

CHETNA

Issue No. 2 | March 2021 | CIIF-SEEDS Disaster Monitor for Western States

A compendium of strategy and solutions to help people and business prevent, prepare better for and recover faster from disasters.

Disaster can strike anyone, anytime and anywhere. Who would have ever imagined in January 2020 that a small outbreak in China's Wuhan would become a global pandemic with a devastating impact on lives and livelihoods across the world?

As economies and people reeled under the impact of the outbreak of Coronavirus, Governments and people redoubled their efforts to find ways to mitigate the loss of lives and livelihood.

The CII Foundation, set up in 2011 to undertake a range of development and charitable initiatives pan-India by facilitating industry partnership for inclusive development, took the lead in providing relief and rehabilitation.



Working across 28 states it impacted over 80 lakh people through its various initiatives working closely with Government, industry and communities of people.

To help the industry be better prepared for disasters, CII Foundation is happy to present the CIIF-SEEDS Disaster Monitor, which is a region-specific knowledge paper with a focus on select disaster-prone states within the region. The update captures valuable information on a region, its risks and vulnerabilities, especially for industry, and workable solutions. A section of international efforts in disaster management will throw light on practical solutions and practices that may be useful for the industry in India.

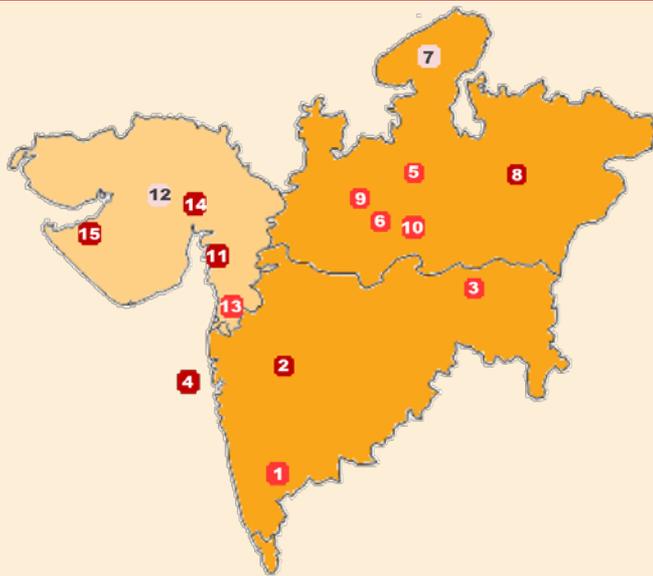
The CIIF-SEEDS Disaster Monitor will enable the industry to assess the potential risks better and prepare a strategy to cope with disasters with minimal loss of lives and negative impact on the business. In the new world that is emerging from Covid-19, it will not be 'business as usual'. Preparing for the new world on all fronts will be a prerequisite for sustainable development and success.

Hope you find the read useful and we look forward to your feedback.

Chandrajit Banerjee,

Managing Trustee, CII Foundation

Hazard Map – Western Region ^{1,2}



- High Risk Industrial Areas
- Low Risk Industrial Areas
- High Rainfall States
- Medium Rainfall States
- Low Rainfall States

- Maharashtra faces some severe cases of flooding each year caused by heavy rainfall which is exacerbated with high levels of urbanization.
- COVID cases are high in the state of Maharashtra with mobility being restricted periodically in certain hotspots in the state.

1 Kolhapur 2 Pune 3 Nagpur 4 Mumbai 5 Bhopal
 6 Indore 7 Gwalior 8 Jabalpur 9 Ujjain 10 Dewas
 11 Surat 12 Sanand 13 Valsad 14 Ahmedabad
 15 Jamnagar

Hazard Profiling – Western Region ^{3,4}

India is in the tropical monsoon zone and receives plenty of rainfall during the monsoon season every year. However, the rainfall is having high temporal and spatial variability and due to the impact of climate changes there are significant changes in the rainfall pattern, their variability, intensity and frequencies of extreme rainfall events leading to flooding and landslides. Challenges of COVID are further exacerbating the challenges in many states.

