

## A STUDY ON IMPACT OF COVID-19 ON SMALL SCALE INDUSTRIES IN BANGALORE CITY

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**Abstract**—The COVID-19 pandemic has rapidly spread around the world with extensive social and economic effects. This editorial focuses specifically on the implications of the pandemic for small-scale fishers, including marketing and processing aspects of the sector, and coastal fishing communities, drawing from news and reports from around the world. Negative consequences to date have included complete shut-downs of some fisheries, knock-on economic effects from market disruptions, increased health risks for fishers, processors and communities, additional implications for marginalized groups, exacerbated vulnerabilities to other social and environmental stressors, and increased Illegal, Unreported and Unregulated fishing. Though much of the news is dire, there have been some positive outcomes such as food sharing, the revival of local food networks, increases in local sales through direct marketing and deliveries, collective actions to safeguard rights, collaborations between communities and governments, and reduced fishing pressure in some places. While the crisis is still unfolding, there is an urgent need to coordinate, plan and implement effective short- and long-term responses. Thus, we urge governments, development organizations, NGOs, donors, the private sector, and researchers to rapidly mobilize in support of small-scale fishers, coastal fishing communities, and associated civil society organizations, and suggest actions that can be taken by each to help these groups respond to the COVID-19 pandemic.

**Keywords**—Coastal Communities, Covid-19, Economy, Market, Small-Scale Fisheries.

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### INTRODUCTION

Trade in Bengaluru and in other parts of the State has a direct or indirect dependence on China as significant portions of raw materials, tool kits, computer accessories, as well as machine, motor, auto and print parts, solar panels and related equipment are mostly imported from China. The list of imports also includes all kinds of building material, fittings, furniture, home-furnishings, and electronic and hardware items in addition to fabrics, apparel, yarn, wool, and thread, etc.

### REVIEW AND LITERATURE

Small-scale industries have been given a significant spot in the economy of both creating and created nations. The financial advancement accomplished by many created nations can be connected legitimately to the development of this area. A short audit of such significant examinations is made here.

- ❖ Graham Bannock [1981] presents a clear image of the down to earth issues of the individual private company, demonstrating how they identify with the more extensive issues of monetary approach. He accepts the arrival of the financial dynamisms intrinsic in the Small business segment could assist with creating the social and monetary change required for the resumption of swelling free development.
- ❖ Chuta Envyng Chita and Carl Lied Holm [1985] in an extensive investigation of SSI in Sierra Leone give knowledge into the job of SSI in giving creation, business and gaining openings.
- ❖ Sandesara 3 (1988) an investigation of help programs for small-scale industries. The investigation uncovered that units delivering things in the saved rundown did not show away better execution over different units, chiefly in light of the fact that the simple passage for new little scope units had increased the opposition among the little units.

- ❖ Siddhartha Shankar Dash and others 4 [1990] in an investigation undertaken in Balasori locale in Orissa endeavor to break down the operational issues in propelling SST units.
- ❖ In an examination led by Berry, Albert and Mazumdar Dipek 5 (1991) states that little scope industry has been significant in the\_ fruitful advancement of a considerable lot of the economies of East and South Asia, both in cases like Japan, Korea and Taiwan where import-replacement went before and/or went with the made sending out stage and in Hong Kong, the main basically Laissez Faire economy in the locale.
- ❖ Tambunan Tulus 6 (1991) inspects the job of small-scale Industries in Economic advancement of Indonesia. This review as the full scale - level leads us to a significantly less critical view c f the presentation of SSI units in Indonesia however clearly blemishes in correlation with medium and enormous scope Industries do exist.
- ❖ Steel William and Webster Leila.7 (1991) examine the speculation that small enterprises play a significant and dynamic job in the auxiliary change process and in Africa's Industrial turn of events. It talks about the job of little ventures in the modern turn of events and presents the alteration setting, the development of enormous and little scope Industry in Ghana, and the Economic recovery program and its effect.
- ❖ Jamuar 8 (1992) in his investigation talks about the improvement of small Industries and house Industry in India and the job of small-scale Industries in India, the current position and issues of small Industries Industry with extraordinary references to Industrial disorder, government strategy and measures to grow small Industries and Industrial policy and new Industrial approach for small-scale and cottage Industry.
- ❖ Rama Swamy 9 (1993) in his investigation inspects three theory with respect to little scope fabricating units, to be specific: small firms use more labour per unit of capital, they produce more yield per unit of capital and small firms use assets more productively than huge firms in to Ms of all out Factor Productivity

