



A study on impact of natural calamities to traders with special reference to flood 2018 problems in Pathanamthitta district

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Abstract

Flood is considered as one of the most widespread disaster to hit countries all over the world and causes loss in large scale. According to World Meteorological Organization (WMO), flood is the third most devastating natural disaster in the world in which it had claimed thousands of lives and caused destruction of hundred thousand million worth of properties. The purpose of the study is to identify the impact of flood to traders and the level of losses incurred to them. Pathanamthitta was one among the worst affected district during the flood. Hence, the different traders residing in Pathanamthitta district form the sampling unit of the present study. Although a vast literature exists about the study of natural calamities and their impacts caused to traders in India, but hardly few have been conducted to investigate impact of flood caused to traders in Kerala particularly in Pathanamthitta district. Present study adds to the literature by scour into this aspect in Indian higher education sector.

Keywords: flood, natural disaster, destruction, traders, losses

Introduction

A natural hazard is a geophysical, atmospheric or hydrological event (earthquake, landslide, tsunami, windstorm, flood or drought) that has the potential to cause harm or loss, while a natural disaster is the occurrence of an extreme hazardous event that impacts on communities causing damage, disruption and casualties, and leaving the affected communities unable to function normally without outside assistance. Direct losses include physical effects such as destruction and changes that reduce the functionality of an individual or structure, damages to people (death/injury), buildings, vehicles are included. Indirect losses affect society by disrupting or damaging utility services and local businesses, loss of revenue, increase in cost, expenses connected to provision of assistance, lodging and drinking water.

Flood is the most common hydrological disaster that occurs in every country. It is defined and a significant increase in water level of rivers, lakes, basins or beach area.

Kerala with a population of over 3.3 crore is globally recognizes for its impressive achievements in human development. Within India, Kerala ranks first among Indian states on the Human Development Index (HDI). Kerala however is highly vulnerable to natural disasters and the changing climatic conditions. Floods are the most common of natural hazard in the state. Nearly 14.5% of the States land area is prone to floods and the proportion is as high as 50% for certain districts.

From 15th August 2018 to 17th August 2018, severe floods affected the state of Kerala due to unusual high rainfall during monsoon season. During this period, the state received cumulative rainfall that was 42% in excess of the normal average. It was the worst ever flood in its history since 1924. The seven worst hit districts were Alappuzha, Ernakulam, Idukki, Kottayam, Pathanamthitta, Thrissur and Wayanad. According to the Kerala government, one-sixth of the total population of Kerala had been directly affected by the floods and related incidents. The Indian government had

declared it a level 3 calamity or "Calamity of a severe nature".

The devastating floods and landslides affected 5.4 million people displaced 1.4 million people and took 433 lives. This devastating floods and landslides caused extensive damage to houses, roads, railways, bridges, power supplies, communication networks and other infrastructure; washed away crops and affected the lives livelihood of millions of people in the state. More than 1700 schools in the state were used as relief camps during the floods. Most of the camps closed after 10 days. Among the worst affected were workers in the informal sector who constitute more than 90% of Kerala's workforce. It is estimated that around 74 lakhs of workers and 34800 persons working in micro, small and medium enterprises have been displaced from employment. Many small traders suffered loss of stocks held in anticipation of Onam sales. The government of Kerala could consider compensating the business community. These losses and damages are likely to slow down Kerala economic growth.

Review of Literature

Summary of some of the articles referred appears below;

- **Monir Zaman (2012) Impact of Recent Flood in the Economy of Small Business at Rockhampton. International Congress on Interdisciplinary business and Social Science 2012.** The purpose of the study was to find the relationship among location of business, number of employees including the owner, weekly turnover and the year of establishment of the business and the impact of recent floods. Pearson and Spearman's correlation were used for the study. The number of years of establishment of small business is not correlated with the impact of flood and the results support that there is no correlation between the year of establishment of business and the impact of flood.

- **Wedawatta, HG, Ingirige, MJB and Proverbs, D: Small businesses and flood impacts: The case of the 2009 flood eveng in Cockermouth (University of Salford Manchester)** The study sought to investigate the full range of impacts experienced by SMEs located in Cockermouth following the floods of 2009. The findings of a questionnaire survey of SMEs revealed that businesses not directly affected by the flooding experienced a range of impacts and the short term impacts were given a higher significance. A strong correlation was observed between direct, physical flood impacts and post flood costs of insurance.