State/UT	Monsoon		COVID-19 Data (as on 23 rd Dec'20)		
	Months	Avg. annual rainfall (mm)	Affected Persons (nos.)	Recovered Persons (nos.)	No. of Hospitals
Gujarat	4months	451-800	237,247	221,702	1408
Maharashtra	4 months	1001-2000	1,902,458	1,794,080	3203
Madhya Pradesh	4 months	1001-2000	233,324	218,828	971
Goa	5 months	>3000	50,239	48,567	65

Gujarat: COVID and MSMEs¹⁸: The COVID-19 has jolted the MSME sector with higher cost, low fresh demand, fixed expenses and limited cash. MSME sector in Gujarat is adopting an aggressive business restructuring model. A study of 100 enterprises revealed that 36% business units are reducing the fixed costs heavily and 22% of units switched to multi-tasking process to get the maximum output from minimum manpower at low cost. More than 85% of businessmen are focusing on business restructuring. 18% of companies believe that due to weak new demands, they are not getting new customers. Hence, these companies are offering the best services to their old customers to retain them. 10% respondents are focusing more on IT and Automation processes and trying to make the system dependent on machines rather than humans.

GUJARAT ^{5,6}



33.16 lakh Micro Small and Medium enterprises



61.16 lakh employed in MSMEs



Rs. 4.62 lakhs average investment in fixed asset per enterprise



2.90 crore people have been affected by floods in **Gujarat** between 2009 and 2018.



3.87 mn hectares of land has been affected by floods between 2009 and 2018.



Over **Rs.4,852 crores** worth economic loss between 2009 and 2018 due to flooding.

The state of Gujarat owing to its geo-climatic, geological and physical features is vulnerable to all major natural hazards namely, drought, flood, cyclone, earthquake, tsunami etc.

All of Kachchh, the coastline of northern Saurashtra that adjoins Kachchh and a small area in Patan district fall into the very severe intensity earthquake zone. The cities of Ahmedabad, Bharuch, Rajkot, and Bhavnagar fall into the severe intensity zone, while Bhuj and Jamnagar fall in the very severe intensity zone over this time frame.

A long coastline of 1.96 lakh km sq makes parts of arid Saurashtra and Kutch occasionally experience very high rainfall. These occasional heavy rainstorms are responsible for most of the floods in the state. All major rivers pass through a wide stretch of the very flat terrain before reaching the sea. These flat lowlands of lower river basins are prone to flooding. Cities like Ahmedabad, Surat and Bharuch are located on the flat alluvial plains of large rivers.¹⁰

Industrial Profile : Gujarat ¹¹

Over 28% of gross state domestic product contribution in Gujarat comes from manufacturing sector and the state accounts more than 10% factories in India. Its key industry sectors are textile, engineering, chemicals, petrochemicals, drugs and pharmaceuticals, dairy, cement and ceramics, gems and jewelry, etc.

Total crop area is more than one half of the total land area. Gujarat produces cotton, groundnuts, dates, sugarcane, milk and milk products. Agro processing and dairy production are also key industries in the state.

Flooding and cyclones affect the movement of people and material in the state affecting industrial development.



