

**CTIER**

# SEMINAR SERIES

August 2021



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## Effect of COVID-19 lockdown on the profitability of firms in India

**Abstract:** We examine the effect of COVID-19 induced lockdown on the profitability of listed firms in India. With restrictions on labor mobility, repressed supply and weakened demand conditions, we hypothesize that firms lose profitability due to lockdown. We use the earliest available financial information of 4062 listed firms for the June 2020 quarter and compare their financial data with previous quarters (2017-2019). We find that the COVID-19 lockdown has reduced profits by around 15% for listed firms in India. We also find that the impact is higher for firms operating in states with more stringent lockdown and in states with rapid COVID-19 spread. Finally, the effects of lockdown were more severe for smaller, older and firms that did not belong to any business group.



DATE  
August 4th

TIME  
6.00-7.00 p.m.

Link: <https://ctier-pune.webex.com/ctier-pune/j.php?MTID=m5c95b072d3eb3cd10af59c762b9daff0>