COMPARATIVE FINANCIAL ANALYSIS OF SELECTED BANKING COMPANIES AND THEIR STOCK BEHAVIOUR DURING PANDEMIC

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Abstract - Covid pandemic has both direct and indirect impact in the global economy, The stock exchanges were also badly affected due to this pandemic, but Indian market witnessed highest highs and lowest lows in every indices' during this pandemic period and many companies performed well and many suffered. In this study we will analyze stocks of some selected banking companies during the pandemic time and also check out its behavior during these tough times comparing to the normal times with the help of standard deviation and portfolio return. And also, we know that Finance is the live blood for any business, and the major sources of the finance is coming from banks. Even every bank's earns profits from various ways and the banks that is listed in the stock exchanges need to perform well to attract new investors and to be profitable. In this study we will see in detail about the financial performance of the selected banks and also comparing their financial analysis using various ratios like NP ratio, ROA, Credit deposit ratio, CASA ratio, Capital adequacy ratio which are peculiar ratios for the banking Industry. And also, findings of this study will clearly identify the better performed banks and worst performed banks with respect to these ratios and also it will help investors to take a good financial decision and help them to build a good portfolio which will yield them good returns.

Index Terms - Banking sector analysis, Comparative financial analysis, Credit deposit ratio, Net interest margin, portfolio return analysis, Stock volatility during pandemic times

I. INTRODUCTION

The practice of Investing in stocks and mutual funds and getting involved in stock markets were increased after the covid pandemic, even though pandemic has a huge impact in the markets, but it encouraged people to invest in stocks (Azis & Mulawarman, 2020). In this study we are going to find in detail about the banking sector and a comparative financial analysis of selected top Indian banking companies that is listed in NSE and BSE during pre and post Covid that is for past 5 years. And to find out the behaviour of these stocks by comparing their volatility during Pandemic times. Financial analysis can be done with help of various tools and models, here we will see in depth about various ratios for banking sectors and compares their performance in the long run. And also, to determine the future performance of these stocks by analysing past 5-year financial performance of these selected banking companies.

In India, there are two major stock exchanges namely, Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Bombay stock exchange is the oldest stock exchange in India. Secondly NSE began operations in 1994 and it is considered as the largest stock exchange. This study focuses on the banking companies that are listed on the National Stock Exchange (NSE). Banking sector is one of the major sectors in the stock market in India since there are more than 12 banks that are listed in Stock exchanges, and we are going to compare and analyse top 6 banks and their financial performance that are listed in NSE and BSE.

II. STATEMENT OF PROBLEM

Every global economy faced a huge impact due to the outbreak of Corona virus which widespread from China. And Indian stock market faced a negative impact during the initial stage of the pandemic, but as the time passes in the mid pandemic Indian market hits its highest high, many investors entered into stock market for the first time in the pandemic times. In this research we will going to find out the Comparative financial performance of selected banking companies for the past 5 years and also the behaviour of these stocks during the pandemic times. This analysis is based on the fundamentals of the companies, that is by comparing various ratios from their annual reports and stock volatility will be calculated from the daily closing price of the companies and sectoral indices for the past 5 financial years that is from1st April 2017 to 31st March 2022 and as well during 2020 and 2021 separately to compare the behaviour of the stocks during covid period. And also Analysing the financial statements to determine the future performance of these companies.

III. LIERATURE SURVEY

The banking sector contributes to form the capital for various business. Banks' performance needs to be carefully evaluated to ensure a stable financial system and an efficient economy. They are very successful in capturing their customer satisfaction, in this research article they used various tools as S.D, beta and other ratios etc to find short market fluctuations and also the efficiency of their management or the networks of each bank in both the private and public sectors. Irrespective of public and private sector banks they have a positive impact post covid. (Dr. Shai lender Singh 2021).