#### **STATEMENT OF THE PROBLEM**

The spread of COVID-19 has affected 15 to 20 segments across Karnataka and has brought about a business decay of at any rate half, small traders, and exchange body delegates. Karnataka has over 6lakh small-scale industries and half of them are as of now affected by the market situation, according to exchange body sources. Exchange Bangalore and in different pieces of the State has an immediate or aberrant reliance on China as critical bits of crude materials, toolbox's, computer accessories, as well as machine, motor, engine, auto and print parts, sun based boards and related hardware are almost imported from China. The rundown of imports additionally incorporates a wide range of building material, fittings, furniture, home-goods and electronic and equipment things notwithstanding textures, clothing, yarn, fleece, and string, and so forth. COVID-19 has adverse affected approximately 15 to 20 unique organizations. "It has disturbed the total supply chain.

#### **OBJECTIVE OF THE STUDY**

- ❖ To study and examine of COVID-19 outbreak on small scale industry and how to avoid it.
- ❖ To understand whether the fall in small scale industry will impact on Indian economy.
- ❖ To study the effect of COVID-19 on small scale industry and find out the solutions to avoid it.

#### **SCOPE OF THE STUDY**

MSME segment as a region of exploration study has an exceptionally wide extension. It is not feasible for one single individual to examine this segment completely in all perspectives. Subsequently, the degree for additional examination in the area could be:

1. A similar investigation of the enlisted and Un-enrolled MSMEs units towards financial problem or non-financial problem.
2. Present examination has taken just the reactions from MSME proprietors/advertisers (the borrowers) on financial factors and awareness about the government policies.
3. However, the financial institutions (the moneylenders) have not been reviewed and thus further exploration could be considered from the opposite side of the issue, the financial framework by gathering information for reasons of advance applications dismiss by bank or declined by clients. This would empower to have a superior comprehension of the issue.

### **LIMITATIONS OF STUDY**

- Shortage of funds and raw materials – The most severe problem and money management should be done at all levels
- Marketing problems – Proper advertisement to run the show every time
- Quality – To fulfil the demand, one should not compromise with the condition.

### **DATA ANALYSIS**

#### ➤ **PRIMARY DATA**

The primary data, which is collected through surveys, questionnaires, and in-depth interviews.

#### ➤ **SECONDARY DATA**

The data, which is already gathered from various websites, newspapers, magazine's etc to find out the information.

### **ANALYSIS AND INTERPRETATION**

#### **AGE GROUP OF THE RESPONDENT**

It is frequently discovered that the individual financing inclinations of businesspeople seem to change as indicated by age. The impact of the proprietor chief's age on the monetary conduct of SMEs can be noted in that dissimilar to more youthful business visionaries, more seasoned business visionaries are more averse to put extra back into their organizations.

**TABLE 1: GENDER OF RESPONDENTS**

<i>Gender</i>	<i>Percentage</i>
Male	61.5%
Female	38.5%

In Bangalore small scale industries have various categories, in that according to my survey I got to know one thing that is out of 78 small scale industries, 61.5%% of males and 38.5%% of females are started a small scale industries more than before 3 year and 5 years back and also they have facing so much of problems, because of the impact of COVID-19 outbreak on small scale industries so that some industries taken a new ideas to recover the industry and some of them are struggling like that only and also almost of the small scale industries are need more than 6 months or 1 year of time to recover.

**TABLE 2: Type of business**

<i>Type of business</i>	<i>Percentage</i>
Medium	20.5%
Small	74.4%
Micro	5.1%

Compare to medium and micro industries, the small-scale industries are more in Bangalore city. That is 75.3% of little scope businesses, 19.5% of medium scale enterprises and 5.2% of small scope ventures are there in Bangalore city. In that little scope ventures are confronting more issues since they did not get crude materials, save parts and requests from huge scope businesses and any new open doors on account of the episode for little scope enterprises itself.