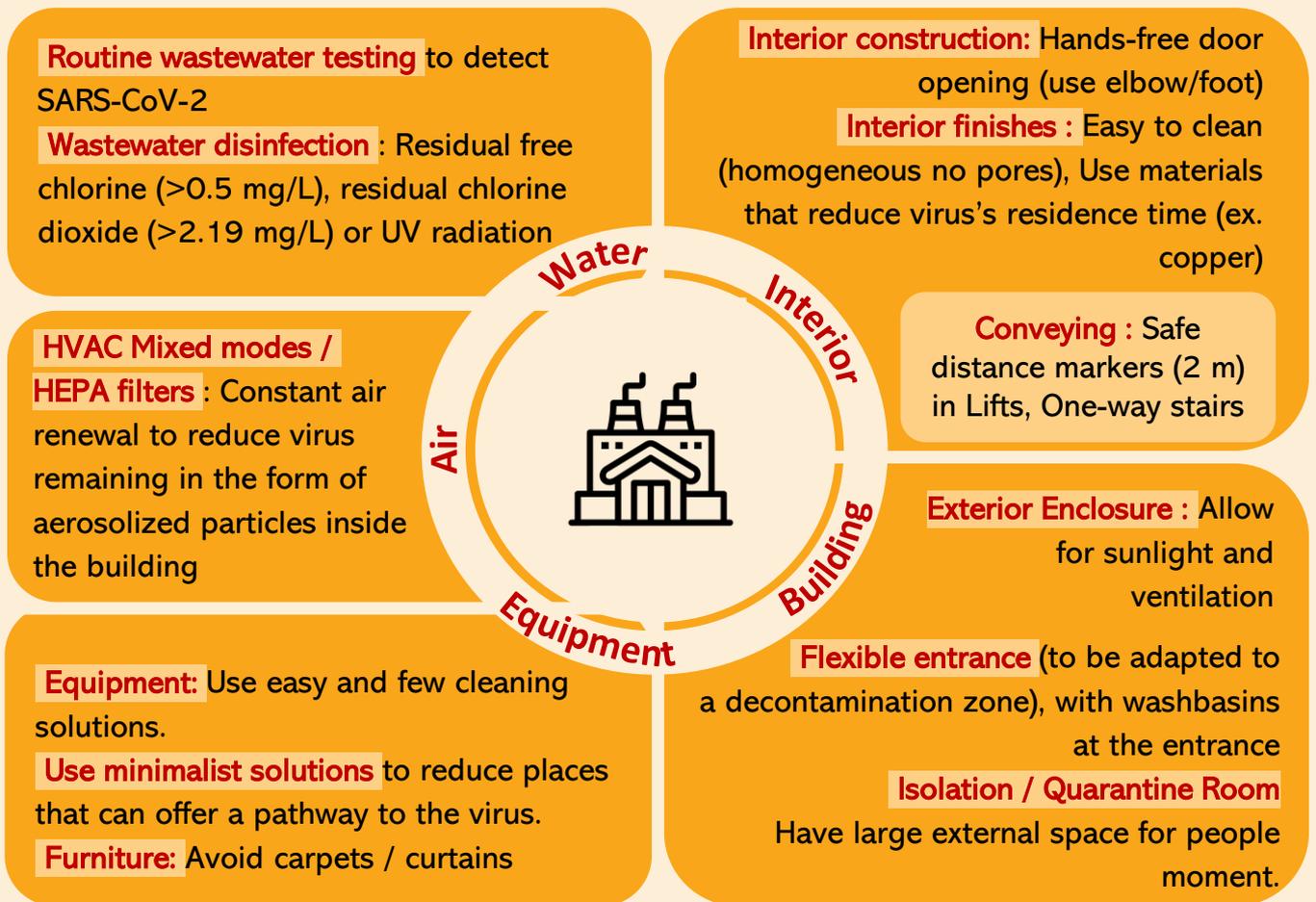
Flooding in Gujarat (2020)
Credit: The Logical Indian ⁸

Reducing Risk of COVID-19 ^{12, 13,14}

With entrepreneurs slowly reopening offices there is a need to put in place systems to reduce the risk to Partners, staff, service providers and visitors of contracting and spreading COVID 19. The risk areas could include:

Travel to and from the office	Working areas/desks
Access points to and from the office	Meetings and group working
Moving around the office (lifts, stairs)	Common areas: cafeteria, toilets

Potential measures for reducing COVID-19 transmission in buildings and other built environment dimensions:



Disinfection: Substance & Scope



Sanitize skin / Cutaneous antiseptis

Hydrogen peroxide, Iodophors

Alcohol, Chlorine compounds (chloramine, hypochlorite, sodium hypochlorite)



Disinfection of surface and objects

Glutaraldehyde, Acetic acid

Micro Small and Medium Enterprises and COVID Relief Schemes ^{15,16,17}

The first case of COVID-19 in India was reported on the 30th January 2020 and on the 24th March the entire country was under lockdown, with localized lockdowns in containment zones extended to the 30th of November 2020. This led to a dramatic and sudden loss of demand and revenue for MSMEs severely affecting their ability to function, and/or causing severe liquidity shortages. Furthermore, with consumers experience loss of income this affected liquidity in the economy.

To combat this, the government and the financial institutions in the country started lending under concessional terms, provisioned delayed repayments, restructuring and rescheduling, introduced schemes with credit guarantees, interest subsidy and initiated capital buffer safeguards - such as lowering capital requirements on banks and increased liquidity in the financial system. Below figures capture the revised definition of MSME and some latest schemes announced by the Government of India.

MSME Revised Definition

MICRO ENTERPRISE



A micro enterprise is a business whose:

- Investment in Plant and Machinery does not exceed Rs. 1 crore
- Annual turnover does not exceed Rs. 5 crore.

