



Lockdown & Household Income: How households fared in India during lockdown?

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Abstract: COVID-19 pandemic caused a crisis of an unprecedented nature. It was not only a healthcare crisis, the steps which were taken across the globe to contain the spread of the virus, like lockdown and stay-at-home orders put a halt on all the economic activities which led to an economic crisis as well. India announced the world's strictest lockdown in the world to protect her large population from COVID-19, this lockdown led to a labour crisis wherein many labourers were stuck in the cities far away from their hometown without any income and other basic facilities. Indian economy is estimated to contract by 7.7 per cent which is the sharpest decline ever recorded. This decline in growth rate and closure of businesses during the lockdown increased unemployment and kept many workers and salaried employees out of job and hence, jeopardised their financial stability. In this paper, we analyse the responses received during the survey conducted across 344 middle and upper middle-income households on household Income, expenditure, and investments. We observe that almost 68 per cent of the households faced some or the kind of financial problems during the lockdown and 86 per cent of the households responded to less or significantly less income than previous year i.e. 2019-2020. It was also observed that most households had enough savings to sail through the lockdown complemented by decline in expenditure on non-essential items.

Keywords: COVID-19, Lockdown, Household income, household expenditure, investment

1. Introduction

COVID-19 outbreak is the worst healthcare emergency the world has seen in the last century. This pandemic led to complete lockdown and people were advised to stay at home across the globe to contain the spread of the virus. COVID-19 induced lockdown led to an unprecedented economic crisis which led to mass unemployment, loss of income, and GDP growth entered the negative territory. India announced the most stringent lockdown in the world to protect her large population from this crisis which led to sudden pause to all the economic activities in the country and was faced severe economic contraction ever recorded in India's post-independence history. India witnessed the steepest decline in GDP which stood at -23.9 per cent in the quarter one of the financial year 2021 which later on improved marginally as lockdown restrictions were eased and businesses started functioning but still remained -7.5 per cent in quarter two of the financial year 2021.

This sudden health crisis and lockdown revealed India's low investment in her health infrastructure and public services which exacerbated the crisis for the low wage-earning groups like informal labourers who had minimum savings and had no social protection which led to mass reverse migration of labourers from cities to their respective villages. The lockdown which lasted for more than 2 months has been estimated to cost almost Rs 23 Trillion which makes up 11.5 per cent of India's economy (Kesar et.al. 2020)

According to World Bank, this humanitarian crisis is expected to increase poverty for the first time in 20 years which can push around 88 million to 115 million people into extreme poverty across the globe. World Bank also estimated that the global GDP will contract by 5.2 per cent while the developing economies will contract by 2.5 per cent which can lead to a decline in per capita income and long-term damage to productivity.

India was already going through an economic slowdown even before the pandemic with the decline in growth rate which has now evolved into recession. This economic downturn has severely hurt the household income of all the income groups across categories such as daily wage earners, salaried professionals and self-employed. The unemployment level had reached 24-27 per cent at the peak of lockdown in the month of April and May which has come down in December with ease of lockdown restrictions and declining number of cases of COVID-19, however, the economic recovery, employment, and income levels have not yet reached the pre lockdown levels.

In this paper, we try to analyse the impact of COVID-19 lockdown on households from the middle-income group. We have tried to estimate the number of households who have faced the financial problems during lockdown, degree of loss of income, the pattern of expenditure during lockdown, their coping mechanism during the lockdown, if they have any social security such as health insurance, life insurance or sufficient savings to sail through the crisis. The differentiating factor between other studies which were conducted to analyse the impact of lockdown on the household income is that the other studies were conducted during the peak of lockdown and this study takes into consideration the post lockdown scenario after the ease of restrictions and opening up of almost all the economic activities.

2. Review of Literature

Niyati Agrawal and Hasna Ashraf (2020) in their research tried to ascertain the impact of COVID-19 Lockdown on the daily life of people belonging to low-income level households. The researchers surveyed across India in three rounds. The data was collected from 347 microfinance household borrowers. The survey was aimed at collecting data on three parameters viz. A visible sign of distress, access to government schemes and essential services and coping mechanisms. The researchers found out that there has been a reduction in earnings and households are under stress as they observed that some households were skipping meals or medications and avoiding or cancelling visits to hospitals. The researchers also observed that there are some households where welfare schemes are not delivered or were excluded from the ambit of the welfare scheme and it also observed that to sail through the crisis households turned towards their savings and other informal ways of getting funds such as informal borrowers, friends and family, etc.

