



# The Impact of covid19 pandemic on Women Micro Entrepreneurs at Tirupati District(rural)

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## Abstract

This study focuses on impact of covid19 on women owned micro firms in Tirupati District. Micro firms lead to women development and make them to be wholly involved in income generating activities. Elsewhere in the world women play a central role in family, community and social development. However, women often remain invisible and unheard. Women will balance the complexities of survival in extreme poverty. This article exhibits how micro business owners' small farmers, street vendors, tailors, fancy shops, seasonal product and agriculture products etc., have been affected by covid 19. what are the major problems they faced like purchase, storage and availability of raw material, difficulty of finance, inability to deliver existing order etc. The collected data is analyzed using statistical method like frequency and chi- square in SPSS. Insights and conclusions are drawn for women micro entrepreneurs by the covid pandemic. Secondary data is collected from government reports, industry associations, and research articles. The pandemic has had a profound impact on businesses, and micro enterprises. less aware of the financial schemes and provided by the central and state government by mean of loans and subsidies through various schemes. It is observed that the micro women entrepreneurs are mostly confining themselves to local market which limits their growth. Reduction of orders/ sales, Increased Difficulty of Financing, Inability to Deliver Existing Orders, Not availing extension of loan payment by govt, Difficulty Logistics and Upstream and Downstream supply chain disturbance.

**Keywords:** Covid19, Micro finance, Micro firms and micro women entrepreneurs

## 1. Introduction

Micro businesses serve a vital purpose in improving the quality of life for people in developing countries, and also developed countries. Generally, it provides a product or service in their region and communities. Micro women enterprises not only help improve the standards of life for business owners in rural but they also add value to the local economy. They can boost purchasing power, improve income, and create jobs at rural.

### 1.1 History of Micro Enterprises and Micro Finance

The idea of micro enterprises and micro finance was developed in the late 1970s in Bangladesh as a way to provide people in need with a way to sustain themselves and their families financially and economically. Muhammad Yunus developed Grameen Bank in 1976 to provide microloan financing to impoverise women living. Since then, a number of Organizations have developed microenterprise program with money catering to women in developing nations.

## **1.2 Micro Enterprise**

The term micro enterprise, also known as micro business, refers to a small business that employs few people. Most micro enterprises specialize in providing goods and services for the local area. Micro enterprises are financed by microcredit, a small loan available to people who have no collateral, credit history, savings, or employment history.

## **1.3 Micro Finance**

Micro finance seeks to help micro enterprises by loaning small amount of capital to micro businesses. This allows individuals or families with moderate or low income to start their own businesses, earn income, and contribute to their standard of living. Many banks grant microloans to micro entrepreneurs in need and also many nonprofit organizations also provide the loan to micro enterprises to help them become self-employed or grow a small business.

## **2. Literature Review**

The outbreak of coronavirus disease (COVID-19) has severely affected the global and Pakistani economy. Major victims of the COVID-19 outbreak are micro, small, and medium-sized enterprises (MSMEs). This article aims to assess the impact of COVID-19 outbreak on micro businesses and provide policy recommendations to help MSMEs in reducing business losses and survive through the crisis. This regard adopted an exploratory methodology with comprehensively reviewing the available literature, including policy documents, research papers, and reports in the relevant field.

**Lee (1997)** found women entrepreneurs have some flexibility in juggling their responsibilities of being homemakers and having challenging careers. These findings are aligned to the conclusions made by **Ufuk and Ozgen (2001)** highlighted women in entrepreneurship are having problems in balancing between their family life and running the enterprises.

**Saidapuretal (2012)** said that Entrepreneurship has been a male-dominated wonder from the in all respects in the early, however time has changed the circumstance brought women as the present most essential and rousing entrepreneurs. It is evaluated that women entrepreneurs by and by involve about 10% of the absolute number of entrepreneurs in India, with the rate developing each year.

In the research of **Batra &Sumanjeet, 2012**It has been found that groups in the form of SHGs have been largely and dominantly formed by women found Women are more likely to form groups and motivated to access social capital that often proves advantageous for microfinance providers in terms of reduction in per client delivery charges and transaction costs.

According to research of **Swain&Wallentin, 2012**It understood that economic factors have a twofold impact on their empowerment. An exclusive focus on women in microfinance is also supported by the fact that for women, particularly the members of SHGs, it has been found that economic factors have a twofold impact on their empowerment. Thus, access to financial

services and its utilization in creating economic ventures would have a noticeable effect on their income generation and savings, having an ultimate impact on the bargaining power of women in their respective households.