An attempt to find that these indices' volatile behaviour of banking sector in the market has been strong with the help of leverage in the market during the tough time, and this is because of involvement of people in investing in stock market when the stock price hit its lows, as they see it as an opportunity to invest in the market. The author of this article compared the performance of public sector banks and private sector banks during the pandemic time. With the help of GARCH and EGARCH models which is being used in this study, it suggests that the investors may use the diversification approach, in the long run, to safeguard their portfolio values to survive from global shocks and also it figured it out that the stock volatile is more during these times. (Parul Bhatiya 2021).

The widespread of the corona virus has an unpredictable and major impact on the global economy as well as in the Indian markets. The stock market which is usually termed as a barometer for the economic activity of any country and that was been adversely affected in the covid pandemic. Not even in India, many developed countries was strongly affected. Some of the news like Lockdown, social distance, etc. was made people to panic and that is the reason for rapid fall in the share price and increased volatility is being identified during that period. The author of this article tries to compare the stock price return volatility, number of the transaction, and delivery percentage of various listed companies that is listed in BSE during the pre and post COVID-19 period to examine the effect of this covid pandemic on the economy as a whole. And they come with a result of there is a change in volatility in banking stocks in the times of pandemic but it is not a very drastic change but a normal volatility in all sectors of the market that is because of new investors. (Dr. Avijit Sikdar, 2021)

Global economy was well strucked and adversely affected due to the outbreak of covid19 virus, and has also led to a slowdown in growth rate of various sector. Before the outbreak, During the initial stages of the pandemic India was facing a sectorial slowdown and all sectors were in chaos and in the position of facing huge losses. The stock is chosen based on the annual return and the rate of fall during the virus outbreak. This paper comes up with an idea of the volatility is common in banking sector due to the herd behaviour in the times of pandemic. (Sreejith, 2021)

The outbreak of the COVID-19 pandemic led to uncertainty on global stock markets and to a resultant spike in volatility. The connection between stock market instability during the COVID-19 epidemic and societal trust and citizen confidence in a nation's government. We examine the volatility of the stock markets using a sample of 47 country's leading stock market indexes. much less in nations with strong trust (in reaction to COVID-19 case announcements). Trust in both the governments of the nations and in one's fellow people is crucial. The findings held true when running several robustness tests as well as univariate and multivariate testing. (Engelhardt et al., 2021).

The impact of news and pre-announcements on the stock market in the context of monetary policy decisions that are made public. The findings imply that the stock market typically operates at a low level of volatility. on days before regularly planned policy announcements, exceptionally low. Even though this soothing effect is widely known in anecdotal press reports, statistical analysis has shown that it has been statistically significant in the last four to five years. The author also evaluates the effects of policymakers' real interest rate choices on stock market volatility. The element of surprise in such decisions tends to significantly increase short-term stock market volatility, with positive surprises—higher-than-expected values of the target and not only Indian news Federal news also can make a big impact in Indian market. (Bomfim, 2003)

The banking sector plays a crucial role in a nation's economic progress. India's banking system is large, with a wide variety of financial services and a vast network of branches. The goal is to examine the financial performance of India's two biggest commercial banks and its two largest public banks. Using net profit, assets, liabilities, income, expenses, margin ratio, and return on equity ratio, the financial performance of banks was examined. Analysis of financial data from between 2015 and 2019 led the study's authors to the conclusion that private banks outperformed public banks. The study's findings will benefit the bank, its shareholders, customers, and management. (Joshi. D, Thakkar. S, MacHhi. R, Chauhan. D 2021)

The author of this paper comes with an idea of being there are many parameters and models to compare the financial position of a bank, but CAMEL is one among the best model to find the financial position of a bank. The purpose of this study is to understand the extent of relationship between banking financial position in Indian economy. In CAMEL model we use different kind of ratio which is directly have an effect on bank outcome. This article comes up with an idea of HDFC bank is performing good in overall long run. And also Today banking sector have facing NPA (Non-performing Asset) problems, which means if a borrower doesn't pay his interest or principle within 90 days of borrowing date, the loan given by that bank will be termed as Non-performing Asset, and this is major impact on bank performance and annual result. (Desai, 2013)