Marriane Bertrand, Rebecca Dizon-Ross, Kaushik Krishnan & Heather Schofield (2020) reports on the development in employment, income and consumption during and post lockdown in India. The researchers analysed the data from the Centre for Monitoring Indian Economy (CMIE)'s Consumer Pyramids Household Survey. The major findings of their analysis were the employment to population levels has not yet reached to pre lockdown levels, they also observed that across the income distribution except for topmost distribution the changes in household income during and post lockdown remains the same and wherein middle-income distribution suffered larger losses as compared to other income groups. The researchers concluded that recovery post lockdown has not been complete and most of the indicators have not yet reached the pre lockdown period.

Indervir Singh, Jagdeep Singh & Ashapura Baruah (2020) documented the changes in income and unemployment through various stages of lockdowns based on the primary research. The researchers surveyed 55 households of Mansa city in Punjab. The researchers found that there was a significant drop in Income and Employment during the lockdown, the most affected was the casual labour households. They also observed that there were significant income and employment losses in the households which belong to Scheduled Castes and Other Backward Castes. Lastly, the researchers concluded that with the easing of lockdown there has been some recovery but, yet there are many workers who are not able to find work and also, those who were able to find work their income levels have not yet reached the pre lockdown levels.

Gopal Basak, Pranab Das & Sandip Sarkar (2020) tried to estimate the contraction in GDP of India during the lockdown based on fall in the expenditure components of national income accounts. The researcher found that it is estimated that the fall in the private final consumption expenditure to be around 7 per cent. The researchers estimate that loss in the Q1FY21 GDP over no lockdown GDP would be around Rs25247.02 billion.

Surbhi Kesar, Rosa Abraham, Rahul Lahoti, Paaritosh Nath & Amit Basole (2020) tried to determine the impact of covid-19 lockdown on employment, livelihoods, food security and access to relief measures. The researchers conducted a large-scale survey of 5000 people across 12 states. The researchers found out that two-thirds of the respondents have lost their work, the informal workers who still had their job reported over 50 per cent reduction in income. Researchers also observed that 80 per cent of the surveyed households recorded reduction in food intake and a similar number of urban households had no funds to pay the house rents. The researchers concluded reporting that there is large scale unemployment and also that the lack of social security combined with huge shock to the production in the economy has led to the loss of livelihoods for large amounts of population and decline in earnings which eventually affected their food security.

Anoop Viajy Kumar (2020) surveyed 666 households to ascertain the impact of lockdown on Indian households. In the survey, 30 per cent of the salaried people reported some impact of lockdown on their incomes on the other side the number reaches a massive 85 per cent household reporting impact of lockdown on their incomes. 47 per cent of the business owners reported complete loss of income, the number stands at 2 per cent for the salaried class people. Researchers also observed that 2/3rd of the households said that they will reduce or postpone their discretionary spending such as vacations, spending on durables, electronics, etc.

Christoph Pieh, Sanja Budimir & Thomas Probst (2020) analysed the effect of age, gender, income, work and physical activity on mental health during COVID-19 lockdown in Austria. Researchers conducted an online survey after four weeks of lockdown and the major indicators of mental health considered by the researchers were quality of life, well-being, depression, anxiety, sleep quality and stress. The total sample size of the survey was 1005 out of which 53 per cent were women and the rest were men. The major findings of the research were that depressive and anxiety symptoms were higher during the COVID-19 lockdown when compared to previous epidemiological data. The researchers concluded that COVID-19 lockdown was particularly stressful for the young population below the age of 35, women, people without jobs, and people belonging to low-income groups.

3. Research Objective

To analyse the impact of Covid-19 induced lockdown on Household Income, spending on necessities and individual investments in India.

4. Hypothesis

a. Null Hypothesis (H_0):

There is no significant impact of Covid-19 induced lockdown on household income, spending on necessities and investment in India. which is tested against the alternative hypothesis

b. Alternative Hypothesis (H_1):

There is a significant impact of Covid-19 induced lockdown on household income, spending on necessities and investment in India.

5. Research Methodology:

The research is carried out by using both the primary and secondary data.

a. Primary Data:

For collecting primary data for the research, a questionnaire (Google Forms) asking 25 questions on income, expenditure, investment, consumption, etc including demographic details was circulated and 344 responses were received, only one response was taken from one household.

b. Secondary Data:

The secondary data was retrieved from various research articles, news articles, online articles, public surveys and reports, etc.