**Donthu& Gustafsson, 2020**Somaliland, study reveals the COVID-19 outbreak has forced many businesses and stores to close, leading to an unrepresented disruption of commerce in most industry sectors. Retailers and brands face many short-term challenges, such as those related to health and safety, the supply chain, the workforce, cash flow, consumer demand, sales and marketing.

“Private electricity Companies increased the cost of bills due to dependence on fuel imports from foreign countries. Therefore, price changes in all services have imported consequences for all Somaliland’s business sectors” he said by **Rius& Diallo, 2020**.

**McKee & Tucker, 2020**study explore the COVID-19 is likely to cause bankruptcy for many well-known brands in many industries as consumers stay at home and economies and shut down.This is not only having consequences for the economy; all of society is affected, which has led to dramatic changes in how businesses act and consumers behave.

**Fairlie, 2020**found that most major industries faced large drops in the number of business owners with the only exception being agriculture. Construction, restaurants, hotels & transportation all faced large declines in the number of business owners due to COVID-19.

In summary, the journey of women entrepreneurs encompasses overcoming societal expectations striking a balance between personal and professional responsibilities and harnessing economic opportunities. However, the emergence of the covid-19 pandemic introduced unforeseen challenges that impacted business across industries requiring adaptability and resilience to navigate through these unprecedented times.

### **3.Loans Available to Micro Firms for Women’s**

India has witnessed a startup boom in the recent decade. A new generation of women entrepreneurs has successfully tapped into leases-explored sectors from food, beauty, travel, sanitation, IT, automobile and even innovation. However, the lack of social and financial Support can be a significant hurdle in setting up and running a business. To make things easier for women, the Government of India has stepped up by introducing loan Schemes for women. These schemes for women will be quite helpful getting the financial assistance required for their entrepreneurial Journey. List of startup business loans for women entrepreneur are ..

Mudra loan for women, Annapurna Scheme, Stree shakti yojana, Dena shakti Scheme, Bhartiya mahilo Bank Business loan, Mahilaudyam Nidhi Yojana, Orient mahilavikas Yojana, Cent kalyani scheme and Udyogini scheme

### **4.Research Gap**

As the Covid 19 emergency is a new and existing peculiarity, this study is among quick to investigate especially the effect of the Coronavirus episode on micro business endeavors were oversaw by women. Consequently, asserting that Coronavirus genuinely as well as mentally impacted women business people and also create aware of financial support

from government and other scheme leads to increase of micro entrepreneurs. Besides, the review features a need of expertise centered preparing programs for women business visionaries to ensure that they can safeguard their organizations during such troublesome times.

The study is limited to the women entrepreneurs in Tirupati rural. Similar research at a larger scale could give result that can be generalized further. Convenient sampling was used in the study, so that each area gets adequate coverage and representative sample can be drawn from the universe. In spite of all these limitations, an earnest attempt has been made to arrive at fairly objective and representative conclusion by analyzing the available data elegantly and tactfully.

## **5.Objective**

- ✓ To analyses market access for micro enterprises during COVID-19
- ✓ To study financial Assistance from Government directly and indirectly to micro enterprises
- ✓ To study different Schemes available for micro enterprises especially for women.
- ✓ To enumerate the challenges faced by the women and suggest solutions

## **6.Hypothesis**

Hypothesis 1: Nature of Micro business have impact on raw material supply mode during covid period.

Hypothesis 2: Nature of Micro business have impact on supply of goods during covid period.

Hypothesis 3: Nature of Micro business have impacts inventory management during covid period.

Hypothesis 4: Nature of Micro business have impact on process of doing business during covid among micro enterprise.

Hypothesis 5: There is a significant difference in turn over among different micro business during covid period

## **7.Research Methodology**

### **7.1 Study design**

The current study employed an explanatory cross-sectional survey research design with primary and secondary data

### **7.2 Data source**

The study used both primary and secondary data. The primary data were collected from micro enterprises through standard questionnaires which include street vendor, tailor, fancy store etc. Secondary data were collected from website, books articles and journals for investigation. Sample size is 60 rural micro entrepreneurs from Tirupati district. the

convenience sampling techniques is used to select the sample. Data analysis is done using SPSS after codifying the data.

## 8.Results of the Research Study

The demographic characteristics of respondents are given below

<b>Table 1.1 Age of Respondents</b>			
Age	Frequency	Percent	Cumulative Percent
20-30 age	6	10.0	10.0
30-40 age	28	46.7	56.7
40-50age	22	36.7	93.3
Above 50age	4	6.7	100.0
Total	60	100.0	100.0

Table 1.1 shows the age categories of respondents who took part in the study. The 46.7 % of respondents are under the age group of 30-40 years.