Objectives of the Study

The objective of the study is to assess the impact of flood to traders in pathanamthitta district. More specifically the study aims at:

1. To assess the damages caused to traders due to flood.
2. To assess the satisfaction level of relief measures received from the government
3. To assess the impact of flood to the business

Methodology

Research in common refers to search for knowledge. Research is supported by business organization to achieve competitive advantage.

- **Population:** The population for the study consists of all traders residing in Pathanamthitta district.
- **Sample Size:** The sample of 50 respondents was selected for the study
- **Data Collection**

The present study made use of both primary and secondary data.

1. **Primary Data:** Primary data for the study is to be collected from selected traders with the help of properly designed questionnaire
2. **Secondary Data:** Secondary data were used for providing background information to the study. It was collected from various publications, articles, books, and websites relating to the study.

Table 1: Year of Establishment

| Year of establishment | Frequency | Percentage |
|-----------------------|-----------|------------|
| Less than 1 year | 03 | 6 |
| 1yr – 5yr | 25 | 50 |
| 5yr – 10yr | 17 | 34 |
| More than 10yrs | 05 | 10 |
| Total | 50 | 100 |

Source: Primary data

Interpretation: Out of the total respondents, only 6% of the trader’s business was established in less than 1 year and about 50% of the business was established for more than one year but less than 5years

Table 2: Number of Employees Working

| No. of employees | Frequency | Percentage |
|------------------|-----------|------------|
| Less than 25 | 29 | 58 |
| 25-50 | 10 | 20 |
| 50-100 | 11 | 22 |
| Above 100 | 0 | 0 |
| Total | 50 | 100 |

Source: Primary data

Interpretation: About 58% of the business is carried out with less than 25 employees and no business was equipped with the workforce of above 100. In general, all the sample taken for the study has employees less than 100.

Table 3: Damages Incurred Due To Flood

| Damages occurred | Frequency | Rank |
|-----------------------------------|-----------|------|
| Defective machines | 33 | 2 |
| Loss of stock | 40 | 1 |
| Loss of liquid cash | 20 | 4 |
| Damaged furniture | 21 | 3 |
| Loss of factory vehicle | 05 | 6 |
| Loss of business data and records | 10 | 5 |

Source: Primary data

Interpretation: The above table shows that about 80% of the business mostly lost their stock in common. Hence loss of stock is ranked among 1st as the major damage incurred for the traders. Defective machines was ranked as the 2nd major damage occurred to the business.

Table 4: Impact of Flood to The Business

| Impact | Frequency | Rank |
|---|-----------|------|
| Loss of customers | 10 | 8 |
| Loss of electricity | 45 | 2 |
| Loss of water supplies | 15 | 7 |
| Loss of business records | 48 | 1 |
| Increase in cost of production | 30 | 4 |
| Decrease in sales | 26 | 5 |
| Delay in providing salaries | 40 | 3 |
| Delaying in making payment to suppliers | 22 | 6 |

Source: Primary data

Interpretation: The above table reveals that majority of the traders lost their business data and records in common. Hence loss of business records was ranked among 1st as the major impact. 2nd major impact due to flood was loss of electricity among almost all the places in Pathanamthitta District.

Table 5: Satisfaction Level of Relief Measures Provided By The Government

| Satisfaction level | Frequency | Percentage |
|--------------------|-----------|------------|
| Highly satisfied | 05 | 10 |
| Satisfied | 10 | 20 |
| Not satisfied | 25 | 50 |
| Disappointing | 10 | 20 |
| Total | 50 | 100 |

Source: Primary data

Interpretation: About 50% of the respondents were not satisfied with the relief measures received from the side of government. Many traders find it very difficult in continuing their business operations after flood.

Conclusion

From the study conducted, it is clear that flood had a very adverse impact on the various people especially the business. The unexpected flood has caused a major destruction to the traders leaving their infrastructures, furniture, machineries and other equipment along with their stocks damaged. From the informations collected from the respondenets about half of them were not satisfied with the relief measures received from the government. The above

study suggests that the government should take some more initiative in providing timely financial assistance to the traders

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