IV. OBJECTIVES OF THE STUDY

This Article is based on the following objectives,

a. To find out the behaviour of these selected banking stocks during this pandemic times
b. To Analyse the performance of these banks with the help of peculiar banking sector ratios
c. To determine the future performance of the selected banking stocks
d. To suggest investors the best banking stocks to invest in the future

V. RESEARCH METHODOLOGY

The data used for this research work are secondary data. The daily closing price and sectoral indices of the selected banking stocks are collected from the data published in the website of National Stock Exchange (NSE). The period of this study is 5 years, that is ranging from 1st April 2017 to 31st March 2022. Top 5 selected Indian banking companies are taken for this analysis. For examining the above objectives analytical like, Standard deviation is taken to calculate the volatility of these stocks in recent 5 years. And also, basic profitability ratio like N.P ratio and solvency ratios like debt-equity ratio was taken to compare and analyse these stocks and some more ratios like P.E ratio, ROCE, ROE, Return on Asset ratio, Capital Adequacy, CASA ratio was also taken to determine the future performance of these stocks in the long run. MS Excel is used for carrying out the analytical work. And some ratios are taken from the screener.in and money-control website.

VI. SAMPLING

Banking companies that are been chosen for this research are HDFC Bank, ICICI Bank, Axis Bank, SBI Bank, Kotak Mahindra Bank and IndusInd Bank

VII. ANALYSIS USED IN THIS RESEARCH

7.1. Standard Deviation

Standard deviation is used to calculate volatility of the stocks, which means increase and decrease in the market value of the stocks, the high volatile indicates high risk and returns and low volatile indicates less risk and returns. It is the value that is being calculates from its average price (Bahadur G. C. & Kothari, 2016). The standard deviation for the returns of the stock is calculated by using STDEV.P formula in MS excel by taking the square root for the average number of trading days in a year.

7.2. Average trading days

Average number of trading days in a year is calculated by dividing the total number of trading days in year by total number of years taken for the study. In this study there are 1238 trading days and 5 years, we got an average trading day as 247.6 days. And also separately calculated trading days during pandemic times, its 477 days and 2 years so we got average trading days during pandemic is 238.5 days.

7.3. Net Profit Ratio

This is the basic profitability ratio that is calculated to find the recent trend of the company in order to find the profitability of the company, we can check whether that company is performing well or not. If the N.P ratio is in increasing trend then the profit earned by that company is increased and if it is in decreasing trend then the profits were drained up, in this case it is a caution for the investors. The profits should be in increasing trend the graph should be upward to ensure that the bank is earning in each quarter, It is Calculated by dividing Net Profit by Net sales and multiplied with 100 and It is expressed in Percentage. (T.S Reddy, 2000)

7.4. Credit Deposit Ratio:

This ratio is helpful to find how the banks make credit, that is with the deposits received, how they lending their loans to the public. If its high then it indicates a good sign for the bank, because the deposits were given as loan and increased a new source of income. This data is been collected from money control website.

7.5. Return on Equity

Return on Equity (ROE), is used to find the company's capacity to control the capital that investors have put in it is reflected by its return on equity (ROE), a financial measurement. Divide shareholders' equity by net earnings to get return on equity. (ROE). It can be measured by Earnings available for equity shareholders divided by numbers of equity shares.

Return on Equity = Net Income / Equity shareholder fund

7.6. Price to Earning

Price Earnings ratio (PE ratio) is used to find the stock is whether undervalued or overvalued, even if the stock is one among the top stocks, if its PE is higher than its Industry PE then it is clear that the stock is overvalued. If you buy an overvalued stock than its risk will come with it as well. It is suggested that buying stocks when its PE is below 20 is a good option for investors. It is calculated by dividing Market price per share by Earnings per share. (T.S Reddy, 2000)

7.7. Net Interest Margin

It is the difference between the interest earned and interest paid, usually banks collect interest from the current account holders and from loan borrowers, and it pays interest to various deposits. If this is in positive, it means banks earns more interest and it is in good position.

