

Social Safeguards Report

IND: 145 MW Grid-connected Solar Project

Draft Social Safeguards Audit Report
August 2012

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Asian Development Bank

Social Safeguards Audit Report

20 MWp Hiraco Solar Power Project

August 2012



Prepared by

Hiraco Renewable Energy Private Limited

The company hereby acknowledges that as per the mandate letter signed between company and Ernst & Young (E&Y) on 6th January 2012, E&Y has assisted the company in preparation of the Social Safeguard Audit Report based on data and information provided by the company to E&Y.

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1. Introduction

1.1 Project Description

Hiraco Renewable Energy Private Limited (HREPL) was incorporated on 4 November 2010 to setup a solar PV power project with capacity of 20 MWp at villages Bapodar & Kerala, District Porbandar in the state of Gujarat (India). The project is implemented under the Solar Power Policy 2009 of Gujarat. Crystalline Silicon PV solar cells shall be used in the project to generate electricity. HREPL (the 'Company') has already signed a Power Purchase Agreement (PPA) for 25 years with Gujarat Urja Vikas Nigam Limited (GUVNL) with permission from Government of Gujarat, for sale of the power generated from the project.

Table 1: Project details

Sl. No	Particulars	Descriptions
1	Project site	Hiraco
2	Village Name (s)	Bapodar & Kerala
3	District Name	Porbandar
4	Name of the state	Gujarat
5	Latitude	21' 37' 39.4" (North)
6	Longitude	69' 49' 57.1" (East)
7	Road Accessibility	Road connectivity via Porbandar
8	Nearest Airport	Porbandar
9	Nearest City	Porbandar
10	Land available (Hectares)	62.6331
11	Water requirement (LPD)	10,500
12	Annual Global Irradiance (kWh/m ²)	2059
13	Type of PV Module	Cr-Si
14	Proposed Capacity (MW)	20 MWp
15	Capacity of each module proposed (Wp)	230 to 245
16	Total number of PV modules	85560
17	Inverter model	Sunny central 800KW 3 Phase PCU
18	Annual electricity supplied to grid (MWh)	35249
19	Annual Plant Load factor (%)	20.22
20	Project Cost (Million INR)	2365

A social safeguards review was conducted for the Project on 26 February 2012 to check the project's compliance to the ADB 2009 Safeguards Policy Statement (SPS) – Safeguards Requirements (SR) on 2 Involuntary Resettlement and (SR) 3 on Indigenous Peoples. The review comprised of site visit to the plant area, including the labour camps, canteen facility, the access road leading to the site; informal discussions with few of the landowners and local community members; meetings with the management at Corporate Office in Delhi; and review of available project documentation. The site photos are attached as Appendix 1.

1.2 Need for the Project

Fast economic growth of the state of Gujarat has resulted in increase in electricity consumption by the industrial and commercial sectors. With the current available capacity, Gujarat is not in a position to meet its requirement either in energy requirement terms or peak capacity requirement terms. Energy requirements of the Gujarat state has increased from 53693 MU in FY 2001-02 to 70412 MU in FY 2009-10 with an energy shortfall of 3149 MU in FY 2009-10.

The Electricity Act 2003 stipulates minimum percentage of energy to be derived out of renewable energy sources which shall be binding on all states. Also the Gujarat Electricity Regulatory Commission has made it mandatory for distribution licenses in the state to purchase a fixed percentage of their total power procurement through renewable energy sources, both solar and non solar.

1.3 Project Location

The project is located at Latitude 21° 37' 39.4" (North) and Longitude 69° 49' 57.1" (East). The site is located in villages Bapodar & Kerala, District Porbandar of the state of Gujarat, India. The location of the project is at an elevation of about 15-20 metres from the mean sea level. . The project location has well established connectivity and accessibility through road, rail, air and port. Overall the project area is flat with gentle slope. Figure 1 and 2 depicts the map of the region indicating the project location.

