COVID-19 Impact of Small-Scale Industry in India

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Abstract
The COVID-19 pandemic has rapidly spread around the world with extensive social and economic effects. The outbreak of coronavirus disease 2019 (COVID-19) has a severely affected national and global economics. In this case, that sector include those entrepreneurs who really suffered from the negative shock of COVID-19. 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 won and thread, etc. this research will demonstrate supportive. The impact of the pandemic on firms across the manufacturing sector. This paper focused on impact of COVID-19 particularly in SSI in India.

Key Words: COVID-19, employment, Economy, electronic, manufacturing.

I. INTRODUCTION

The outbreak of coronavirus disease -2019(COVID-19) has a severely affected national and global economies. Particularly enterprises are facing a variety of problems such as a decrease in demand, supply chain disruptions, cancelation of export order raw materials shortage and transportation disruptions, among others. SSI are the backbone of many economies worldwide that provide income and employment generation to a large number of people around the global. These businesses are spread all over Pakistan in rural and urban areas and represent a significant portion of
agriculture, manufacturing, retail, wholesale, trade and service sectors. This paper discussed about COVID-19 impact of small scale Industry (SSI) in India.

**Negative shock of COVID-19**

The spread of the virus has made it impossible to physically survey the SMES. One way to circumvent this challenge is to conduct online surveys. Online surveys possess a key advantage in quickly gathering data. In this case, the respondents were naturally more educated than a typical owner of a SME. The second selection problem with online surveys is that they tend to appear to certain sectors. In this case, that sector include those entrepreneurs who really suffered from the negative shock of COVID-19 and hence were more likely to spend time answering the online survey questionnaires than those who fared better.

**Effects of COVID-19 in SSI**

Evaluating the effects of COVID-19 on small scale manufacturing establishments is important at least for two reasons. First although the impact of COVID-19 on the aggregate economy is expected to be negative, small-scale manufacturing establishment are uniquely positioned to be hardest hit by measures taken to mitigate the spread of the virus. Second, small scale establishment play a key role in job creation employing more than 2 million workers. In particular, they are a viral source of employment and livelihood for low-skilled women and low-income households.

**II. REVIEW OF LITERATURE**

Small scale industries have been give a significant spot in the economy of both creating nations. The financial advancement accomplished by many created nations can be connected legitimately to the development of this area.

Lavanya B.R (2020): The present study in trade in Bengaluru and in other parts of the state has a direct or indirect dependence on china as significant portions of row materials, tool kits, computer accessories, as well a 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.

**Problems faced by the SSI Sector**

The rundown of imports additionally incorporates a wide range of building material, fittings, furniture, home goods and electronic and equipment things notwith standing textures, clothing, yarn, fleece, and string, and so forth COVID-19 has adverse affected approximately 15 to 20 unique organizations.

**Objective of the Study**

To study and examine of COVID-19 outbreak on small scale industry in India
Small scale Industries in India

In India 95 percent of industrial units are in small-scale sector with 40 percent value addition in manufacturing sector and 6.29 percent contribution to the Indian gross domestic product. In most of the countries, small-scale industries are defined in terms of number of employees whereas in India, investment in plant and machinery is the criteria for defining SSIs in India. In the present era of globalization, many large organizations all over the world have been focusing on their core business, downsizing and outsourcing. This trend has given many opportunities for SSIs to work in partnership with them and expand their market. Owing to limited resources small firms are not able to devote sufficient resources and time developing strategies to sustainable growth.

Suggestions for improving short-term and medium-term responses

What can we learn from the first months of the COVID-19 pandemic? How can relief measures in India be improved in future? What measures can be taken so that the small scale economy is more able to deal with pandemics of this sort that have strong public health and livelihoods dimensions? The following actions will go some way in addressing these concerns.

The government should ensure that internal migrant workers and small-scale workers are registered so that they are entitled to government benefits that other informal sector workers get, including access to relief during disasters and crises and welfare benefits. The government should go ahead and implement a centralized insurance scheme for owners of small-scale crafts, as specified in the latest government of India small-scale policy note 2020-2021.

Policy Measures to improve the resilience of the SSI sector

Policy in addition to addressing the immediate consequences of socio-ecological crises, must also aim to strengthen the SSI economy in the medium term so that it becomes more robust to deal with such crises in the future. The following measures could go some way in strengthening resilience.

New forms of linkages between producers, distributors and consumers can be built through digital platforms such as online Marketing, Whatsapp groups, and online transactions.

Good government is key what remains to be done is the formulation of a long-term vision for the sustainability of the sector. This needs to be done in active collaboration with the small-scale population. After all small scale constitutes a vital part of the history to India and should be part of its future too.

The Policy brief has investigated the effects of the COVID-19 pandemic on the SSI sector of India pointing out some ways to improve short and medium term responses to disasters of this sort. It must be noted that this policy brief is written before the conclusion of the pandemic and should be taken as no more than an interim assessment. We have pointed out that the lockdown measures as well as the relief measures that were issued in response to their emerging side effects, have already had great impact on the small-scale industry.
Analysis and Interpretation
The impact of the proprietor small scale industry her variable categories in to my survey I got to know is about out of 169 in visited only 16 small scale industry.

**TABLE 1**
**PRESENT SITUATION OF THE COMPANY**

| Situation of the company | Percentage |
|--------------------------|------------|
| Profit                   | 20 %       |
| Neutral                  | 60 %       |
| Less                     | 20 %       |

At present in these companies 20% are profitable companies they are still having profits 60 % of companies are neutral, that is this are not having any kind on transactions. As finally 20 % of companies are going to losses. So that they need to prepare a planning’s for and kind of situations.

**TABLE 2**
**HOW OLD IS YOUR COMPANY**

| Year               | Percentage |
|--------------------|------------|
| Below – 10 years   | 12.5 %     |
| 10-50 years        | 75 %       |
| Above - 50         | 12.5 %     |

In this 16 companies 12.5 above 10 years old 75 % of 10-50 years old 12.5 % of companies are above 50 years old the small scale industries. This all companies are facing too much to problems because of the out break of COVID-19.

**III. FINDINGS**
This research will demonstrate supportive
1. In understanding the money related issues looked by SSI.
2. Identifying the Zones which have been disregarded by Government and SSI itself.

**IV. SUGGESTIONS**
As COVID-19 moves from a wellbeing emergency to a financial emergency, we are attempting to envision how private companies for and wide will face this hardship and where we have to centre our endeavour’s. Exchange, ventures, development and business are totally influenced and the emergency will affect the accomplishment India 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.
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V. CONCLUSION

COVID-19 impact on the economy is expected to be large and negative, not all small-scale manufacturing establishments are likely to be affected equally. The industry differ in terms of dependence on national and international supply chains, import intensity and the kind of product they manufacture among many factors. The finding of this project will help policy makers make informed and targeted interventions to reduce the impact of the pandemic on firms across the manufacturing sector.

VI. REFERENCES

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