Net interest margin = Interest revenue - Interest expenses / average earnings asset

7.8. Capital Adequacy Ratio

Capital is very essential for any kind of business so it is for banking sector. It is a ratio that will measure the banks available capital and it is expressed in percentage. This helps depositor and investors of the bank to identify whether the bank is in the right track or in the edge of bankruptcy, this will also help banks to increase their efficiency of their financial system. Two types of capital are measured with CAR, Tier-1 Capital which can absorb a reasonable amount of loss without forcing the bank to stop its trading, while Tier-2 Capital can sustain a loss of there is a liquidation. If a bank has a high CAR, it indicates that the bank is in better position.

CAR = Tier 1 Capital + Tier 2 Capital / Risk weighted Asset

7.9. Return on Asset

This ratio shows, how the company is profitable and ROA shows its investors how the banks use its assets. If a bank knows to use its asset it can able to increase its profits. Usually if higher ROA indicates a good sign for the banks because its earnings is more than the investments. (T.S Reddy, 2000) It is calculated by dividing total income by total assets.

7.10. CASA Ratio

It is a ratio of deposits in current account and savings account to the total deposits of the bank. All financial institution accepts deposits in various ways like fixed deposit, recuring deposits, demand deposits, term deposits etc. with these funds they will lend loans to business and as well customers who ever opens savings and current account with bank, the banks have to pay a very little amount of interest to them. Banks use CASA to increase their profit margins, if the ratio is high then the amount in savings and current account is higher, which is good for a bank since it gets money at a lower cost. It is calculated by adding both savings and current deposit and dividing it by total deposits in the bank. (Investopedia)

7.11. Portfolio Return

It indicates the performance of stock in the last 5 years and is calculated by taking the difference of first day's closing price and last days closing price and dividing by number of days taken to the analysis and converting it to percentage in MS excel.

VIII. RESULTS AND DISCUSSIONS

Table No. 8.1 – Five Year Standard Deviation & Portfolio Return

Particulars	Avg. trading period	Standard deviation	Portfolio return
HDFC BANK	247.6	33.68%	0.51%
SBI LTD	247.6	37.46%	10.98%
ICICI BANK	247.6	35.81%	20.56%
AXIS BANK	247.6	37.97%	8.74%
KOTAK MAHINDRA BANK	247.6	29.56%	14.90%
INDUSIND BANK	247.6	49.37%	-7.79%

(*Source = Computed)

It is evident that the standard deviation and portfolio return for the past 5 financial years, IndusInd bank has the highest SD of 49.37% which means it is more volatile in the past 5 years and Kotak Mahindra bank has the lowest SD of 29.56%, it has the low volatile from comparing all these stocks. In contrary, ICICI bank and Kotak Mahindra bank have given a good rate of return to their investors in the long run, whereas HDFC bank has volatility of 33.68% but it has given 0.51% return in the past 5 years, which means the stock hits its highest highs and lowest lows since it's having high percent of volatile during the period of 5 years, it's good for trading for short term and it in the long run the return is quite low. And IndusInd bank had given negative return to their investors in the long run-in spite of having a high volatility. Finally, it sounds that it's good for short term trading since the volatility is high for this stock.

Table No. 8.2 – Standard Deviation & Portfolio Return during Covid

Particulars	Average trading period	Standard deviation	Portfolio return
HDFC BANK	238.5	33.25%	11.09%
SBI LTD	238.5	40.88%	23.36%
ICICI BANK	238.5	43.27%	21.11%
AXIS BANK	238.5	48.91%	-1.93%
KOTAK MAHINDRA BANK	238.5	37.14%	4.40%
INDUSIND BANK	238.5	68.07%	-14.36%

(*Source = Computed)