**Types of Micro Enterprises:** By observation in this study, it was found that Types of business that are considered include the following. Street vendors, small farmers, Tailors, Lawn and landscaping works agents, fancy and agriculture seasonals grains whole sales.

<b>Table 1.2 nature of business</b>			
Nature	Frequency	Percent	Cumulative Percent
Vegetables suppliers	12	20.0	20.0
Fancy Cosmetics and Tailor	24	40.0	60.0
Provision Shop	6	10.0	70.0
Seasonal Product	18	30.0	100.0
Total	60	100.0	100.0

From the table 1.2 it can be understood that the Nature of business categories of subjects who took part in study. The 40% of respondents runs fancy stores cosmetics and tailor business, 30% of respondents are selling seasonal products like coconut, cool drinks, flowers & fruits. 20% of respondents are vegetable suppliers and only 10% of respondents are running provision shops.

<b>Table 1.3 Local License Registrations</b>			
Register With Local License	Frequency	Percent	Cumulative Percent
Yes	2	3.3	3.3
No	58	96.7	100.0
Total	60	100.0	100.0

Table 1.3 shows that, the 96.7% of respondent are not register for local license. only 3.3 % of respondents are register with local license.

Area Of Residence	Frequency	Percent	Cumulativ e Percent
Near	52	86.7	86.7
Far	8	13.3	100.0
Total	60	100.0	100.0

Table 1.4 it can be understood that, 86.7% of respondents are preferred place work near to house.

Start Up Capital Rs	Frequency	Percent	Cumulative Percent
20,000	20	33.3	33.3
30,000	32	53.3	86.7
40,000	6	10.0	96.7
Above 40,000	2	3.3	100.0
Total	60	100.0	

Table 1.5 summarized that the startup capital of micro entrepreneurs under study. The 53.3% of entrepreneur's startup capital is Rs 30,000. Only 3.3 % of entrepreneurs are started with Rs 40000 as startup capital.

Sources of Start-Up Capital	Frequency	Percent	Cumulative Percent
Bank	18	30.0	30.0
Family & friends	18	30.0	60.0
Borrowing	12	20.0	80.0
Gold loan	12	20.0	100.0
Total	60	100.0	100.0

The table 1.6 it is concluded that 30% of the respondents are used banking facilities, 18% of the respondents arranged startup capital from family and friends, 12 % of respondents are depending on borrowing and gold loan.

<b>Table 1.7 Financial Assistance from The Government scheme</b>			
Financial Assistance	Frequency	Percent	Cumulative Percent
Yes	60	100.0	100.1

<b>Table 1.7.1 Distribution of Government scheme.</b>			
Government scheme.	Frequency	Percent	Cumulative Percent
JAGANANNA THODU	36	60.0	60.0
SHG	20	33.3	93.3
YSR CHEYUTHA	4	6.7	100.0
Total	60	100.0	100.0

From that table 1.7 and 1.7.1 all micro entrepreneurs under study are using government scheme. The information from 1.7.1 it understood that, 60% benefits from JaganannaThodu, 33.3% benefit from SHG and only 4% respondents are benefit from YSR CHEYUTHA.

<b>Table 1.8. Available of Banking Facility nearby.</b>			
Bank Facility	Frequency	Percent	Cumulative Percent
Yes	48	80.0	80.0
No	12	20.0	100.0
Total	60	100.0	100.0

<b>Table 1.8.1 Type of Bank Support.</b>			
Bank Supports	Frequency	Percent	Cumulative Percent
No	12	20.0	20.0
Indian Bank	35	58.3	78.3
SapthagiriGramina Bank	13	21.7	100.0
Total	60	100.0	100.0

The table 1.8 summarized that 80% of respondents are using banking facility, and got support from INDIAN BANK & SAPTHAGIRIGRAMINA BANK.

Raw Material suppliers	Frequency	Percent	Cumulative Percent
Old suppliers	54	90.0	90.0
New suppliers	4	6.7	96.7
own	2	3.3	100.0
Total	60	100.0	

The table 1.9 interprets that, 54% of respondents are getting raw material from old suppliers, 4% of respondents are purchasing from new suppliers, and only 2% of respondents are possess own suppliers.

Moving Goods	Frequency	Percent	Cumulative Percent
Yes	42	70.0	70.0
No	18	30.0	100.0
Total	60	100.0	100.0

The table 1.10 it indicates that 70% of respondents felt difficulty in moving goods from house to business place during covid period

Store Raw Material	Frequency	Percent	Cumulative Percent
House	58	96.7	96.7
Rented Go downs	2	3.3	100.0
Total	60	100.0	100.0

The table 1.11 summarizes that 96.7 % of respondents store the material in own house and only 3.3 % of respondent have godowns to store the material.

