



Development

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We are going the extra mile to shape a more Vibrant Bharat

With our work in agri-business, MSMEs, start-ups and infrastructure, as well as in other fields, the firm has aligned itself with the United Nation's Sustainable Development Goals (SDGs).

We collaborate with the government in the successful launch and implementation of a variety of projects, aimed at building smart cities, doubling farmers' income, creating sustainable livelihood opportunities, designing industrial infrastructure, improving governance, etc.

Development Positive captures our interventions across sectors that directly impact the lives of the citizens. We stand united with the government in shaping a more Vibrant Bharat.

Vishesh C. Chandiok

CEO, Grant Thornton Bharat

Responsible business is at the core of everything we do at Grant Thornton Bharat. We are proud that we work with governments to assist in creating long-term impact and shaping the ecosystems we operate in. Our work is a true reflection of our brand purpose – Going the extra mile to shape a Vibrant Bharat.

Development Positive is not a phrase, it is the essence of everything our team stands for. For us, positive action is at the heart of business. Our collaborations across sectors and segments help us in enabling change that matters.

Kunal Sood

Partner and National Sector Leader – Government, Grant Thornton Bharat



Building an inclusive, sustainable and balanced economy

With a population of 139.5 million (2020), India's gross domestic product (GDP) stands at USD 3.05 trillion (nominal) and USD 10.21 trillion (based on purchasing power parity {PPP}). It is already the sixth-largest economy in the world in nominal terms and the third-largest based on PPP. It is likely to grow to be the third-largest even in nominal terms. However, to achieve that goal, the country merits an inclusive and balanced economic growth across sectors with focused intervention at the regional and state levels.

Can the government do this alone? When financial resources are not a constraint, what are the other constraints? What is the private sector's appetite? Are there enough coping mechanisms in the current pandemic? These are some of the questions that cross the minds of several stakeholders.

Contribution by every stakeholder carves a growth story for each sector. Take the example of the infrastructure sector that is witnessing tremendous growth because of the role each stakeholder is playing. The government's thrust on the sector has been very encouraging with a plan for a huge outlay of over USD 1.4 trillion over the period 2019-23, the sector is set to move the country towards sustainable development. Considering good infrastructure is the backbone of the country, a boost to it will greatly enable the country to reach its goal of a USD 5 trillion economy by 2025.

In case of micro, small and medium enterprise (MSME) and agriculture sector, the government has allocated a budget of INR 15,700 crore

(USD 2.09 billion) and INR 1,23,018 crore (USD 16.40 billion), respectively, for the period of 2021-22. Both these sectors jointly contribute to about 50% of the GDP and provides much of the employment towards the countries workforce.

With an aim to shape a more Vibrant Bharat, Grant Thornton Bharat (the Firm) has deployed perhaps amongst the largest team in the country towards the development of MSME, agri-business and the infrastructure sector. The Firm has been working with the states, centre, multi-lateral agencies, such as the World Bank and the Asian Development Bank, large foundations and other relevant stakeholders to provide the much-needed impetus to each sector and its participants.

With project management units (PMUs) in states, such as Assam, Haryana, Uttarakhand, Rajasthan, Uttar Pradesh, Maharashtra, Gujarat, Tamil Nadu, Andhra Pradesh, Karnataka and Delhi, we are favourably transforming the related ecosystem and capacity building for regional stakeholders in the MSME and agri-business sectors. Our interventions span evolving state level policy, training of line departments, entrepreneurs and farmers, twining with Government of India programmes, evolving innovative financing instruments, establishing technical and fiscal support infrastructure on PPP mode, facilitating adoption of technology in enterprise operations, helping conceive and implement large cluster infrastructure development funds, etc.

Our advisory role spanning policymaking, transaction advisory, financial advisory and project management services in the infrastructure sector has made a significant impact in improving the liveability of the people. Some of our involvements include working on engagements for the city governments in improving urban mobility (by moving people and not just moving vehicles), creating a healthier environment by offering solutions around solid waste management, providing drinking water to rural households, enriching the environment through greener spaces and providing solutions for appropriate shelter for the people.

This newsletter includes a few case studies of our work across the MSME, agri-business and infrastructure sectors that directly has an impact on the lives of the citizens.

V Padmanand

Partner, Public Sector Consulting

Padmapriya J

Partner, Public Sector Consulting We have deployed one of the largest teams in the country towards the development of MSME, agri-business and the infrastructure sector. The Firm has been working with states, centre, multilateral agencies, large foundations and other relevant stakeholders to provide the much-needed impetus to each sector. Our advisory role spanning policymaking, transaction advisory, financial advisory and project management services in the infrastructure sector has made a significant impact on improving the liveability.