A depiction on Standard Deviation and portfolio returns for the stock during the pandemic times from 2020 to 2021, when the impact of covid was realised in India indicates that there is a higher level of volatility during the pandemic period. Government Announces lockdown, Pandemic restrictions, lesser revenue generation, etc. may be the reason, and in spite these regulations the quarterly results were published by that company increased the reliability and confidence among the public to invest in these stocks and overthrown the fear among the investors. Here HDFC bank is less volatile in the pandemic times which means the stock is quite stable with compared to its 5 years volatile. And Kotak Mahindra bank and Axis bank has the high SD in the Pandemic times which means compared to its normal times these stocks have more volatile during the pandemic times. In terms of portfolio return SBI, ICICI, HDFC banks has the good rate of return in the 2 years of pandemic period, it's really a good sign for the bank as well to its investors. But IndusInd bank had struggled in the market, it had given negative returns for its investors.

HDFC Bank:

Table No. 8.3 – Ratio Projections for HDFC Bank

Bank name	Ratio	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22
HDFC BANK	NP ratio	22%	21%	22%	25%	28%
	Capital Adequacy	14.82	17.11	18.52	18.79	18.90
	Return on Asset	2.74%	2.00%	3.30%	2.11%	2.14%
	NPA (million)	0.4	0.39	0.36	0.4	0.32
	Credit Deposit Ratio	84.88%	86.32%	87.56%	85.66%	86.43%
	ROE	16.9%	14.5%	15.5%	15.2%	15.4%
	CASA ratio	43.49%	42.37%	42.33%	46.11%	48.18%
	Net Interest Margin	3.76	3.87	3.67	3.71	3.48
	PE ratio	26.44	28.28	17.34	25.87	21.43

(*Source = Computed)

The Net profit ratio for HDFC bank is in increasing trend, it is a good sign for the investors for this company and also an increasing in profit will invite new investors as well because of the good financial performance of that company. The capital adequacy ratio is also high so the bank can run in the long run without any risk of bankruptcy. The CASA ratio and Credit deposit ratio was also high for this bank and its more than 75% which means the deposits in this bank was given out for loan which will yield another source of income for this bank and savings and current account holders of this bank were also increased, this will lead to a new margin of income. Net interest margin is found to positive, predicts that is interest income is more than interest expenses. NPAs were also low from its previous years, and increased in 2021 due to a downfall recession in the economy during the pandemic. ROE for all 5 years were almost constant. And P.E ratio for this current financial year is 21 which was under control in the market and in the long run investors can invest in this stock which has a very good fundamental.

ICICI Bank:

Table No. 8.4 – Ratio Projections for ICICI Bank

Bank Name	Ratio	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022
ICICI BANK	NP ratio	12%	6%	11%	21%	26%
	Capital Adequacy	18.42	16.89	16.11	19.12	19.16
	Return on Asset	0.77%	0.34%	0.72%	1.31%	1.65%
	NPA (million)	5.43	2.29	1.54	1.24	0.81
	Credit Deposit Ratio	93.00%	90.54%	86.00%	81.00%	80.00%
	ROE	7.0%	3.7%	7.8%	11.7%	13.8%
	CASA ratio	51.68%	49.61%	45.11%	46.28%	48.69%
	Net Interest Margin	2.61	2.8	3.02	3.16	3.36
	PE ratio	23.20	60.69	21.91	21.90	20.21

(*Source = Computed)

The net profit ratio for ICICI bank is low in the initial years and witnessed a surge in the later years which is a reflection with the revenues generated during the last 2 years. The capital adequacy ratio is also more and the bank is not in the risk of bankruptcy. The CASA ratio is more than HDFC bank which means the deposit in the bank were given out to savings and current account which will yield more income margins. The net interest margin is good that the interest income is more than the interest expenses. The credit deposit ratio is more than 75% which means that the mobilisation of funds is smooth. The PE ratio for this bank in the current year is 20.1 and it's not overvalued. NPA is more in the initially but they managed to reduce it in the later years. Based on this fundamental the stock will perform well in the future long run.