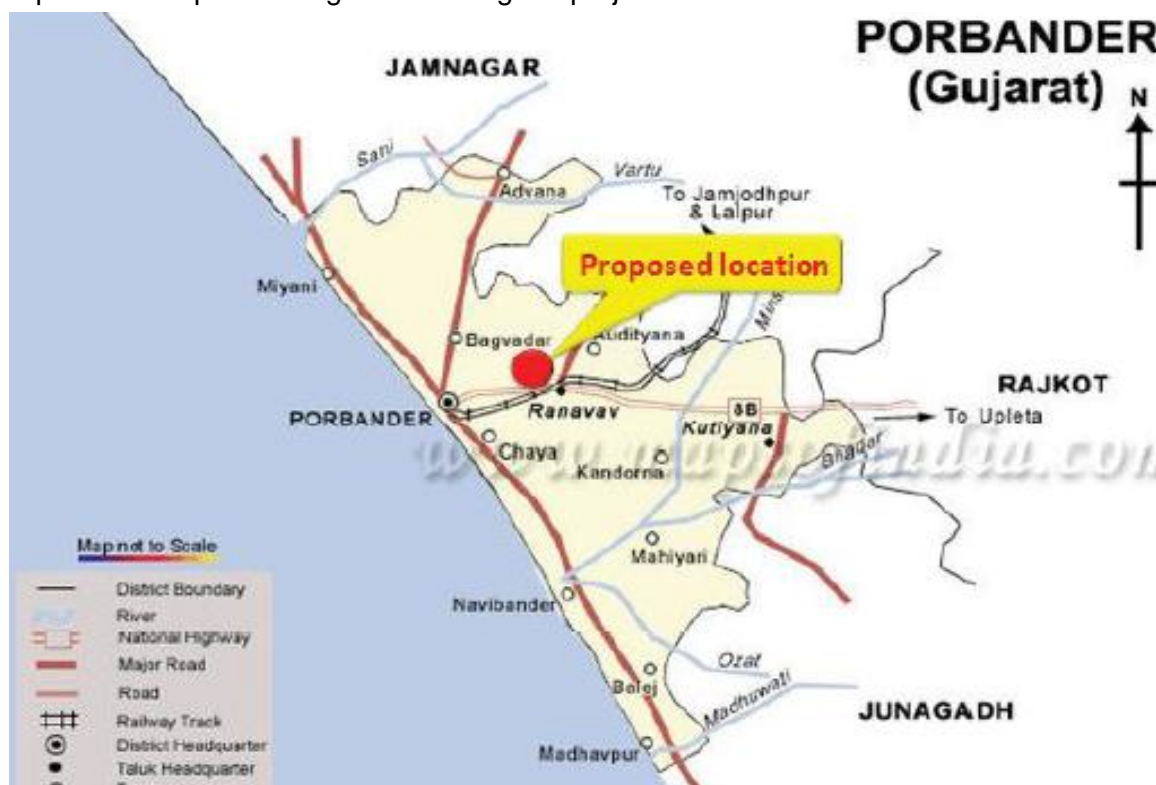


Figure 1: District map of Porbandar (Gujarat) marking the project location (Source: Detailed Project Report)

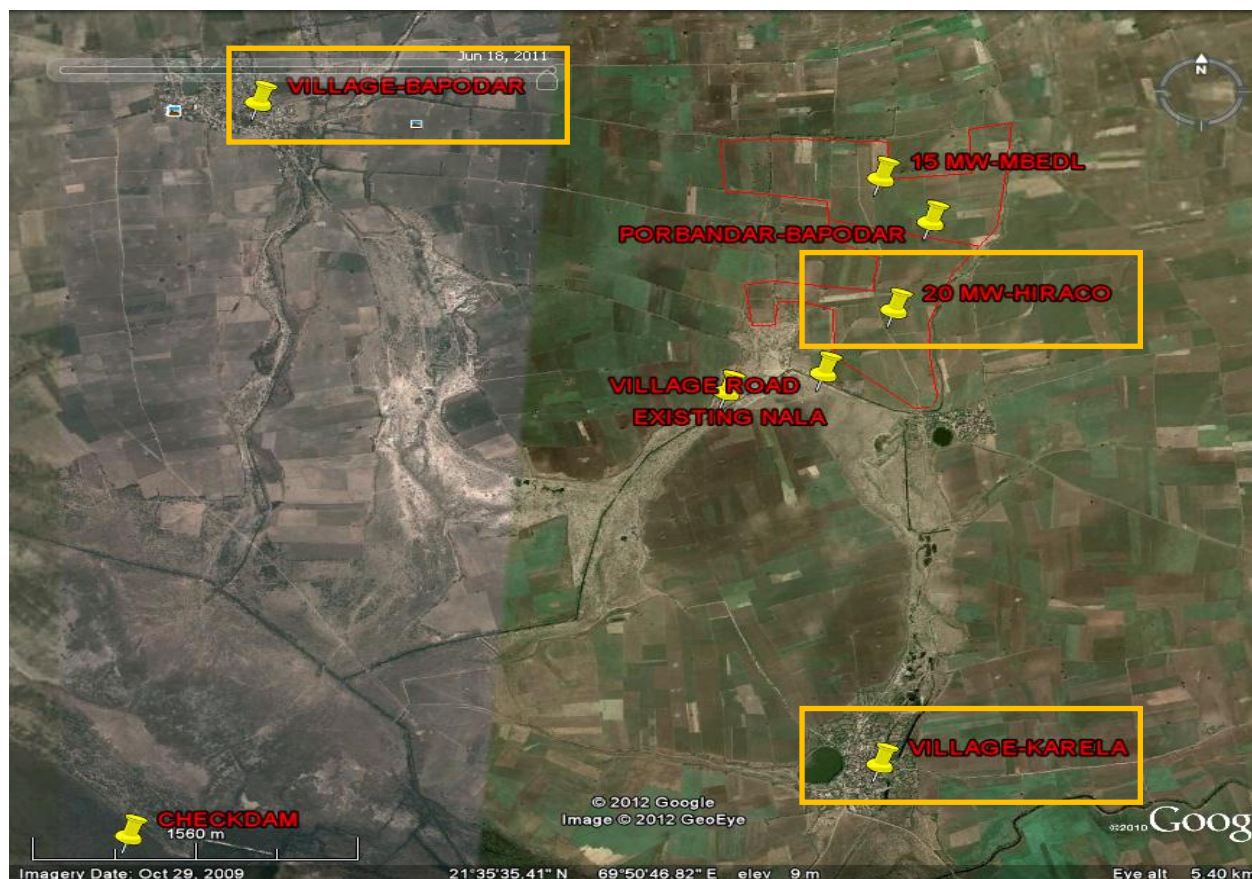


Figure 2: Satellite view of Village Bapodar & Kerala (Porbandar), Gujarat (Source: Detailed Project Report)

1.4 Project Status

The current project status, outlining the sequence of major activities and the time required for engineering, construction, installation and commissioning of the 20MWp solar PV power plant is provided below. The project commissioned on 18 April 2012.