Get Any Rebate	Frequency	Percent	Cumulative Percent
Yes	15	25.0	25.0
No	45	75.0	100.0
Total	60	100.0	100.0



Table 1.12 indicates that.25 % of respondents get subsidy from government during covid period and remaining respondents are the unaware of government subsidies such as loan exemptions and reduction interest rate.

<b>Table 1.13 difficulty in doing business during Covid period</b>				
Business During covid period	Frequency	Percent	Cumulative Percent	
Pain full	16	26.7	26.7	
Not good	42	70.0	96.7	
Very good	2	3.3	100.0	
Total	60	100.0	100.0	

Table 1.13 it is indicate that. 26.7 % of respondents felt pain full during covid period, the 70% of respondents are feel not good in during covid period and only 2 % of respondent are comfort zone doing business during the covid period.

<b>Table 1.14 Turn Over During Covid period</b>			
Turn over Rs	Frequency	Percent	Cumulative Percent
75,000 to 80,000	16	26.7	26.7
80,000 to 90,000	26	43.3	70.0
90,000 above	18	30.0	100.0
Total	60	100.0	

Table 1.14 summarizes that 43.33 % of respondent's turnover is Rs80,000 to Rs90,000 ,30% of respondent's turnover is above Rs 90,000 and only 16% of respondents turn over range between Rs75,000 to Rs 80,000.

<b>Table 1.15 Financing the business during Covid period</b>			
Financers	Frequency	Percent	Cumulative Percent
Savings	30	50.0	50.0
Borrowing	16	26.7	76.7
Gold loan	8	13.3	90.0

Self earning	6	10.0	100.0
Total	60	100.0	100.0

Table 1.15 indicates that 50% of respondents used savings to run the business during the covid period, 26.7 % of respondents depend on borrowing fund to run the business, 13.3 % of

<b>Table 1.16 Change of product line of sales during Covid period</b>			
change of product	Frequency	Percent	Cumulative Percent
Sold same product	50	83.3	83.3
Sold new product	10	16.7	100.0
Total	60	100.0	

respondents run the business through gold loan and 6% of respondents depend on self earning.

The table 1.16 it is indicates that 83.3 % of respondents depends on same product line during covid period and 16.7 % of respondents choose new product during covid period.

<b>Table 1.17 Income Earning during Covid</b>			
	2019	2020	2021
above 12000	6(10%)	18(30%)	14(23.3)
11000	4(6%)	4(6.7%)	8(13.3)
10000	26(44%)	8(13.3%)	2(3.3%)
less than 10000	24(40%)	30(50%)	36(60%)

Table 1.17 it can be understood that, 43.3 % of respondents earns Rs 10000(per month) during the pre-covid period, 40% of respondents got less than Rs 10000 (pm) income during the pre-covid period. it is summarized that during 2020, 50% of respondents got less than Rs 10000 per month during the covid period, 30% of respondents earn above Rs 12000 during covid period. It also reveals that during 2021, 60% of respondents get less than Rs 10000 income during the post covid period and 23.3 % of respondents earn above Rs 12000 during post covid period.

### 1.18 Rank Preference of Challenges of Micro Enterprises

challenges	Rank	Frequency	Mean	St. Deviation
Reduction Of Orders /sales	1	54(90%)	1.3	0.944
Increased Difficulty of Financing	2	44(73.3%)	1.13	0.343
Inability To Deliver Existing Orders	3	37(53.3%)	2.03	1.178
Not availing extension of loan payment by govt	4	34(50.7%)	2.63	0.92
Difficult in Logistics	5	30(50%)	2.67	0.795
Upstream And Downstream supply chain disturbance	6	28(46.7%)	2.93	0.899

1-Very High 2-High 3-Average 4-Low 5-Very Low

Table 1.18 summarized that, challenges among micro enterprises during covid period are Reduction of orders/ sales, Increased Difficulty of Financing, Inability to Deliver Existing Orders, Not availing extension of loan payment by govt, Difficulty Logistics and Upstream and Downstream supply chain disturbance in the highest to low priority.

**Hypothesis 1: Nature of Micro business have impact on raw material supply mode during covid period.**

Table 1.19 Nature of Micro business have impact on raw material supply mode during covid period						
Nature of business	Raw Material Supply Mode			Total	Chi-square	P value
	Old suppliers	New suppliers	own			
Vegetables farmers	9	3	0	12	27.052a	0.000
Fancy	24	0	0	24		
Provision	4	0	2	6		
Seasonal	17	1	0	18		
Total	54	4	2	60		

Table 1.19 indicates micro entrepreneurs prefer old suppliers except provision and seasonal product sellers. The nature of raw material supply mode is depending on nature of business among micro entrepreneurs. It is concluding micro entrepreneurs are preferring old suppliers for getting raw material. The chi-square test indicates significant associated between the nature of the micro business and raw material supply mode.