Axis Bank:

Table No. 8.5 – Ratio Projections for AXIS Bank

Bank name	Ratio	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22
AXIS BANK	NP ratio	1%	9%	3%	11%	21%
	Capital Adequacy	16.57	15.84	17.53	15.40	18.54
	Return on Asset	0.03%	0.58%	0.17%	0.66%	1.10%
	NPA (million)	3.4	2.06	1.56	1.05	0.73
	Credit Deposit Ratio	93.63%	93.25%	90.00%	88.00%	87.00%
	ROE	0.7%	7.4%	2.1%	6.9%	12.0%
	CASA ratio	53.75%	44.37%	41.19%	44.92%	44.99%
	Net Interest Margin	2.69	2.71	2.75	2.93	2.81
	PE ratio	287.44	39.67	57.71	29.70	16.55

(*Source = Computed)

The bank suffered to earn and increase its profit in the initial years of the study but in the last 2 years it showed tremendous performance by doubling its net profit. Credit deposit ratio is high that the bank converts its deposits to loan and more than three fourth of deposits are given as loan and this has increased the profitability. ROE for the last 2 years is doubled which is a good sign for the investors. The CASA ratio is up to 50% which gives a new margin for the bank to earn additionally. The PE ratio is less than 20 which indicates that the stock is undervalued in the last financial year. A very least ROA ratio for the last 5 years can be concerned fact. Capital Adequacy ratio is more, so bankruptcy can be handled and avoided.

Kotak Mahindra Bank:

Table No. 8.6 – Ratio Projections for Kotak Mahindra Bank

Bank name	Ratio	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22
KOTAK MAHINDRA BANK	NP ratio	25%	24%	26%	30%	36%
	Capital Adequacy	18.22	17.45	17.89	22.66	22.69
	Return on Asset	1.54%	1.55%	1.65%	1.81%	1.99%
	NPA (million)	0.98	0.75	0.71	1.21	0.64
	Credit Deposit Ratio	87.35%	89.70%	87.06%	81.68%	83.64%
	ROE	12.3%	12.5%	12.9%	11.8%	12.5%
	CASA ratio	50.75%	52.49%	56.16%	60.44%	60.68%
	Net Interest Margin	3.59	3.6	3.74	4	3.91
	PE ratio	32.20	35.36	28.85	34.78	28.79

(*Source = Computed)

Kotak Mahindra bank showed a consistent and strong increase in their NP ratio after each quarter they earns more than the previous years it is really one of the good signs for this bank. The NPA is also less the past 5 financial year. The CASA ratio is in increasing trend the bank makes new margin to make their income by acquiring more saving and current account holders. The bank gives a good rate of ROE in the last 5 years. Net interest margin for this bank is more that signifies us it generating more income from interest. But the concern for this bank is the PE ratio is almost near 29 which is overvalued in the market. once the price for this stock comes down and PE comes below 20 investors can buy this one, which will give them a good return for the long run.

SBI Bank:

Table No. 8.7 – Ratio Projections for State Bank of India

Bank name	Ratio	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22
SBI BANK	NP ratio	-2%	1%	7%	8%	12%
	Capital Adequacy	12.60	12.72	13.06	13.74	13.83
	Return on Asset	-0.18%	0.02%	0.36%	0.45%	0.63%
	NPA (million)	5.73	3.01	2.23	1.5	1.02
	Credit Deposit Ratio	73.80%	73.35%	73.00%	69.00%	67.86%
	ROE	-2.0%	1.0%	7.9%	8.1%	11.6%
	CASA ratio	44.48%	0.00%	44.22%	45.39%	44.51%
	Net Interest Margin	2.16	2.40	2.48	2.44	2.42
	PE ratio	48.95	124.48	8.89	14.51	12.45

(*Source = Computed)

SBI bank failed to earn profit in the initial stage of this study and had the least capital adequacy ratio from all the selected banks, and it has a negative ROA and High NPA compared to all banks which is a big concern for all investors. And credit deposit ratio is 67% in this financial year and it is in decreasing trend which means the bank is suffering to make credit from its deposits. Their Net interest margin is also decreasing from last 3 financial year , this is not good for a bank. And also, they are having least ROA for the last 5 years. One good sign is the PE ratio of this stock is undervalued, so investors or traders who can take short term profits can buy this stock but it is risk to hold for long term.