SMALL ENTERPRISE



A small enterprise is a business whose:

- Investment in Plant and Machinery does not exceed Rs. 10 crore
- Annual turnover does not exceed Rs. 50 crore.

MEDIUM ENTERPRISE



A medium enterprise is a business whose:

- Investment in Plant and Machinery does not exceed Rs. 50 crore
- Annual turnover does not exceed Rs.250 crore.

Udyam Registration

Ministry of Micro Small and Medium Enterprises (MSME)



Benefit

It is a registration to identify as an MSME and is an identity proof for opening a bank account, applying for MSME schemes offered by Govt. and banks and participating in e-Tender etc.



Eligibility

All unregistered MSMEs and those who have EM-II or Udyog Aadhaar Memorandum, or any other registration issued by any authority under the Min. of MSME, will have to re-register themselves.



Process

There is no fee for filing for Udyam Registration and it is an online process.



Document

- Aadhaar Details
- PAN Details
- GST Details (if applicable)
- Bank details

Micro Small and Medium Enterprises and COVID Relief Schemes :

Credit Guarantee Scheme for Subordinate Debt for Stressed MSME Ministry of MSME



Benefit

Promoter(s) of the MSME unit will be given credit from banks equal to 15% of his/her stake in the MSME entity (equity plus debt) or Rs.75 lakh whichever is lower as per last audited Balance Sheet.



Process

The maximum tenure for repayment will be 10 years. Moratorium up to 7 years on principal. Approach Scheduled Commercial Banks for scheme application.



Eligibility

MSME that may be Proprietorship, Partnership, Private Limited Company or registered company etc.



Document

- ID and Address Proof of promoter
- Business Incorporation Proof (if applicable)
- Udyam Registration
- Compliances as per state and business sector type ex. Pollution Clearance Certificate
- Past/Projected Balance Sheet and P&L.
- Net worth Statement
- Business Plan

Formation and Promotion of 10,000 Farmer Producer Organizations Ministry of Agriculture & Farmers' Welfare



Benefit

Equity Grant in the form of matching grant upto Rs. 2,000 per farmer member of FPO subject to a max of Rs.15 lakh per FPO. In addition, collateral support up to Rs.2 crores for availing credit.



Process

SFAC, NCDC and NABARD are implementing agencies to form and promote FPOs. The filled application shall be submitted to the district offices of these organization for review and approval.



Eligibility

The FPO should have raised equity from its Members as laid down in its Articles of Association/ Bye-laws. Min 50% of its shareholders should be small, marginal, and landless tenant farmers.



Document

- ID and Address Proof of promoter
- Business Incorporation Proof (if applicable)
- Udyam Registration
- Shareholder List and Share Capital contribution by each member verified and certified by CA.
- Past/Projected Balance Sheet and P&L.
- Net worth Statement
- Business Plan

Micro Small and Medium Enterprises and COVID Relief Schemes :

Amended Technology Upgradation Fund Scheme (ATUFS) Ministry of Textiles



Benefit

Textile entrepreneurs can avail subsidy against a loan sanctioned by the bank for purchase of new machinery or technology up-gradation. Subsidy up to 15% and up to a maximum of Rs.30 crore.



Process

Register and apply on the online portal of iTUFS. List of notified lending agencies is provided. The documents can be uploaded on the portal and it will automatically connect with banks.



Eligibility

Small and Medium enterprises involved in garmenting, technical textiles, weaving and processing of textile including jute, silk and handloom.



Document

- ID and Address Proof of promoter
- Business Incorporation Proof (if applicable)
- Udyam Registration
- GST Registration / IT Returns
- Past/Projected Balance Sheet and P&L.
- Quotation from machine vendors.
- Audited Financial Statements
- Business Performance Certificate.

PM Formalisation of Micro food processing Enterprises Scheme Ministry of Food Processing Industries



Benefit

Credit-linked capital subsidy at 35% of the eligible project cost for upgradation, setting up of common infrastructure, for capital investment along the entire value chain etc.



Process

Applications for support for FPOs / SHGs / cooperatives, common infrastructure and marketing & branding could be submitted to the State Nodal Agency along with a DPR.



Eligibility

Support to Individual Micro Food Processing Units, Farmer Producer Organizations (FPOs), Self Help Groups (SHGs), Producers cooperatives.