Table 2: Implementation schedule of the project

Activity	Oct'11	Nov'11	Dec'11	Jan'12	Feb'12	Mar'12	Apr'12
Hiraco							
Foundations							
Modules Shipment at Indian Port- Hanwha							
Discharge and Custom Clearance							
Module Availability at site							
Structure Availability							
Structures Erection							
Module Erection							
Inverters Shipment							
Inverters at Site (SMA - 800 watt)							
Inverter Room / LT Room - Building ready							
Inverters Erection							
TL availability							
Testing and commissioning							
Erection by Areva							
Date of Commissioning							18 April 2012

1.5 Objectives and Scope of the Report

This report is prepared to assess the compliance of the 20 MWp Solar Power Project at Hiraco with the 2009 ADB Safeguards Policy Statement, Social Analysis in Private Sector Projects, 2009, ADB's Gender and Development Policy, 1998, Social Protection Requirements as per ADB's Social Protection Strategy 2001 and IFC Performance Standards.

The social compliance audit that was conducted on 26 February 2012 at the project site at Hiraco, District Porbander, Gujarat had the following objectives:

- Identify past or present concerns related to impacts on involuntary resettlement (physical or economic displacement) and ethnic minorities/Indigenous Peoples;

- Determine whether project actions were in accordance with ADB's SR2 and SR3 principles and requirements; and
- Prepare a corrective action plan (CAP) containing necessary remedial actions (if any)

This report provides the observations and recommendations on the above.

1.6 Methodology

The following activities were undertaken for the purpose of conducting this audit:

- Data collection from secondary sources such as Forest Atlas and published GOIs data from 2001 population census statistics data, as well as from authorities such as Gujarat Department of Social Justice and Empowerment, and other Departments.
- Preparation of checklist for collecting project related information against ADB guidelines
- Review of national and local laws / regulations and procedures relating to land acquisition, employment of labour etc.
- Review of land allocation documents, permits and other relevant available documents
- Site visit to the plant area, labour camps, canteen facility etc.
- Interviews on a sample basis with the following:
 - Employees at the site
 - Contract labour including their family members staying at the labour camps
 - Local community people around the site
 - Land owners

2. Audit Findings – Involuntary Resettlement

2.1 Land Requirements for the Project

The total land required for the Project's solar power generation facility is 62.63 Hectares (ha). The land has been acquired from two villages namely Bapodar and Kerala. Out of the total land area, the PV module array has been established on 41.28 ha, while 1.21 ha was required for the balance structures such as the control room building and switchyard. The remaining 20.142 ha is an open area.

Table 3: Land details

Village	Type of Landuse Prior acquisition	Area in (Hectares)
Bapodar	Agriculture	31.07
Kerala	Agriculture	31.56
Total		62.63

2.2 Land Acquisition Process & Compensation

The land acquired for the project site is totally private land and has been purchased on a voluntary basis (willing seller-willing buyer basis) from the land owners. A third party (land arranger) was appointed by the Company for helping in the purchase of land for the project. The land was purchased from twenty four (24) major land owners having their land in Bapodar and Kerala. The compensation rate offered and paid to the land owners on an average was INR 200 per square metre of land which was more than the existing Government circle rates of INR 69 to 80 per square metre of land depending upon the time of purchase. The payment of compensation and land registration process was completed during the period from May 2011- January 2012

Discussions with land owners on a sample basis during site visit indicated that the land sold for the project was not much productive for them because of the higher salt concentration in the ground water. As per the land owners, the sale of land came as an opportunity to earn income from an otherwise unproductive land. Also, as per the landowners, there were other productive plots that were available with them. Mostly cash crops such as cotton and groundnuts are cultivated in the region.

2.3 Land or Right of Way (ROW) Requirements for Associated Facilities

The solar power plant will be using the following associated facilities: access roads, transmission lines and sub-station. The project will utilize the existing public roads; no new roads will be built as part of this project. The power generated from the solar power plant is evacuated through a 66kV transmission line (approximately 13.5 km in length) to Rana Kandorna Sub-Station of GETCO. The Rana Kandorna substation is shared with Moser Baer Energy & Development Limited.

As the project is planned under the Solar Power Policy (2009) of the state of Gujarat, and as per the terms of Power Purchase Agreement, it is the responsibility of GETCO to arrange, provide and maintain the power transmission evacuation facilities upto the 66 kV switchyard of the project. However, in the interest of meeting the commissioning schedule for the project, It was agreed between GETCO and the Company that the Company would manage the construction of transmission lines under the overall supervision and approval of GETCO. GETCO will reimburse the transmission line expenses to SPVs on the basis of GETCO SOR (schedule of rates) while the supply of towers, overhead conductors and other items issued as free issue items for such works.

