4.4% and the reverse repo rate of 4%. It has further been discussed that the liquidity measures which have been introduced by the RBI have been an amount of 3.7 trillion, which is 1.8% of the total GDP of India. There are different regulatory measures which have also been introduced by the RBI as a step toward supporting the different sectors from overcoming the downfall of the business and the Indian economy, inclusive of the small and medium enterprises. Fiscal measures that have been undertaken include the relief package amounting to 1.7 lakh rupees which makes approximately 0.8% of the total GDP, which was contributed on March 26, 2020. It is also evident from the discussion that India's implication of the covid-19 outbreak and the economic outlook of India signifies that the economic growth has been slowed down as a result of the pandemic resulting in the deep global recession. It is also evident that there have been unprecedented challenges due to the severe impact on the economy, and the covid-19 affected the country in terms of increasing loss of economic growth and human capital, resulting in eventual damage to the economy. The banks and the financial institutions also encountered the need for balancing the income support, which was required to ensure that the fiscal situation was out of control, and which required the greatest support of the scope for the income of the poor and also required the involvement of the local and the state government which proved to be crucial in terms of effective implementation of the fiscal initiative. The implication of the covid-19 has been identified in the form of rising leverage, poor cash flow and impending global recession due to the financial shock. The responses provided by the respondents further signify that there has been a huge challenge which was faced by the banks and the financial institutions leading to the need for the introduction of the necessary strategies. This is justified by the discussion that the financial breakdown required the implementation of the future road map for the recovery of the economy and which led to the V-shaped recovery of the economy by the consideration of the cooperative strategies for mitigating the disruption of the economy activities.

Chapter 6: Conclusion

It is concluded that it is significant to solidify the fundamental goal and motives of the analysis so that the researcher has led the way to continue with the cycle of research efforts while the readers can be realised the essential factors which will be communicated and assessed majorly. This epidemic was seriously disastrous, and it resulted in negative effects on almost all enterprises on the earth, resulting in a prevalence of the companies operating in such enterprises ultimately closing their processes, directing to an enormous level of unemployment. The major enterprises which have confronted the problems of the COVID-19 epidemic are the international banking industry which is explored largely in this report. Nonetheless, India is contemplated among a few of the vulnerable countries on the planet where the COVID-19 effects had been noticed severely. Therefore, this research explored each of the measures that the Indian Banks prepared to survive the COVID-19 effects. All applicable and relevant theories have been debated intensely in this exploration which successfully benefits the beneficial knowledge of the readers.

The international macro-economic expectation for the recent financial year from 2020 to 2021 has been negatively influenced by the COVID-19 epidemic which has affected most states on all continents. The epidemic has cast its cloud across several economic actions with dislocation in international creation, supply chains as well as business. With the increasing ratio of COVID-19 in India and its alleviation strategy of 40 days of complete lockdown to 3 May 2020. 25 March 2020 and a chance of additional expansion of lockdown by various State Governments. There is inclined to be a substantial effect across several categories of the economy. To explain this negative duration, the Government of India has been readying techniques and action plans not just for industry continuity as well as a sectoral renewal but similarly to enhance the Ease of Doing Business in the state by broadcasting amendments bringing out estimates to enhance the business atmosphere in India. The estimates by the Central regime, SEBI (Securities & Exchange Board of India), the Reserve Bank of India, the sectoral ministries, (IRDAI) Insurance Regulatory and Development Authority to improve industries in India, especially banks.

Because of an improvement in the globalisation effects, the market for banking services has exceeded while the fact of the COVID-19 epidemic has been a severe constraint for banks systems in the global atmosphere. Nonetheless, the problems come to be severe for developing states

because their reliance on the financial division is heightened and has an abrupt effect in the shape of an accidental circumstance that can result in several destructions at particular and improved levels. Therefore, closing down the banking enterprise of developing states, such as India, can be a tough mission for which it is significant to scheme potentially and actively. Ultimately, this research underlined all the significant estimates which are to be accepted and carried out strongly in the Indian banking division and improve its sustainability in an unexpected circumstance as the epidemic could lessen or achieve its elevation without previous warnings.

As the earth is fighting on each of the fronts against the explosion of COVID-19, similarly, India has been broadly influenced by the pandemic. To include the extent of the pandemic, the Indian Government declared openly a national lockdown beginning on March 25, 2020. The continuous pandemic has presented a sizeable effect on the existence and the industry of the world's biggest democracy. However, the extent of the effect on distinct divisions depends, none of the divisions is entirely out of the scope of its consequence. The war with COVID-19 is not just to protect the state and its nation but similarly to guarantee that the banking sectors are struggling round the clock to fulfil the necessities of the nation and the financial demand. Unnecessary to tell, the banking network is the spine of any state and its fall or downshift could direct to numerous problems for developing states like India. Therefore, to lessen the unexpected problems being confronted by several divisions, the RBI (Reserve Bank of India) being the central bank of the state appeared with various strategies and mitigations post-national lockdown.