6. Data Analysis

6.1 Basic characteristics of the households which were surveyed

Over 344 households were surveyed and details pertaining to the nature of the occupation, annual household income in the year 2019-20, number of earning and dependent members in a family, Impact of lockdown on income, expenditure and investment, financial hardships faced during the lockdown and how they are recovering and coping with the crisis was collected. Only 1 member of the households was supposed to respond to the survey. In the 344 households which were surveyed, 119 households had only one earning member. 140 households had 2 earning members, 55 families had 3 earning members, 21 families had 4 earning members and the remaining 9 households had more than 4 earning members.

Table 1: Number of earning members in the surveyed households

NO OF EARNING MEMBERS	COUNT	%
1	119	34.59
2	140	40.70
3	55	15.99
4	21	6.10
>4	9	2.62
TOTAL	344	100.00

Source: Authors own calculation based on the survey

Among the 344 households surveyed, 104 families had two dependents, 46 families had only 1 dependent. 94 households had 3 dependents, the number of households which had 4 dependents was 48 and 38 families had more than 4 dependents. Lastly, 14 households had no dependents.

Table 2: Number of dependents in the surveyed households

NO OF DEPENDENTS	COUNT	%
1	46	13.37
2	104	30.23
3	94	27.33
4	48	13.95
>4	38	11.05
NO DEPENDENTS	14	4.07
total	344	100

Source: Authors own calculation based on the survey

The nature of the occupation of the earning members of the household was predominantly private-sector employees which stood at 162 followed by people having their own business which was 147. 47 earning members were public sector employees and 82 people were self-employed i.e. contractual workers, freelancers, etc. Lastly, 14 people were engaged in other economic activities.

Table 3: Nature of Occupation of the earning members of the family

Nature of Occupation of the earning members of the family?	COUNT
Self-employed (freelancer, contractual worker, etc)	82
own business	147
public sector employee	47
private sector employee	162
others	14
total	452

Source: Authors own calculation based on the survey

6.2. Analysis of Household Income Pre, Post and during the lockdown

As the pandemic began and stringent measures like complete lockdown took place to contain the spread of the virus, all the economic activities came to halt and that affected the household incomes drastically.

Among the surveyed households the breakup of annual income in the financial year 2019-2020 i.e. before the pandemic is given below.

Table 4: Family's annual income in the financial year 2019-2020

Family's annual income in the financial year 2019-2020 (i.e. previous year)?	COUNT	%
<2,50,5000	73	21.22
2,50,000 - 5,00,000	86	25.00
5,00,001 - 7,50,000	48	13.95
7,50,001 - 10,00,000	26	7.56
10,00,001 - 12,50,000	16	4.65
12,50,001 - 15,00,000	16	4.65
> 15,00,000	79	22.97
TOTAL	344	100

Source: Authors own calculation based on the survey

159 (46.22 per cent) of the households in the survey were earning up to Rs 5,00,000 per annum and 79 (22.97 per cent) households were earning more than Rs 15,00,000 per annum before the COVID-19 lockdown.

During the lockdown period i.e. March to July 53 (15.41per cent) households reported No Income. However, 78 households were earning more than Rs 1,00,000 during the lockdown which can be attributed to the fact that many organisations allowed their employees to work from home or some government offices and essential services were allowed to operate as it is.

Table 5: Family's Monthly income during the lockdown (i.e. between March to July)

Family's Monthly income during the lockdown (i.e. between March to July)?	count	%
NIL (no income during lockdown)	53	15.41
10,000 - 25000	85	24.71
25001 - 50000	65	18.90
50001 - 75000	36	10.47
75001 - 100000	27	7.85
> 100000	78	22.67
TOTAL	344	100.00

Source: Authors own calculation based on the survey

When asked about the impact of covid-19 lockdown on their income 157 (45.64 per cent) reported “less income than last year” and 108 (31.40 per cent) reported “significantly less income than last year.” Whereas 44 (12.79 per cent) reported no impact on their household income and 35 households reported more or significantly more income than the previous year.

Table 6: Impact of Lockdown on your family income (March to July)

Impact of Lockdown on your family income (March to July)	COUNT	%
Less income than last year	157	45.64
Significantly less income than last year	108	31.40
No impact	44	12.79
More income than last year	28	8.14
Significantly more income than last year	7	2.03
TOTAL	344	100.00

Source: Authors own calculation based on the survey

Post lockdown i.e. from August to December 155 households feel that their family income is still below pre-lockdown earnings however, 162 households feel that their income has recovered to the pre-lockdown levels. 27 households feel that their incomes have increased post-lockdown.