The Construction of the 66kV 13.5km Transmission Line from Hiraco to Substation of GETCO at Rana Kandorna to be reimbursed by GETCO required the setting up of 40 towers. Each tower footing required 75 sq.m. of land. For setting up of transmission line towers, approximately 50 landowners have been compensated. A total compensation of around INR 8million has been paid or approximately INR 0.15mn per tower footing. The period of payments to landowners and tower erection was in December 2011 to February-March 2012. No further land acquisition or involuntary resettlement issues are expected from the use of the substations which have been in existence for more than 10 years. The transmission line is shared with 15 MW Solar Power Project namely Moser Baer Energy and Development Limited.

The Company has awarded transmission line contract to contractors who are nominated and approved by GETCO. Under these contracts the works have been executed under the supervision of GETCO engineers and in line with GETCO existing policies and frameworks.

Table 4 Information on Associated Facilities

Associated Facilities	Responsible Agency	Existing or New	Type of Land
Access Road	Existing Village Road (State Govt.)	Existing	Existing Village Road (Kuttcha Type)
Transmission Line	Owner - GETCO	New till sub-station. Date of Completion : 15 th April 2011	Private Agricultural and Govt. Land
Substation	Owner - GETCO	Existing	

2.4 Extent of Involuntary Resettlement Impacts

There were no permanent inhabitants dwelling on the site as confirmed by interviews with the local community during the site visit. As per the community members, there were only five temporary shelters/sheds at the project site which were used by the farmers/field workers for taking rest during work breaks. Two out of the five structures are retained for use in the project activities while others have been demolished. The compensation for the shelters was taken into consideration during the land purchase agreement with the land owner. The project site is located far from the coast line and no *banders* or fishing communities were affected. The project also does not require land acquisition of *gauchar* or grazing land or any state-owned wastelands. Given the characteristics of the site as

described above, the construction and operation of the power generation site is not expected to have involuntary resettlement impacts.

The project has complied with the national laws and regulations on land acquisition and has incorporated National Resettlement and Rehabilitation Policy (2007) and ADB's SPS (2009) as follows:

- Compensation for temporarily shelters has been considered during the land purchase agreement with the land owners
- Meaningful consultations with affected people in the issues of land acquisition, or loss of livelihood, if any, have been conducted



Figure: Stakeholder consultation held on Nov 10, 2011

- Employment opportunities have been provided to few of the project affected people and local villagers during project construction activities
- Established a grievance redressal mechanism to receive and facilitate resolution of the concerns of affected persons. Please refer section 5(i) for details on community grievance redressal mechanism

2.5 Applicable Regulations governing transfer of land to the Project

The land transfer to the project has been done as per section 55 of the Saurashtra Gharkhed Tenancy Settlement and Agriculture Land Ordinance 1949 (as amended in 1997¹) applicable in Gujarat. Section 55 outlines the provisions for the Sale of land for bonafide industrial purpose. The following table shows how the acquisition has complied with the provisions of this ordinance:

¹ See amendment available from http://www.revenuedepartment.gujarat.gov.in/revenuefinal/gujarati/pdf/gr03_guj_act_no-06_1997.pdf

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Provisions	Status of Compliance
(1) Nothing in section 54 shall prohibit the sale or the agreement for the sale of land for which no permission is required under sub-section (1) of section 65B of the Bombay Land Revenue Code, 1879 in favour of any person for use of such land by such person for a <i>bonafide</i> industrial purpose:	
Provided that – (a) The land is not situated within the urban agglomeration as defined in clause (n) of section 2 of the Urban Land (Ceiling and Regulation) Act, 1976.	Not Applicable (NA)
(b) Where the area of the land proposed to be sold exceeds ten hectares, the person to whom the land is proposed to be sold in pursuance of this sub-section shall obtain previous permission of the Industries Commissioner, Gujarat state or such other officer, as the State Government may, by an order in writing, authorize in this behalf,	Permission has been obtained from the Industries Commissioner for the project
(c) The area of the land proposed to be sold shall not exceed four times the area on which construction for a <i>bonafide</i> industrial purpose is proposed to be made by the purchaser: Provide that any additional land which may be required for pollution control measures or required under any relevant law for the time being in force and certified as such by the relevant authority under that law shall not be taken into account for the purpose of computing four times the area,	
(d) Where the land proposed to be sold is owned by a person belonging to the Scheduled Tribe, the sale shall be subject to the provisions of section 73AA of the Bombay Land Revenue Code, 1879.	No land has been purchased from person belonging to the Scheduled Tribe. . All the landowners from whom land was purchased were from the Hindu community other than SC or ST.
(2) (a) Where the land is sold to a person in pursuance of sub section (1) (here in after referred to as “the purchaser”), he shall within thirty days from the date of the purchase of the land for a <i>bonafide</i> industrial purpose, send a notice of such purchase in such form along with such other particulars as may be prescribed, to the Collector and endorse a copy there of to the Mamlatdar.	The Notice of Collector and endorsement of registered sale deeds are being complied with the completion of land acquisition for the [project].
(b) Where the purchaser fails to send the notice and other particulars to the Collector under clause (a) within the period specified therein, he shall be liable to pay, in addition to the non-agricultural assessment leviable under this Ordinance, such fine not exceeding two thousand rupees as the collector may, subject to rules made under this Ordinance, direct.	
(c) Where, on receipt of the notice of the date of purchase for the use of land for a <i>bonafide</i> industrial purpose and other particulars sent by the purchaser under clause (a), the Collector, after making such inquiry as he deems fit –	
(i) is satisfied that the purchaser of such land has validity purchased the land for a <i>bonafide</i> industrial purpose in conformity with the provisions of sub-section (1), he shall issue a certificate to that effect to the purchaser in such form and within such time as may be prescribed,	Certificate will be issued once the process under Section 2A is complete
(ii) is not so satisfied, he shall, after giving the purchaser an opportunity of being heard, refuse to issue such certificate and on such refusal, the sale of the land to the purchaser shall be deemed to be in contravention of Section 54.	

