A Project Work On

"A study on Impact of covid-19 on sales of selected Automobile industries in India''

Submitted To

Karnatak University Dharwad

In partial fulfilment of the Requirements for the

Degree of

Master of Commerce

By:

Mr. Mohammed Shahnawaz

Registration Number: 19C 011045

Under the supervision of Prof. Ganesh Naik

Department of PG Studies in Commerce

ANJUMAN ARTS, SCIENCE, COMMERCE COLLEGE AND P.G CENTRE, ANJUMANABAD, BHATKAL-581320

2020-21

A.H.M.'s
ಅಂಜುಮನ್ ಕಲಾ, ವಿಜ್ಞಾನ, ವಾಣಿಜ್ಯ ಮಹಾವಿದ್ಯಾಲಯ ಹಾಗೂ ಸ್ನಾತಕೋತ್ತರ ಕೇಂದ್ರ
ANJUMAN ARTS, SCIENCE, COMMERCE COLLEGE & P.G. CENTRE
(AFFILIATED TO THE KARNATAK UNIVERSITY, DHARWAD)
Accredited "B" Grade by NAAC

Post Box No. 02
Anjumanabad, BHATKAL - 581 320 (Uttar Kannada)
Ph: 08385 (O) 226443 (F) 228443 (M) 9886212692
Email : anjumancollegebkl@gmail.com
Website : www.anjuman.edu.in

ಪೋಸ್ಟ್ ಬಾಕ್ಸ್ ನಂ. ೦೨
ಅಂಜುಮನಾಬಾದ್, ಭಟ್ಕಳ - ೫೮೧ ೩೨೦
(ಉತ್ತರ ಕನ್ನಡ) ಕರ್ನಾಟಕ ರಾಜ್ಯ
ದೂರವಾಣಿ : ೦೮೩೮೫ (ಓ) ೨೨೬೪೪೩ (ಫ್ಯಾಕ್ಸ್) ೨೨೮೪೪೩
(ಮೊ) ೯೮೮೬೨೧೨೬೯೨

Certificate

This is to certify that the Project work titled **"A study On Impact of Covid-19 On Sales of Selected Automobile Industries in India"** is an original record of field works done by **Mr. Mohammed Shahnawaz** with Registration No.**19C011045** in a partial fulfillment of the award of degree of **Master of Commerce** of the **Karnatak University, Dharwad** during 2020-21. The project satisfies the academic requirements in respect of project work prescribed for the Degree of **Master of Commerce** and is a record of his own independent work.

This project is based on the studies carried out by him and has not been submitted to any other University or Institution for the award of any degree or diploma.

Project Guide

Prof. Ganesh Naik

Principal

Prof. M. K Shaikh

INDEX

CHAPTER NO.	CHAPTER NAMES	PAGE NO.
1	INTRODUCTION	1-4
	Objectives of the study	
	Research Methodology	
	Significance of the study	
	Scope of the study	
	Limitations of the study	
	Statement of the problem	
2	CONCEPTUAL FRAMEWORK	5-7
3	BACKGROUND OF THE UNIT	8-25
4	DATA ANALYSIS AND INTERPRETATION	26-45
5	FINDINGS SUGGESTION AND CONCLUSION	46-48
	BIBLOGRAPHY	

Chapter 1 - Introduction:

IMPACT OF COVID-19 IN AUTOMOBILE INDUSTRY

The COVID-19 epidemic has pushed the global economy and humanity into a disaster. In the attempt to control this pandemic, the governments of all the countries have imposed a nationwide lockdown. Although the lockdown may have assisted in limiting the spread of the disease, it has brutally affected the country, unsettling complete value-chains of most important industries. The epidemic is having a foremost impact on all features of industries, including the automobile sector, with key manufacturers either completely close following the orders passed by local governments or running an organization with least staff at manufacturing units to keep their personnel secure. Over the last 12–18 months, the automobile field had already undergone significant delay due to structural modification openings with the goods and services tax, axle-load reforms, shift to shared mobility, liquidity crunch, and so on industries had faced major effect and has roughly been at a complete idle since 24 March due to the COVID-19's lockdown. Extended truncation of customer demand due to the lockdown is observed drastically distressing auto manufacturers. The majority of the companies are starving the support of R&D (Research and development) to maintain core functions and potentially getting back the growth made on mobility technologies as well as alternate fuels.

Some research literature have explained the consequences of the COVID-19 on the automobile industry. Rajamohan et al. (2020) has conducted a study on how the stock market, particularly the National Stock Exchange of the automobile sector has been distressed due to COVID-19. The results reveal that higher value equities have been sold at depreciation value. Moreover, lower returns have been reported for the returns of the automobile sector index. Hence, from the results it can be concluded that COVID-19 pandemic has created a significant effect on the stock exchange of the automobile industry. A hybrid model named SEM-Logit model was proposed by Yan et al. (2020) to explore consumer decision making as well as the factors affecting the purchase of automobiles during pandemic. The proposed model was used to investigate the effect of social-demographics, epidemic-related and psychological latent variables on the purchase decision making process of automobiles. The results reveal that the pandemic has generated an adverse effect on the purchase of automobiles. The factors such as household income, travel vulnerabilities and epidemic severity in local regions have influenced the purchase decision making process of individuals.

- **• Reevaluate pricing strategies** – As soon as the crisis ends (in the second or third quarter) and sales begin to rebound, prices will come under pressure as dealers try to empty inventories. Evaluate discount policies to balance volume and market share, profitability and brand image.

Conclusion:

After analyzing the sales of selected companies of Automobile industry of last 5 years it is found that, Sales of selected companies before covid-19 period were increasing in a positive way, The study has analyzed sales of passenger and commercial vehicles from 2016 - 2021 by the data obtained from OICA. The automobile industry has been affected by corona. By taking account of the previous recession, it is expected demand for used automobiles will increase since buying new cars will not be affordable. Automobile manufacturers must concentrate on the region with less decrease in GDP growth. Image processing, Deep learning helps automobile become smart/autonomous vehicles. Researches are done to overcome the challenges faced by the autonomous vehicle in implementation of image processing.