Table 7: Has your family income recovered post lockdown?

Has your family income recovered post lockdown? (i.e. from August to December)	COUNT	%
Yes, at pre lockdown levels	162	47.09
No, below pre lockdown levels	155	45.06
Earning More than usual	27	7.85
TOTAL	344	100.00

Source: Authors own calculation based on the survey

When respondents were asked about creating a new source of incomes during the lockdown, 78 households responded that they did create another source of income whereas, remaining 266 households did not create any other source of income.

Out of the 344 households surveyed, 91 households reported pay cuts, 104 households having their own businesses faced losses in business or no business during the lockdown. 25 households reported the loss of employment. 72 households face some kind of financial hurdles and 34 households faced health emergencies during the lockdown. However, 109 households reported no problems during the period of lockdown, 4 households reported some other issues such as loss in variable salary or bonuses, etc. Hence 68.31 per cent of the total households surveyed faced some or the other kind of financial or health emergencies.

Table 8: Did you face any of the below mentioned issues during the lockdown?

Did you face any of the below mentioned issues during the lockdown?	COUNT	%
Pay cuts	91	26.45
If business than the loss in revenue or profits	104	30.23
Lost job	25	7.27
Any health emergency	34	9.88
Other financial issues	72	20.93
None of the above	109	31.69
OTHERS	4	1.16

Source: Authors own calculation based on the survey

n=344 (percentage calculation is out of 344 how many households have faced a particular problem; some households have faced multiple issues as well)

Out of the surveyed households, there were 78 such households which created another source of income during the lockdown.

6.3. Analysis of Household Expenditure Pre, Post and during the lockdown

With only essential commodities and services available lockdown also had an impact on household expenditure especially when middle and upper-middle-income groups are taken into consideration.

When asked about the impact of lockdown on the family expenditure 64.25 per cent of households responded that their expenditure had “decreased” or “decreased significantly” during the lockdown. However, close to 20 per cent of the households feel that their expenditure had “increased” or “increased significantly” during the lockdown

Table 9: Impact of lockdown on household expenditure

What impact lockdown had on your expenses?	count	%
Decreased	151	43.90
Decreased significantly	70	20.35
Remained the same	55	15.99
Increased	53	15.41
Increased significantly	15	4.36
total	344	100.00

Source: Authors own calculation based on the survey

Also, when respondents were asked about their expenditure on basic necessities 208 (59.885) respondent said that they haven't decreased any expenditure on basic necessities such as food & health, however, 105 (30.52 per cent) have decreased their spending on basic necessities and remaining 33 (9.59 per cent) said that their spending on basic necessities has increased during the lockdown.

In terms of discretionary spending i.e. spending on non-necessary commodities such as gadgets, durables, vacation, etc. 112 (33 per cent) households have either postponed spending or have cancelled all the discretionary spending for the year while 166 (48.25 per cent) households are spending on discretionary items only if urgent.

Table 10: Impact of lockdown on discretionary expenditure

How lockdown impacted your discretionary spending (spending on non-essential items such as durables, gadgets, etc)?	COUNT	%
Spending only if urgent	166	48.26
Postponed buying	79	22.97
No impact	66	19.19
Cancelled all the discretionary expenses	33	9.59
TOTAL	344	100.00

Source: Authors own calculation based on the survey

The major priority of households during the lockdown was as shown below in table no 12.

Table 11: Priority of expenditure during the lockdown.

What was your priority during the lockdown period?	PRIORITY 1	PRIORITY 2	PRIORITY 3	PRIORITY 4	PRIORITY 5
FOOD AND NUTRITION	173	131	21	9	9
HEALTH	137	156	28	17	5
EDUCATION	10	23	152	82	76
BILL PAYMENT AND RENT	13	23	97	149	61
MISC & SAVINGS	11	11	46	87	193
TOTAL	344	344	344	344	344

Source: Authors own calculation based on the survey

As clearly seen in table no 12 that first priority of every household was Food and Nutrition followed by health, education, bill payments and rents, and Miscellaneous expenses or Savings respectively.

During the lockdown, the Government of India announced a scheme which included direct transfers in the Jan Dhan Bank accounts held by women and free food. When respondents were asked about if they availed any of the assistance provided by the Government, 284 households did not avail any of the assistance provided by the government while 30 households did avail government assistance and the remaining 30 respondents preferred not to answer.

When talking about EMIs paid by the household, there were as many 140 households which are paying EMIs on the loans taken from the bank.