3. Audit Findings: Indigenous Peoples

3.1 Project Context

The total land acquired by HREPL falls within the villages of Bapodar and Kerala situated in Ranavav Taluk, Porbandar District, Gujarat State.

a) Village Bapodar

Bapodar is a mid-sized village located in the district of Porbandar, Gujarat (India). Bapodar is at a distance of around 14 km from its Taluka - Ranavav and around 22 km from district Porbandar. As per the records of Census 2001, the village has a population of about 1729 persons living in around 367 households. Population wise Bapodar village has around equal male -female ratio. Around 70% of the village population consists of the Hindu community. The Hindu castes in the village include Nagar Brahman, Maidh or Mer-Kshatriya and Krushaks etc. All the landowners from whom land was purchased were from the Hindu community not belonging to Scheduled Tribes. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	1729
• Male Population	848
• Female Population	881

b) Village Kerala

Kerala is a small village located in the district of Porbandar, Gujarat (India) and is located adjacent to village Bapodar. It is at a distance of around 12 km from district Porbandar and 346 km distance from the main city Gandhinagar (Gujarat). As per the records of Census 2001, the village has a population of about 368 persons living in around 78 households. Around 70% of the village population consists of the Hindu community. The Hindu castes include Nagar Brahman, Maidh or Mer-Kshatriya and Krushaks etc. All the landowners from whom land was purchased were from the Hindu community not belonging to Schedule tribes. Population wise Kerala village has around equal male - female ratio. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	368
• Male Population	195
• Female Population	173

Demographic details of the Porbandar District as per Census 2001:

Total Population	536835
• Male Population	275821
• Female Population	261014
Total Workers	215,134
• Main Workers	173594
• Marginal Workers	41,540
• Non-Workers	321,701
Literate Population	316172
• Literate (Male)	184717
• Literate (Female)	131455

The project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the lands where the project's solar power generation facility are being constructed are not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups. The project is therefore expected to be classified as category C for both involuntary resettlement and IPs.

4. Consultation and Participation

During project construction, the Company held meetings and public consultations with the residents of Bapodar and Kerala villages. The Company made a presentation on the proposed project, development prospects, project impacts and measures to mitigate possible negative impacts. The prospects of improving social and economic status of the region as a result of a successful project implementation as well as corporate social responsibility (CSR) activities of the Company were also discussed. The CSR activities proposed by the Company and to be taken up during the operational phase of the project include:

- Community development programmes
- Education programme for children
- Women Empowerment programmes

During the site visit, discussions were undertaken on an informal basis with a group of 7-8 community members from Kerala and Bapodar villages who confirmed that they were made aware of the project by the Company. Some persons in the village had already been contracted as security guards for the project. They indicated their satisfaction with the project which will bring more jobs to the village and opportunities to set up small businesses for construction and operational workers.

5. Audit Findings: Other Social Considerations

Other social considerations addressed in this review are related to employee engagement, gender relations, provision of facilities for labour force and safety.

a) Employee Engagement

HREPL has an existing human resource policy and manual covering employee benefits, equal opportunity, non discrimination, grievance mechanism and others that needs to be followed by all employees including contract workers at the site location. These include procedures for hiring and recruiting, probation, training, performance review, promotion, insurance, salary and compensation, resignation, lay-off and retrenchment, leave and vacation, and superannuation, which follow Indian labour laws. The policies have been displayed at the HREPL site in local language for the awareness of the workers. Most of the construction labours at site are employed on contractual basis. Worker committees have also been formed at the site location on health and safety, harassment and abuse and grievance handling for consultation with the workers.

The preference of the company is to hire local labour during project construction provided they meet the required selection criteria. It also has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws and covers ILO standard.

b) Labour Influence

Construction phase

During construction phase, there has been an influx of working labour population and a labour colony is being constructed with basic amenities for the labour working on the project. The peak labour population is approximately 650-700 laborers for three months and may have an impact on the social fabric of the area surrounding the project. However, this impact is envisaged to be insignificant due to the following reasons:

- Temporary labour colonies, equipped with basic amenities, have been situated in the areas already acquired for the project.
- The impact is temporary in nature as it is restricted to the construction phase of the project. After construction phase, the areas acquired by labour colonies shall be reverted to the status at the preconstruction phase.

Therefore, conflict of the migrating labour with locals will not take place during the construction phase.

