Open anaconda prompt🡪 navigate to folder you are working in 🡪 give code . command (opens vs code instance)

In VS code  
1. Create virtual environment

Open terminal 🡪 change it to command prompt 🡪 enter conda create -p venv python==3.8 -y

To activate this environment, use

#

# $ conda activate E:\MLProject\venv

#

# To deactivate an active environment, use

#

# $ conda deactivate

2. Activate environment

Type and enter conda activate venv/