Creating sustainable temples

Helping Karnataka identify operational models for continued waste management at prominent temples



Working with HRICE to create greener, cleaner and sustainable waste management interventions in temples across Karnataka.

Our firm is focusing on:





Assessing current practices of managing solid and liquid waste



Highlighting challenges faced by three prominent temples in the state



Creating a framework provide sustainable solutions to waste management and address infrastructural requirements

Intervention in Karnataka

Most temples in the state manage waste generated in their premises without the support of local administration. While these temples have been able to collect the waste regularly from the temple and its premises, the problem grew by manifolds when it had to manage waste in other facilities. These facilities include vast open land and amenities such as marriage halls, guesthouses, dormitories, dining facilities. Moreover, shortage of staff further exacerbated the problem of managing the waste generated.

As a PMU, the Firm will assist in the implementation of solid and liquid waste management projects in 25 'A' Category temples across Karnataka. The PMU has been set up to combat the challenges of waste management in a scientific manner and in compliance with the regulatory requirements of the selected temples under the department.

Expert assessment

The project team from the Firm assessed the current practices of managing solid and liquid waste, how technology can be used to ease the situation and has been working towards preparing detailed project reports (DPRs) and RFPs/MoUs.

The team has developed a framework for assessing the status of waste management adopted by the temple and submitted a report highlighting the key challenges faced by three prominent temples in the state. The DPRs provide sustainable solutions for both solid and waste management and are currently being prepared by the team. The DPRs also address infrastructure requirements of the temple such as parking space, toilets, drinking water kiosks.

Accelerating connectivity

As PMU for metro rail projects in Mumbai, the Firm is streamlining transport for thousands of commuters

Collaborating with MMRDA to plan and the planning and design of MMI intended to ease access to metro stations and reduce environmental degradation and pollution. Our interventions include:





Supervising and MMI facilities' implementation at 15 stations of the Mumbai Metro



Approving all civil contract design submissions and safety and quality assurance



Assisting
in dispute
resolution, audit
remarks and
other essential
services



Ease of commute

The project is shaping under the Mumbai metro master plan consisting of over a dozen metro lines. The implementation of fully elevated Metro Line 2A and Metro Line 7 corridors are progressing. There is a need for design intervention to integrate multiple modes of transport near the stations of these metro lines that serve many commuters. Last-mile connectivity, non-integrated modes of transport, low ridership of metros and other public transport have been the key challenges faced by the MMRDA.

The Firm's intervention covers proof checking of designs for civil and system work. The team is expected to conduct checking, verification and approval of all civil contract design submissions including materials, certification of vendor sources and inspection of vendor items wherever needed, supervision of all construction activities including integration of systems, ensuring specifications, standards, safety and quality assurance till completion of works.

Expert assessment

Besides, monitoring and reporting the progress of all works, supervision system integration and ensuring commissioning of the entire project in stages as per the target dates laid, at the same time exercising utmost cost control measures are also part of the intervention. The Firm will also assist in dispute resolution, audit remarks and other essential services in its effort to successfully implement MMI.

Through its intervention, the Firm aims to create an impact by linking multiple modes of transport and offering an integrated approach to commute. The team will also help commuters in addressing the first and last-mile connectivity issue. The efficient implementation of MMI will help in dealing with the issue of encroachments in premises around the stations. Most importantly, the MMI owing to its smooth operations and non-stop connectivity will encourage citizens to opt for metros and other modes of public transport.

Pioneering India's cluster development fund

Strengthening the MSME ecosystem in India by providing support and facilitation services

The positive Impact

Supporting SIDBI in setting up SCDF for the growth of infrastructure in clusters and strengthening the MSME ecosystem. As PMU, we are assisting in:





Forming a revival strategy for stressed MSME assets due to the COVID-19 pandemic



Developing clusterbased financing instruments and establishing facilities and physical infra in clusters



Designing schemes related to mini cluster development, credit facilitation, digital financial literacy modules

SCDF to trailblaze industrial infrastructure development

Various constraints, in terms of resources and capacities, surround our state-level ecosystem, which hinder infrastructural development. To combat this, SIDBI, with the help of the Reserve Bank of India, (RBI) set-up a Cluster Development Fund (SCDF) for growth of infrastructure in clusters, which will act as the primary financial enabler for industrial transformation. The RBI has allocated INR 1,990 crore to the state governments for support through term loans, equity and grant-in-aid for financing infrastructural projects.