6.4. Analysis of Investment pattern, liquidity and family health insurance

There were 191 such households where someone or the other had a chronic disease such as diabetes, blood pressure, asthma, etc. however, only 33 households were such which reduced spending on doctor's visit and rest 158 kept visiting doctors for regular health checkups.

Out of the 344 households in the survey 262 households had family health insurance while the remaining 82 households did not have any health insurance.

The avenues where the surveyed households are investing is as shown in table 13.

Table 12: Household Investments

Do you invest in any of the below investment avenues? (Excluding life and health insurances)	count	%
stocks	126	36.63
mutual funds	129	37.50
bonds	24	6.98
fixed deposits	142	41.28
gold	73	21.22
not investing at all	93	27.03
others	11	3.20

Source: Authors own calculation based on the survey

*total is not equal to 344 as multiple choices were allowed.

From the above table, it can be seen that 72.97 per cent of the households are investing in some or the other securities.

Investing households when asked about the status of their investment during lockdown the following responses were received.

Table 13: Status of investments during the lockdown period.

If you are investing in any of the above securities did you stop investing during the lockdown period?	count	%
yes	56	22.5
no	142	56.4
investing less than pre lockdown	43	17.1
investing more than pre lockdown	10	4
total	251	100

Source: Authors own calculation based on the survey

Also, post lockdown 55.20 per cent of the households are planning to invest once the things get back to normal, however, the remaining 44.80 per cent of the households do not plan to invest in the near future.

When asked about coping with the financial crunch during the lockdown 121 households didn't feel the need to borrow money, use savings, liquefy their investments, or borrow from a bank.

Table 14: Coping with financial crunch during the lockdown.

How did you cope with the financial crunch during the lockdown	count	%
liquified your investments	49	14.24
savings	183	53.20
borrowed from banks	9	2.62
borrowed from family and friends	28	8.14
did not feel the need to do any of the above	121	35.17

Source: Authors own calculation based on the survey

*total is not equal to 344 as multiple choices were allowed
Percentage calculation is out of 344 to check the percentage of households opting for that particular option.

The post lockdown recovery of the household income was observed to be as expected by most of the households with 142 (41.3 per cent) feeling that their post lockdown financial recovery has been as expected. However, 114 (33.1 per cent) households felt that their recovery is slower than expected and 68 (19.8 per cent) households are still facing financial issues because of lockdown.

Table 15: Pace of recovery post lockdown

How fast are you recovering from Lockdown financially	count	%
As per expectations	142	41.28
slower than expected	114	33.14
faster than expected	20	5.81
still facing issues	68	19.77
total	344	100.00

Source: Authors own calculation based on the survey

Hence, almost 182 (53 per cent) out of 344 households are having slower recovery or they are still facing the problems because of lockdown.

7. Discussion:

COVID-19 pandemic caused a considerable amount of problems to every section of the society. The lockdown imposed to contain the spread of the virus led to the severe hardships which were faced by the people especially from the lower-income households which had a low level of savings and almost no income during the lockdown. As per the report published by the CMIE along with Chicago Booth School, almost 84 per cent of the households in India reported a decline in income during the lockdown (Bertrand et al, 2020). When we look at the middle-income households, almost 77 per cent of the households feel that their income has declined or has declined significantly when compared to the year 2019-2020 whereas 15 per cent (53) of the households had no income during the lockdown, which shows the sign of distress among the middle-income households as well. However, the high level of savings among the Indian middle-income households helped them cope with the lockdown, almost 53 per cent of the households said that they had enough savings to meet necessary expenditures combined with cancelling or postponing their discretionary expenses and maintaining a basic lifestyle. Also, many people who were engaged in white-collar jobs or people who had the privilege to work from home didn't face many hardships as their salaries were paid. However, some of the respondents faced pay cuts and variable components of the salary had negative impacts. As one of the respondents said that, "During the lockdown, while it had a negative impact on variable pay but this loss was partially mitigated by savings due to less expenses, work from home (less expenditure on fuel, clothes/shoes, etc) and controlled discretionary expenses like eating out, travel etc." Another respondent said that "Spending has happened out of savings and payment cycles have been drastically hit as erratic salary disbursement has impacted liquidity significantly."