**TABLE 3: How old is your company?**

<i>Year</i>	<i>Percentage</i>
Bellow 2 years	33.3%
3 years	25.6%
4 years	14.1%

Above 5 years	26.9%
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In these 78 companies 33.3% of companies are 2 years old. 25.65% of companies are 3 years old, 14.1% of companies are 4 years old and 26.9% of companies are 5 years and above. This all companies are facing too much of problems because of the outbreak of COVID-19.

**TABLE 4: PRESENT SITUATION OF THE COMPANY**

<i>Situation of the company</i>	<i>Percentage</i>
Profitable	25.6%
Neutral	57.7%
Loss	16.7%

At present in these companies 25.6% are profitable companies they are still having profits. 57.7% of companies are neutral, that is this companies are not having any kind of transactions. And finally, 16.7% of companies are going to losses. So that they need to prepare a planning's for any kind of situations.

**TABLE 5: EXPECTED TIME FOR THE COMPANY RECOVERY**

<i>Present situation of the company</i>	<i>Percentage</i>
Within 1 month	28.2%
Within 6 months	53.8%
Within 1 year	10.3%
More than 1 year	7.7%

Because of the outbreak of the COVID-19 on small scale industries are struggling. So that they need to recover certain period of time, in this 78 company's 28.2% of companies need 1 month time for recovery, 53.8% of companies need 6 months' time for recovery, 10.3% of companies need 1 year time and 7.7% of companies are need more than 1 year of time for recovery itself.

**TABLE 6: BECAUSE OF THE EPIDEMIC, WHAT IS THE PERCENTAGE OF YOUR COMPANY'S EMPLOYEES WHO ARE UNABLE TO COME TO WORK AT PRESENT?**

<i>Expected time for company recovery</i>	<i>Percentage</i>
0%	17.9%
1-10%	55.1%
11-20%	19.2%
More than 20%	7.7%

Because of the COVID-19 all employees are unable to come at workplace. So that 17.9% of industries are not having this kind of problem, in 55.1% of industries 1-10% of employees are unable to come, in 19.2% of industries 11-20% of employees are unable to come and 7.7% of industries have more than 20% of employees are unable to come at work place. So that this is the one of the main problems for small scale industries.

**MOST SIGNIFICANT FINANCIAL PROBLEMS FOR COMPANY ARE DURING THE OUTBREAK.**

Small scale industries are also having a most significant financial problems that is staff wages and social security charges, rent, other expenses (furniture's and computers etc), some industries are not have any kind of financial problems. Most of the industries have a staff wages and social security charges and rent problems.

**TABLE 7: IS THE COMPANY CURRENTLY CONSIDERING LAYOFF OR HAS ALREADY DONE SOME BECAUSE OF THE EPIDEMIC.**

<i>Currently considering layoff or has already done</i>	<i>Percentage</i>
Yes	52.6%
Maybe	20.5%
No	26.9%

Most of the industries currently considering layoff or already done some because of the epidemic. 52.6% of industries are agree this 26.9% of industries are not given any kind of layoff itself.

**TABLE 8: PERCENTAGE OF STAFF IS EXPECTING TO CUT?**

<i>Expected to reduce the staff members</i>	<i>Percentage</i>
0%	43.6%
1-10%	42.3%
11-30%	11.5%
Over 30%	2.6%

Most of the industries are expecting to cut the staff because they cannot pay the wages and all. 43.6% of industries are having this kind of problem so that they are not going to cut the staff members. 42.3% of industries are expecting to cut 1-10% of staff members, 11.5% of industries are expecting to cut 11-30% of staff members and 2.6% of industries are expecting to cut more than 30% of staff members.

**TABLE 9: HOW LONG CAN YOUR COMPANY'S CURRENT CASH FLOW MAINTAIN THE COMPANY'S OPERATIONS?**

<i>Cash flow</i>	<i>Percentage</i>
Less than 1 month	32.1%
1-3 months	47.4%
4-5 months	17.9%
More than 5 months	2.6%

32.1% small scale industries are less than 1 month for current cash flow maintain the companies operation, 47.4% of industries are 1-3 months, 17.9% of industries are 4-5months, 2.6% of industries are more than 5 months of cash flow maintain the companies operation.