Document

- ID and Address Proof of promoter
- Udyam Registration
- FSSAI and other food regulatory compliances.
- GST Registration
- Past/Projected Balance Sheet and P&L.
- Detailed Project Report.
- Quotation from vendors as applicable.
- Business Incorporation Proof (if applicable)

International Effort on Disaster Management

International practices to support MSMEs to overcome COVID challenges ¹⁶:

Several countries have adopted a wide array of measures to mitigate the economic impact of the coronavirus outbreak on businesses, especially MSMEs with a strong focus on initiatives to sustain short-term liquidity. For example, in many countries, Central Banks have stepped in to support lending by alleviating monetary conditions and enabling commercial banks to provide more loans to MSMEs. Some of the countries have introduced MSME specific policy measures such as:

- Measures have been introduced for allowing **working time shortening, temporary lay-off and sick leave**. Similarly, governments provide wage and income support for employees temporarily laid off, or for companies to safeguard employment or specific schemes to encourage self-employment.
- To ease liquidity constraints **deferral of tax, social security payments, debt payments and rent and utility payments** have been introduced. In some cases, tax relief or a moratorium on debt repayments have been implemented. Also, taking measures on public procurement procedures and late payments.
- Some countries have extended or simplified the provision of **loan guarantees**, to enable commercial banks to expand lending to SMEs. And in others, countries have stepped up **direct lending** to SMEs through public institutions.
- Several countries are providing **grants and subsidies** to MSMEs and other companies to bridge the drop in revenues.
- Many countries are encouraging and routing policy support through **non-banking financial support** intermediaries such as Micro Finance Institutions.
- A few countries are putting in place **structural policies** to help enterprises adopt new working methods and (digital) technologies which can help them find new markets and sales channels to enable operations under containment measures.
- Some countries have introduced specific schemes to **monitor** the impact of the crisis on SMEs and enhance the **governance** of SME related policy responses.



SEEDS (Sustainable Environment and Ecological Development Society) is a not-for-profit organization that enables community resilience through practical solutions in the areas of disaster readiness, response and rehabilitation.

Since 1994, the organization has worked extensively on every major disaster in the Indian subcontinent – grafting innovative technology on to traditional wisdom. It has reached out to families affected by disasters and climate stresses; strengthened and rebuilt schools and homes; and has invariably put its faith in skill-building, planning and communications to foster long-term resilience.

SEEDS is also India's first agency to be certified for the global Core Humanitarian Standards – an international certification system for quality and accountability in humanitarian response. SEEDS completed 26 years of outstanding service to humanity in 2020 and is re-anchoring its approach to building resilience through innovation. It continues to empower the most vulnerable across Asia to build a better future.



Natural and man-made disasters cause immense loss of lives and property. The CII has been at the forefront of supplying relief and rehabilitation by involving and engaging the Indian industry to contribute and support the affected communities. CII also works with various agencies to help communities across India manage major disasters.

The CII Foundation, a trust set up by CII, anchors the disaster relief and rehabilitation work with the support of the 68 CII offices across the country and the support of the industry members. It played a crucial role in providing relief and rehabilitation across India during disasters such as the floods in Kerala and Tamil Nadu, benefitting millions of people.

Over 80 lakh people residing in 28 states have been positively and directly impacted by CII during the Covid-19 lockdown and as the lockdown was gradually lifted across India.