IndusInd Bank:

Table No. 8.8 – Ratio Projections for IndusInd Bank

Bank name	Ratio	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22
INDUSIND BANK	NP ratio	21%	15%	15%	10%	15%
	Capital Adequacy	15.03	14.16	15.04	17.38	18.42
	Return on Asset	1.62%	1.18%	1.43%	0.78%	1.14%
	NPA (million)	0.51	1.21	0.91	0.69	0.64
	Credit Deposit Ratio	92.70%	95.00%	98.00%	92.00%	82.00%
	ROE	15.1%	12.4%	13.0%	6.5%	9.7%
	CASA ratio	44.00%	43.14%	40.37%	41.81%	42.78%
	Net Interest Margin	3.38	3.18	3.92	3.72	3.73
	PE ratio	29.91	32.50	5.51	26.03	15.72

(*Source = Computed)

The NP ratio of IndusInd bank is unstable and its make chaos to the investors to invest in their shares since it is not stable. The NPA is not more and it is in decreasing trend which is a good sign for the investors. The credit deposit ratio of this bank is almost 80-90% which means more than three fourth deposit of this banks are given as loan the credit flow is stable and it make the way for the bank to earn more interest income. The capital adequacy ratio is increasing in the last 5 years, so there is no risk of bankruptcy. Net margin was also very solid for this bank they make regular interest income each year, and their PE ratio is very less and undervalued. Except net profit ratio we can suggest this is fundamentally strong stock. But in this study, it had given a negative return for the investors and that is due to the unstable net profit earned by this company, even quarterly results will affect the price of the stock.

IX.FINDINGS

- The stocks of these selected companies were more volatile during the pandemic period, but it has a positive impact on the investor's portfolio, 5 out of 6 companies had given a positive return.
- Except IndusInd bank, every company has increased their NP during the pandemic times from 2020 to 2021. So, it is understood that they managed to perform well even in the tough times.
- The initial years of SBI bank was very poor due to their bad performance, but at the end of the study they have increased their NP. And also, NPA for this bank is more if it continues, they need to make more provision for bad and doubtful debts. And credit deposit ratio for this bank is decreasing, they are finding difficult to give loans.
- Kotak Mahindra bank has the best fundamentals after comparing all these banks, and it has the least volatility of 29.56% so the risk level of this stock is less. So, it is good to hold this stock for a long run.
- IndusInd bank has the highest volatile, it is best for short term fluctuations, but it gave negative return for the investors at the end of the study of -7.79% and it gave negative return in pandemic period of about -14.36%. Since the volatile is high for this stock the risk is also high.
- ICICI bank had given their investors a good return of 20.56% during past 5 year and during pandemic times also it gave a return of about 21.11%

X. CONCLUSION

Pandemic had a huge impact on our Indian stock markets and the Stocks were behaved differently during covid times and in this study, we have discussed that in detail about the behaviour of the selected stocks during this pandemic times. Investing in stock market is not gambling, there should be a proper analysis before investing into a stock only then there will be a return for your investment. Best stocks can be selected by applying good investigation and analysis. In this study the analysis is done by various ratios like ROE, ROA, CASA, Capital adequacy ratio and Net interest margins, as these ratios will help to assess the performance of the banks and it will vary from industry to other industry. From this study we can come to a point that Kotak Mahindra bank is good for long-term holding and also doesn't have much volatility and also ICICI bank had given good rate of return to their investors during covid times. And HDFC bank has the more ROA which will invite more investors in future. So, we can conclude that these stocks are a preferred investment option.

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