Operation Phase

No impact on the local life pattern is envisaged due to operational phase of the project.

c) Gender and Development

- Women were also involved during the community consultation process held during the construction phase of the project. However, no issues or concerns were raised by the women participants during the consultation process.
- No adverse impact could be envisaged on women in the nearby villages due to the solar power project. The Company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws. The clause includes the following:
 - Local labour to be hired as much as possible;
 - Ensure labour related regulations are met;
 - In case of outside labour, ensure that their working conditions as well as camps meet local regulations and best practice;
 - Health and safety training of the labour, raising awareness about STDs, HIV and maintaining behavior standards while moving in the community should be a priority
 - Community should be consulted at regular intervals. Any complaints or concerns with respect to labour should be addressed without delay

The project manager ensured compliance jointly with team and contractors during the construction phase of the project.

- The Company has proposed to initiate women empowerment programmes in the nearby villages during the operational phase of the project. However no such initiative has been under taken till now.
- On an average, 5 % of female workers were employed during the construction phase of the project.
- Seven contractual workers are currently employed during the operation phase. Female workers are not employed during the operational phase of the project, as the activity of cleaning the solar panels is carried out during night time only and for security reasons, male workers are employed. Further, as the project site is located at remote location, female workers are not employed for safety reasons. However, during day time, few female workers are employed for house-keeping in the project office and cutting grass in the fields. Currently, two female workers are employed for such activities.
- The maximum number of female workers employed during the construction phase of the project was around 40. All the female workers were hired on contract basis.
- Separate accommodation facility has been provided to female workers staying with their families at the labour camp.
- Migrant workers who brought their families during the construction phase of the project were provided separate accommodation facility in the labour camp. In order to ensure health and safety of such workers and their families, the company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws.

d) Working Conditions

- Adequate steps have been taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment
- Regular health and safety trainings are provided to workers at site
- Fire mock drills are being conducted to ensure that all workers in the unit are familiar with the site's overall evacuation procedures
- Separate mobile toilet facilities for men and women, and drinking water facility have been provided to workers at site locations

e) Prohibition of child labour

- No instance of child labour or young worker was observed at the time of the site visit
- The company has strict policy in place not to employ anyone below the age of 18 years. These policies and procedures conform to the provisions of the relevant ILO standards. The HR policy for contract workers also restricts the employment of child labour by contractors.

f) Payment of wages

- Minimum wages are paid to the workers at site as per the applicable minimum wages in Porbandar, Gujarat
- All eligible workers have been covered under ESI (Employees State Insurance) & EPF (Employees Provident Fund) schemes
- The workers are paid equal wages for similar kind of work regardless of gender. Equal pay for equal work for workers regardless of gender

g) Freedom of association

- Workers in the Company are free to join or form trade unions of their own choice and bargain collectively as per the Trade Unions Act, 1926. However, the workers were not associated with any trade union during the construction phase of the project. In the current operational phase of the project, the number of workers is presently limited to seven and they are also not associated with any trade union. The Company has developed a parallel means for independent and free association and bargaining for the workers by the formation of worker committees including adequate representation from management and workers. Worker committees have been formed to help workers raise concerns they may have with regard to plant working conditions and also increase their involvement in improving the work environment of the plant.
- The committees comprising representation from management and workers include:
 - 1) Health & Safety
 - 2) Anti -Sexual Harassment
 - 3) Grievance Handling

h) Working Hours

- Workers are not required to work in excess of 48 hours per week at the site location and are provided with at least one day off for every 7 days period on average. This is in compliance with the national laws on working hours. The laws include:
- Contract Labour (Regulation and Abolition) Act, 1970
- The Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

i) Grievance Management System

Environmental and social grievances were handled in accordance with the project grievance redressal mechanism defined under the HR policy for contractors. The Grievance Redressal Mechanism (GRM) for the project provides an effective approach for complaints and resolution of issues made by the affected community in a reliable way. This mechanism was established prior to construction and will remain active

throughout the life cycle of the project. Open and transparent dialogue will be maintained with project affected persons as and when needed, in compliance with ADB safeguard policy requirements.

The major objectives of the Grievance Redressal Mechanism System are to:

- create a platform / process for prevailing proactive Industrial Relations;
- make people accountable for timely redressal of grievances;
- establish a robust process for addressing contract worker grievances;
- create a healthy working atmosphere and drive active engagement at contract worker level;
- have a strategy, supporting long-term business requirements at site;
- prevent minor disagreements developing into more serious disputes later on;
- defend against legal intervention

A Grievance Redressal Committee (GRC) was formed at the project site to ensure affected people's grievances on both environmental and social concerns are adequately addressed and facilitate timely project implementation. The GRC included have the following members:

- Project head;
- Liasoning officer – Site In charge/Admin;
- Land seller

Grievance Redressal Mechanism for workers

The Company has a robust grievance management system that drives proactive industrial relation (IR) environment, enabling fair opportunity to contract workers to appeal against a grievance through a systematic process.

The process includes the following:

Step 1: Maintenance of Grievance Registers:

Grievance Redressal registers were kept at following locations:

- Register No. 1: Kept in Time Office.
- Register No. 2 onwards: Kept at various locations of the Plant as decided by the local HR Head.