**What is the main means you are considering dealing with the cash flow shortage?**

Most of the industries are trying to get loan by commercial bank, internet finance and microfinance or private industries to considering dealing with cash flow shortage and reducing operation cost.

**What is main means you are considering dealing with the shortage of workers?**

Most of the industries are trying to deal with the shortage of workers like wage increasing, outsourcing of orders delay in delivery. Some industries are not having any shortage of workers.

**What is the main means you are currently considering dealing with difficulties in fulfilling contract?**

Some small-scale industries are currently considering dealing with difficulties in fulfilling contract like settlement by mutual agreement, legal settlement, payment of liquidate damage. Most of the industries are following legal settlement. Some industries are not having contractual performance issues.

**What is the main means you are currently considering dealing with the shortage of raw materials?**

Most of the small scale industries are currently considering to deal with the shortage of raw materials so that they are following some types that is reducing of production, outsourcing orders, increasing the procurement prices, delaying

goods delivery etc. most of the industries are following reduce of production. Some industries are not having shortage of raw materials.

### **Are there any other business problems your company is facing due to the epidemic?**

Small scale industries must be having a so many business problems due to COVID-19 like Reduction of orders, inability to deliver existing orders, increasing difficulty of financing, disruption of logistics, upstream and downstream chain disruption. Most of the industries are facing problem like reduction of orders and increasing difficulty of financing.

### **FINDINGS**

The assessment found that at long last, we request that the organization anticipate to what extent the COVID-19 emergency will last and whether they will be open again toward the finish of 2020. Exploration structure and the system used to accomplish the goals of the examination is the most significant part of any research work. Research can be characterized as a precise and logical way to deal with discovers answers to inquiries so as to expand information regarding a matter. Exploration is "a diligent request or assessment; particularly examination or experimentation focused on the revelation and understanding of realities, amendment of acknowledged speculations or laws in the light of new realities, or reasonable use of such new or hypotheses or laws". Research is characterized as "the precise research concerning an investigation of materials and sources so as to build up realities and arrive at new resolutions."

This research will demonstrate supportive

1. In understanding the money related issues looked by MSMEs.
2. Identifying the zones which have been disregarded by Government and MSMEs itself.
3. Identifying the different components that are at risk to make monetary issue influencing MSME's capacity to benefit assets from formal wellsprings of fund like banks and other budgetary foundations.

Understand the mindfulness about government plans and activities for the MSME division among the MSME unit proprietors/advertisers.

### **SUGGESTIONS**

As COVID-19 moves from a wellbeing emergency to a financial emergency, we are attempting to envision how private companies far and wide will face this hardship and where we have to centre our endeavour's. The crown infection (COVID-19) episode is causing a worldwide wellbeing crisis, and a worldwide monetary stoppage. Exchange, venture, development, and business are totally influenced and the emergency will affect the accomplishment Indian economy is required to report the GDP development near 1-2 percent before the finish of 2020, with private companies and destitute individuals being the most exceedingly awful causalities. It is simply not the silly uneasiness that is communicated in these dim forecasts, yet it is, surely, a genuine chance. India is not the main nation. The worldwide economy is reset with a potential expense of Covid-19 anyplace between 5-10 trillion dependents on current evaluations. As I watch Covid-19 and the commotion it has caused universally, I ponder a few exercises that independent companies can gain from this pestilence.

### **CONCLUSION**

In the current examination the impact of COVID-19 on Indian economy and flexibly chain is contemplated. This examination additionally detailed about the COVID-19 impact for small scale industries assembling and flexibly chain. COVID-19 had influenced the assembling firms and their supply chain in Bangalore. COVID-19 is influencing our gracefully chains and assembling activities day by day. The pinnacle of COVID-19 infection has just influenced the gracefully chain and constrained a huge number of enterprises to choke down the littler scope businesses in Bangalore city. This investigation can be stretched out by appraisal of obstructions with the multi-models' dynamic methodologies. Interrelationship between the boundaries can be related to the interpretive basic demonstrating itself.

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