The Firm, as the PMU over the last one year, has provided support by forming a revival strategy for stressed MSME assets due to the COVID-19 pandemic and has evolved new state-level MSME policy and schemes for growth of MSME sector (not better coordination). Furthermore, the PMU is also helping the development of cluster based financing instruments for MSEs and assisting in establishing common facilities and physical infrastructure in clusters.

Paving the way for a stronger industrial economy

SIDBI, through GT PMUs in 11 states in the respective states, has contributed significantly by identifying over 20 projects with an investment outlay of over 2,000 crore already. It is expected that the SCDF will serve as a game changer in the industrial infrastructure development initiatives of state governments and help the MSME sector contribute its mite* India realising its vision of evolving USD economy by 2024-25.



Transforming agri-business in Assam

To redress the gaps in the eco-system, the Firm has been supporting as CDTA in the World Bank-led APART project since 2019

Assisting the Assam government in strengthening the MSME ecosystem and generating sustainable growth and employment opportunities across the identified districts. As the CDTA, our interventions included:





Conducting a baseline survey for basic diagnostics and gap assessment



Identifying constraints in areas of linkage with services and service providers in technology, market, procurement of inputs, access to credit, etc.



Evolving SPVs for establishing common facilities on PPP mode



Addressing constraints and overcoming challenges

To redress the gaps and favourably transform the regional agri-business eco-system, the Firm was appointed as the Cluster Development Technical Agency (CDTA) in the World Bank-led APART project in Assam since 2019. This PMU on part of the Firm initially undertook a baseline survey also comprising of basic diagnostics and gap assessment, in targeted 17 districts of Assam.

Constraints were identified in the areas of linkage with services and service providers in the fields of technology, market, procurement of inputs, access to credit, infrastructure, etc. Also, critical gaps in terms of active-clustering initiatives were apparent. Accordingly, Industry Associations (IAs) were

evolved in the targeted districts. These IAs provided and/or twinned a range of BDS to member MSMEs. The CDTA also helped identify technology and infrastructural gaps in the 17 regions considered as clusters and helped evolve Special Purpose Vehicles (SPVs) for establishing common facilities on PPP mode.



Outputs and Outcomes

Over 28+ awareness workshops and seminars were conducted. To facilitate exposure to advanced plant and machinery, 20 visits and study tours were organised. Further, 30+ networks related to technology, procurement, credit and joint marketing were formed in consultation with BDS providers that benefitted over 750 enterprises.

Intervention in the form of formalisation, compliance, finance, marketing, procurement, skill development and technology has led to a significant impact in creating an ecosystem that generates not just employment but also leads to sustainable and competitive growth of regional agri-business value-chains.

Prior to the Firm's intervention, there were a meagre 194 MSMEs registered with Udyog Aadhaar. With our ongoing intervention, the state has now identified as well as registered 2,194 MSMEs. Over 500 quality compliant enterprises, 1,000+ tax compliant enterprises, 250+ enterprises with clearance from the Pollution Control Board (PCB) and 1,500+ enterprises with Self-help Groups have been assisted and

registered. In building a sustainable credit linkage eco-system, the Firm also assisted 300 MSEs in the filing of loan applications. Meanwhile, a range of new financial institutions and a non-banking financial corporation has also been introduced.

To establish alternate market connects, the Firm's intervention led to 150+ enterprises being linked to alternate channels, such as modern retail and e-commerce sites including Amazon and Flipkart.

To ensure the participating units have skilled workforce abreast with technical and management knowledge, 88 skill development and capacity building programmes were conducted wherein 1,977 participants were trained in Entrepreneurship Development Programme (EDP), food processing, machine maintenance, etc.

With an outlay of about INR 5.3 crore, 104 MSEs were individually upgraded technology wise, while 17 common infrastructure facilities for joint technology upgrading and value addition to products are in process of being established with an investment of INR 1-6 crore each on PPP mode.





About Grant Thornton Bharat

Grant Thornton Bharat is a member of Grant Thornton International Ltd. It has 5,600+ people across 14 offices around the country, including major metros. Grant Thornton Bharat is at the forefront of helping reshape the values in our profession and in the process help shape a more vibrant Indian economy.



5,600+ people



14 offices in 12 locations



One of the largest fully integrated Assurance, Tax & Advisory, Consulting and Technology firms in India



To know more about how we can make a **Development Positive** impact, connect with us at GTBharat@in.gt.com



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