Step 2: Communication of Grievance Redressal Mechanism

- All contract workers informed / communicated to register their Grievances in Grievance Redressal Registers, at the convenient locations.
- These Grievances registered / recorded in the registers are studied, analyzed and appropriate solution to query / grievances shall be responded to concerned contract workers by Time Office In-Charge, at least twice a week. The company will endeavor to resolve the aggrieved contract worker within 3 days of the grievance registered.

- Grievance Redressal Mechanism for Local Community
 - The Project Head is responsible for capturing, identifying, maintaining enquiries associated with community grievance in a register, and communicating progress to the concerned community member.
 - A Register shall contain information such as date, time, location and names of villager and grievance; if any. The record will summarize what information was provided to or discussed with the individual land seller.

At the site, there were 4 recorded grievances from the community. The grievances recorded were mainly requests for the Company to undertake activities like lighting facility to local temple, repair of roads, etc. There were no grievances related to land acquisition.

j) Labour Camps

The labour working on site is provided with temporary labour camps, which are close to the site. The labour camp facility is availed by the migrant workers and workers not residing in the nearby villages. Few of the workers are also staying with their family members including children at the camp. Separate shelters have been provided to such families. The labour camps have been provided with basic amenities like drinking water and electricity facility for the workers.

6. Conclusions and Recommendations

6.2 Conclusions

Based on the review of available documentation and information gathered during the site visit, there are no outstanding compensation issues with respect to the acquisition of land for the Project's solar power generation facility. The Project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the land where the Project's solar power generation facility has been constructed is not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups.

The information gathered from the available documents and discussions with relevant HREPL staff and affirmation from the HREPL management regarding their continued harmonious relationship with the communities in the Project area are considered sufficient to support the social compliance audit findings relevant to social safeguards. With respect to ADB's SPS, the Project's categorization on involuntary resettlement and indigenous peoples should be categorized as 'C' respectively, and no corrective action plan will be required.

Other social dimensions, such as recruitment of HREPL employees, local labour engagement through contracts and need based CSR initiatives based on community consultation by HREPL, are found to be satisfactory. The company has existing policies and procedures (e.g., human resource policy, contractual arrangements with contractors) to address potential concerns and issues. During implementation of the Project, the

Company is expected to apply the same policies and procedures as those the company maintains, and it will be required to monitor and report to ADB on contractor's engagement of local employees and labours following the relevant clauses on contractor's agreement and the Company's human resources policy.

6.2 Recommendations

The need based CSR initiatives based on community consultations may be initiated during the operation phase.

Appendix 1. Photos of the Hiraco site



Photograph showing consultation with the community members to address their project related concerns and need of the community



Photograph showing washing facility provided to workers during the construction phase



Photograph showing the drinking water storage tank at the project site during construction phase



Photographs showing the existing access roads leading to the site



Photograph showing the safety office at the project site



Photograph showing use of PPEs by the workers during the concrete mixing work

Social Safeguards Audit Report

25 MWp Chattel Solar Power Project

August 2012



Prepared by

Chattel Construction Private Limited

The company hereby acknowledges that as per the mandate letter signed between company and Ernst & Young (E&Y) on 6th January 2012, E&Y has assisted the company in preparation of the Social Safeguard Audit Report based on data and information provided by the company to E&Y.

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1. Introduction

1.1 Project Description

Chattel Construction Private Limited (CCPL) was incorporated on June 22, 2010 to setup a 25 MWp solar photovoltaic power project at villages Kathada, Ahmedgadh and Savda, District Surendranagar in the state of Gujarat (India). The project is implemented under the Solar Power Policy 2009 of Gujarat. Multi Crystalline Silicon PV solar cells shall be used in the project to generate electricity. CCPL ("the company") has already signed a PPA for 25 years with Gujarat Urja Vikas Nigam Limited (GUVNL) with permission from Government of Gujarat, for sale of power generated from the project. The project is expected to be commissioned by end of September 2012.

Table.1: Project details

Sl. No	Particulars	Descriptions
1	Project site	Chattel
2	Village Name	Kathada, Ahmedgadh and Savda
3	District Name	Surendranagar
4	Name of the state	Gujarat
5	Latitude	23°15'58.8"North
6	Longitude	71°46'42.9" East
7	Road Accessibility	Road connectivity via Ahmedabad
8	Nearest Airport	Ahmedabad
9	Nearest City	Ahmedabad
10	Land available (Hectares)	91.83
11	Water requirement (LPD)	13,000
12	Annual Global Irradiance (kWh/m ²)	2015
13	Type of PV Module	Multi Crystalline
14	Proposed Capacity (MW)	25 MWp
15	Total no of PV modules (Number)	105192
16	Inverter model	Bonfiglioli RPS TL 1220 PCU
17	Annual electricity supplied to grid (MWh)	42891.460
18	Annual Plant Load factor (%)	19.59
19	Project Cost (Million INR)	2955.47

A social safeguards review was conducted for the Project on 25 February 2012 to check the project's compliance to the ADB 2009 Safeguards Policy Statement (SPS) – Safeguards Requirements (SR) on 2 Involuntary Resettlement and (SR) 3 on Indigenous Peoples. The review comprised of site visit to the plant area, including the labour camps, canteen facility, the access road leading to the site; informal discussions with few of the landowners and local community members; meetings with the management at Corporate Office in Delhi; and review of available project documentation. The site photos are attached as Appendix 1.