**Hypothesis 2: Nature of Micro business have impact on supply of goods during covid period.**

Table 1.20 Nature of Micro business have impact on supply of goods during covid period					
Nature of business	Difficulty in supply of goods		Total	Chi-square	P value
	Yes	No			
Vegetables farmers	10 (83.33%)	2	12	8.677	0.034
Fancy	12 (50.00%)	12	24		
Provision	4 (66.67%)	2	6		

Seasonal Product	16 (88.8%)	2	18		
Total	42	18	60		

Table 1.20 reveals that micro enterprises under the study expressed that 83.33% of vegetable farmers, 50% of fancy vendor, 88.8 % of seasonal product of vendor and 66.6% of provision shops have difficulty in moving goods. The chi square tests specify that there is impact on type of business on supply of goods moving among business owners. All micro entrepreneurs are finding difficult in supply of good.

### Hypothesis 3: Nature of Micro business have impacts inventory management during covid period.

Nature of business	inventory of Raw Material		Total	Chi-square	P value
	House	Rent godown			
Vegetables farmers	12	0	12	18.625	0.000
Fancy	24	0	24		
Provision	4	2	6		
Seasonal	18	0	18		
Total	58	2	60		

Table 1.21 indicates that micro enterprises under study expressed that 100% of vegetable farmers, 100% of fancy vendor and 100% of seasonal product of vendors are maintain inventory at home. Only the provision shop owners used godown for storage of inventory. The chi square test tells that there is impact on nature of business on inventory management strategy. This implies that different type of micro -business have varied ways of managing their inventory during the covid. specially vegetables farmers tended to stored their inventory at home while provision rented god down for inventory.

Nature of business	Process of doing business			Total	Chi-square	P value
	Pain full	Not good	Average			
Vegetables farmer	4	8	0	12	13.442	0.037
Fancy	2	22	0	24		
Provision	2	4	0	6		

Seasonal	8	8	2	18		
Total	16	42	2	60		

**Hypothesis 4: Nature of Micro business have impact on process of doing business during covid among micro enterprise.**

Table 1.22 explains that among micro enterprises 66.66 % of vegetable farmers, 91% of fancy vendor ,75% of provisional shop owners, and 44.4 % of seasonal product of vendor, found difficulty in doing business The chi square indicates is impact on process of doing business .

**Hypothesis 5: There is a significant difference in turn over among different micro business during covid period**

Nature of business	The Turn Over During Covid19			Total	Chi-square	P value
	Rs75000- Rs 80000	Rs 80000- Rs 90000	Rs 90000- Rs 100000			
Vegetables farmer	2	9	1	12	7.480	0.279
Fancy	7	9	8	24		
Provision	2	1	3	6		
Seasonal	5	7	6	18		
Total	16	26	18	60		

The Table 1.23 provides that micro entrepreneur under study revealed that 75% of vegetable farmers turn over around Rs 80,000 to Rs 90,000 during covid, 19. 37 % of fancy owner turn over around Rs 80,000 to Rs 90,000. 50% of provisional shop owners turn over around Rs 90000 to Rs 100000 and 38.88 % of seasonal product of vendor turn over around 80,000 to 90,000. The chi square test tells that there is no significant difference in turnover among different micro businesses.

### **Conclusion:**

It is observed that, women micro entrepreneur in and around Tirupati District are very less aware of the financial schemes and provided by the central and state government by mean of loans and subsidies through various schemes. Instead of using subsidized loans they are going for daily and weekly fiancé from outsiders for very high interest rate which reduce their profit margin. It is observed that the micro women entrepreneurs are mostly confining themselves to local market which limits their growth. It is concluded that the major challenges faced by the micro women entrepreneurs during covid pandemic period are

- i) Reduction of orders/ sales
- ii) Increased Difficulty of Financing
- iii) Inability To Deliver Existing Orders
- iv) Not availing extension of loan payment by govt
- v) Difficulty Logistics
- vi) Upstream And Downstream supply chain disturbance

The above scenario of micro enterprises the Government can take measure of providing market platform online as well as off line to sustain their business. Also, it is necessary to create awareness about the scheme and various financial programs that are available to micro women entrepreneurship periodically through mobile apps and tv advertisements This will increase regional balance and overall economy will be increased especially in rural region. Thus, increase in GDP of country.

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