According to the analysis, those digital modifications have been obtained largely and in a calculated strategy through which a prevalence of the businesses and companies specialising in these enterprises have been enticed to digital tools for dealing with their financial deals. With digital extemporization in the Indian Banking division, boosted convenience and improved competency are given to the clients while new reliefs have been unlocked for the enterprise to admit and, continue with inaugurating new traits.

Though the improvisation obtained and carried out by RBI are provisional, presently these have been extremely beneficial to solidify the unstable circumstance belonging to the financial market. Because COVID-19 proceeds to expand, borrowers, as well as lenders, should be careful of the submission regulations which have not been flexible and take reasonable actions to cater to such

responsibilities shortly. Even though each of the prior estimates inaugurated by RBI is already a component of the Relief Package endorsed by the Central regime, similarly, RBI is probably required to contemplate a level of prudential patience in different strategies, which could be on identical chains to the Relief Package. Also, RBI probably consider inaugurating the extensively spoken COVID-19 bond control. Provided the threat of utilising currency notes for the duration of the pandemic, galvanizing digital payments additionally could be a beneficial treatment in recent situations. Also, the domestic economy is foreseen to decrease to a tremendous magnitude until the vaccine for COVID-19 is formulated. In acknowledgement of all this and determining the impact of the pandemic will resume beyond, it is foreseen that RBI would appear with further estimates to incorporate the economic pressure.

The Indian banking division is strong, an adequately capitalized and adequately regulated component. The NDA government has been investing capital into the public division banks utilising recapitalization bonds, over the last seven years. Nonetheless, obeying COVID and the goals from the Union Budget 2021-22, a big problem appears in liquidity. Over the previous few years, various European banks have verified specific removal operations of inadequate loans. This has greatly participated in a substantial decrease in the NPL ratio. Nonetheless, bad debts, the beginning of a big secondary market and the consolidation of systematic large-ticket assets to build a 'single-name' document have erased newer issues. The banking division is wordlessly reeling under the problems thrown at it.

According to the analysis, the Indian economy has used substantial advantages because of its digital and specialised disclosure which was indicated as a chance for the Indian banking division at the time of the elevation of the COVID-19 pandemic. Therefore, the Indian government motivated the technological specialists and educated people and organisations within India to move ahead for the Indian banking sector and formulate a particularly designed web as well as a smart application which will be entirely interactive and will fascinate almost all of the banking assistance required in day-to-day life.

Banks should contain strong NPA management estimates like balance sheet stress testing as well as lay in place timely notification to supervise the NPA circumstance and step towards healing over the coming 6 to 12 months. Presently, banks have greatly been developed and top-line

concentrated. Nonetheless, the emphasis now probably changes to cost across their departments, communication centres and systems. Banks should implement numerous levers for this, such as shifts in their operating strategy and digitization of techniques. Customer experience is anticipated to come to be a major area of emphasis for them because they nicety their customer segmentation and are ready to give a customized bouquet of goods, services as well as experiences to the accurate segments. Similarly, banks are inclined to digitise vast portions of the customer experience for retail, corporates, and also, MSMEs. Here, they will search to collaborate with Fintech firms and establish a favourable ecosystem that facilitates digitized directing and meeting all demands of clients.

Thus, keeping in view the summary of the whole study provided above, it is important to analyse the two different periods of the banking industry of India before proceeding with further decisions in the light of improving or expanding the current practices of Indian banks. These two periods can be referred to as the pre-COVID-19 period and the during/post-COVID-19 period (as India is still experiencing COVID-19 impacts and the cases are increasing but at a slow pace comparatively). It is highly recommended for the government of India to focus on improving its assessment skills by deploying experienced individuals in the financial evaluation sector. These experts will be responsible for assessing the current financial structure of the industry during the pandemic and focus on how it can be reverted to the pre-COVID-19 situation or improved further according to the new trends and demands of the consumers. Learning through the activities and practices of the banking industry of other developed regions such as the UK, USA, UAE, etc. can be a beneficial and effective consideration for Indian banks so that they can look forward to adopting similar practices with critical improvements and minimising the known gaps efficiently. Lastly, collective and collaborative working should be emphasised extensively as the pandemic situation is unpredictable and relying on the skills of a particular department or individual might not be feasible, especially under unforeseeable events.

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8. Appendix

Research Questionnaire

1. Do you think that banks are significant to the Indian Economy?
2. What are the differences in banking activities in India if we consider Pre and Post COVID-19 pandemics?
3. According to you, what are the prominent losses which have been faced by the Indian Banking Sector during the COVID-19 pandemic?
4. Discuss some of the key financial strategies which were implemented by your organisation (Indian Bank) for overcoming the losses because of the COVID-19 pandemic.
5. How much did you personally participate in the overall improvement plan for the Indian Banking Industry?

Justification for Selection of Interviewees

As stated in the earlier sections of this research study, the total number of research participants is 20 out of which 17 participants are from the banking sector of India from the public, private, and regional rural banks. The rest of the 3 participants are from other financial sectors in India. The main reason for the selection of these interviewees relates to the fact that these are exclusive participants of the Indian Banking and Financial Sector which has been selected under this research study to explore how these sectors performed and dealt with the disruptions of the COVID-19 pandemic. Therefore, the recruited participants' personal information and detail are kept confidential for the purpose of research.