Apart from income, the expenditure has also reduced which partially mitigates the negative impact on the income. However, for low-income households, any decline in the expenditure on basic necessities leads to decline in the standard of living and food insecurity as reported by 30% of the households which reported

a decline in spending on basic necessities. For the majority of households, the main priority was food (173) followed by health (156) which should not be compromised. As reported by ET Money, fixed expenses (rents, premiums, etc) in the month of April 2020 declined by 6.4 per cent when compared to 2019. However, the household expenses (groceries, toiletries) in the same month went down by 69 per cent which eventually picked up in the month of May and June 2020. In the same period, discretionary spending declined by more than 85% during the lockdown when compared to the same period in 2019. In the same report by ET Money, it showed that EMI payments came down to just 85% of what it was in 2019 as RBI provided a moratorium on EMI payments, however, as economic activities began the EMI payments increased to 99 per cent of what it was in 2019.

As reported by the Mint, around Rs 8000 crore were withdrawn from the government's provident fund. Also, the preference for liquidity increased as currency in the hands of people increased Rs 1.08 Trillion to Rs 2.06 trillion which means that people withdrew money from their investments. Debt-funds (excluding gilt funds) saw an outflow of Rs 82,000 crore in 3 months between March to May, as reported by Mint. In our survey, we see that 56 households stopped investing during the lockdown whereas 43 households were investing less than the pre-lockdown period.

The positive thing which was observed among the respondents was that 262 households had family health insurance to sail out of any health emergencies. However, 191 households were such where some or the other member had chronic diseases such as Diabetes and Blood pressure but only 33 households stopped visiting doctors for regular health checkups. As reported by Mint, there has been y-o-y growth of 16 per cent in the health insurance premiums.

In the post lockdown period i.e. from August to December, the responses received were positive. Around 162 (47 per cent) of the households said that their income has reached the pre lockdown level, or they are earning even more than pre lockdown period while 162 households also said that their recovery is as expected or faster than expected. However, the remaining 182 (53 per cent) households feel that their recovery post lockdown has been slower than expected and they are still facing some issues. NSO data reported by Business Today said that India's per capita GDP at constant prices will decline by 8.7 per cent and fall below Rs 1 Lakh to Rs 99,155 which was Rs 1,08,620 in the year 2019-2020, however, per capita GDP is expected to grow by 8.2 per cent in 2021. According to the report published by Oxfam, 'the inequality report' the poor in India were the most distressed in the world among the developing countries because of the Covid-19 induced lockdown. Oxfam's report said that the wealth of Indian billionaires increased by 35 per cent during the lockdown while 1.7 lakh people lost jobs every hour. This shows that the road to recovery is not even for everyone, while the poor and middle-income group may take longer to get back to pre-covid levels, the rich are recovering faster and adding more to their wealth, highlighting the 'K' shaped economy of India.

Inference: Alternative hypothesis is accepted and hence there has been a significant impact of Covid-19 induced lockdown on household income, spending on necessities and investment in India.

8. Conclusion:

It is now a collective conscience that the pandemic and the lockdown declared to contain the spread of the virus had severe economic consequences at both macro and micro level. At the macro level it led to an unprecedented decline in the GDP growth rate which for the year 2020-21 is estimated to be -7.75 per cent for India according to the advance estimates by the Ministry of statistics also, the unemployment rate was at 23 per cent in April 2020 which is now 6.5 per cent in January 2021. At the household level we observe that approximately 68.31 per cent of the households faced one or multiple financial issues such as pay cuts, unemployment, financial or health emergencies. However, because of the robust savings culture amongst the Indian households reduced the hardships faced by them to some extent and ensured the food and health security of middle and upper-middle income households. We can also observe that though the income level declined, the consumption of and expenditure on non-essential things declined and households maintained a basic lifestyle by spending only on essentials like food & nutrition, healthcare, education, paying bills. Also, most households (73 per cent) in the survey were investing in some or the other asset class which ensured post-lockdown recovery and financial security in the middle and long term. However, a number of households (20 per cent) are still facing some issues and around 33% of the households feel that they are recovering but slower than their expectations. Hence, it can be concluded that lockdown and other measures undertaken to contain the spread of the virus had an impact on household income and expenditure.

9. Limitations and Future Research:

Limitations of the research are as follows

1. The research is carried out only for the middle and upper-middle-income group.
2. The research was carried out only in the Mumbai Suburban region
3. The research is qualitative in nature as only opinions and feelings of the general population was recorded

Future scope of the research:

1. Quantitative research can be to analyse the absolute change in the income of the people during the lockdown
2. Impact on demand because of changes in household expenditure and consumption can be done to measure the impact on demand side of the economy
3. Research can be carried out on household savings and investment patterns during the lockdown and post lockdown.

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