To know more, visit www.ciifoundation.in



Write to us at chetna@seedsindia.org

List of organizations working on Disaster Management in Gujarat

1. Name: SEEDS (Sustainable Environment and Ecological Development Society)
Expertise / Focus: Disaster Risk Reduction and developing disaster resilient communities.
Contact: 91-11-26174272, www.seedsindia.org
Email: Write to us at chetna@seedsindia.org
2. Name: Gujarat State Disaster Management Authority (GSDMA), Govt. of Gujarat
Expertise / Focus: Govt. Dept. working on schemes and programs for disaster relief.
Contact: STATE CONTROL ROOM – 1070, 79-23259283, info@gsdma.org,
<http://www.gsdma.org/>
3. Name: Gujarat Institute of Disaster Management, Govt. of Gujarat
Expertise / Focus: Govt. Dept. working on Human Resource development, schemes and programs for disaster relief.
Contact: 79-23275804, info-gidm@gujarat.gov.in, <https://gidm.gujarat.gov.in/>
4. Name: Meteorological Centre, India Meteorological Department, Ministry of Earth Sciences, Ahmedabad
Expertise / Focus: Govt. Dept. working on schemes and programs for disaster relief.
Contact: 1800 180 1717, 079-22865165, 07922865012, j.sarkar@imd.gov.in
m.mohanty@imd.gov.in, <http://www.imdahm.gov.in/>
5. Name: Commissioner of Rescue & Relief, Govt. of Gujarat
Expertise / Focus: Govt. Dept. working on schemes and programs for disaster relief.
Contact: 1070, 79 23251501, 23251503, secrev@gujarat.gov.in,
<https://revenuedepartment.gujarat.gov.in/contact>

To identify more NGOs recognized by Govt. please search on this link:
<https://ngodarpan.gov.in/index.php/search/>

References

1. Flood Data for Indian States, <https://www.mapsofindia.com/top-ten/geography/india-flood.html>
2. Meteorological Data, (2020) https://mausam.imd.gov.in/imd_latest/contents/statewisedistricts.php#, http://imd pune.gov.in/hydrology/rainfall%20variability%20page/uttar_final.pdf
3. Monsoon Data, (2020) <https://www.tourmyindia.com/states/uttarakhand/monsoon-weather.html>, <https://weather-and-climate.com/average-monthly-Rainfall-Temperature-Sunshine,New-Delhi,India>
4. Health Statistics on COVID, (2020) https://cddep.org/wp-content/uploads/2020/04/State-wise-estimates-of-current-beds-and-ventilators_24Apr2020.pdf
5. Ministry of MSME, Annual Report, (2019) <https://msme.gov.in/sites/default/files/Annualrprt.pdf>,
6. Key Indicators of Unincorporated Non-Agricultural Enterprises in India, (2016) <http://www.icssrdataservice.in/datarepository/index.php/catalog/148/download/2088>
7. Ministry of Jal Shakti, Govt. of India, (9th March 2020) <http://cwc.gov.in/sites/default/files/final-flood-damage-data-2018.pdf>
8. The Logical Indian , (2020) <https://thelogicalindian.com/humaninterest/labourers-rescued-in-rajkot-23321>
9. The Economic Times, (2020) <https://economictimes.indiatimes.com/news/politics-and-nation/bihar-flood-situation-worsens-53-67-lakh-people-across-14-districts-affected/articleshow/77318152.cms>
10. GSDM (2018), <http://gsdma.org/uploads/Assets/other/gsdmp-2016-17-volume-106072017115412038.pdf>
11. Industrial Overview , (2018) <http://gsdma.org/uploads/Assets/other/gsdmp-2016-17-volume-106072017115412038.pdf>
12. COVID-19 Could Leverage a Sustainable Built Environment, (2020) <https://www.mdpi.com/2071-1050/12/14/5863>
13. Health and Safety Risk Assessment, (2020), <https://www.pwc.co.uk/who-we-are/assets/documents/covid-19-mobilization-of-offices.pdf>
14. COVID-19 Pandemic: Prevention and Protection Measures to Be Adopted at the Workplace, (2020) <https://www.mdpi.com/2071-1050/12/9/3603/htm>
15. International Monetary Fund, Policy Tracker, (2020) <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#>
16. OCED, Covid-19 SME Policy Responses, (2020) <https://www.oecd.org/coronavirus/policy-responses/coronavirus-covid-19-sme-policy-responses-04440101/>
17. World Bank, (2020) <https://blogs.worldbank.org/developmenttalk/common-measures-help-small-businesses-during-covid>
18. The Mint, (2020), <https://www.livemint.com/industry/manufacturing/msmes-in-gujarat-face-tough-time-post-unlock-in-covid-19-pandemic-11598352700951.html>

Disclaimer:

This newsletter is strictly for private circulation only. All information shared in the newsletter is for educational and informational purposes only. It is not intended as a substitute for professional advice/ promotion of any organization. Should you decide to act upon any information from this newsletter, you do so at your own discretion. While the information in this newsletter has been verified to the best of our abilities, we do not guarantee of results obtained from the use of this information and the same is provided without warranty of any kind, express or implied, including, but not limited to warranties of performance for a particular purpose.