1.2 Need for the Project

Fast economic growth of the state of Gujarat has resulted in increase in electricity consumption by the industrial and commercial sectors. With the current available capacity, Gujarat is not in a position to meet its requirement either in energy requirement terms or peak capacity requirement terms. Energy requirements of the Gujarat state has increased from 53693 MU in FY 2001-02 to 70412 MU in FY 2009-10 with an energy shortfall of 3149 MU in FY 2009-10.

The Electricity Act 2003 stipulates minimum percentage of energy to be derived out of renewable energy sources which shall be binding on all states. Also the Gujarat Electricity Regulatory Commission has made it mandatory for distribution licenses in the state to purchase a fixed percentage of their total power procurement through renewable energy sources, both solar and non solar.

1.3 Project Location

The project is located at 23°15'58.8"North altitude and 71°46'42.9" East longitudes. The site is located in Kathada, Ahmedgad and Savda villages in Surendranagar District in the state of Gujarat, India. The surface topography is almost flat. Hence, limited site preparation/leveling activity is needed to make the land flat as per the requirements of solar PV power plant. The entire area is shadow free as there are no shading elements like mountains, large sand dunes, etc on the site. Figure 1 and 2 depicts the map of the region indicating the project location.

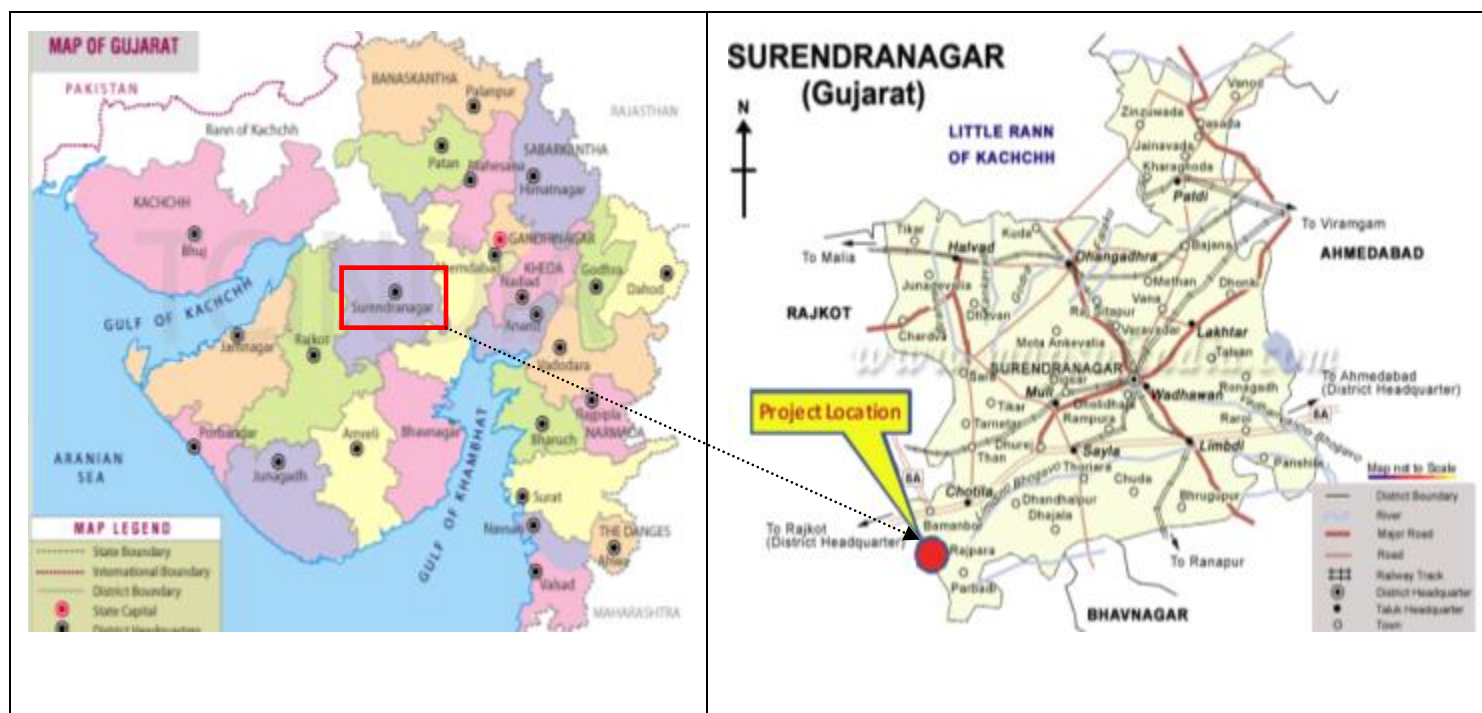


Figure 1: District map of Gujarat and Surendranagar district marking the project location (Source: Detailed Project Report and www.tcindia.com)



Figure 2: Satellite view of Village Zainabad-- Prominent village in the project area (Surendranagar district), Gujarat

1.4 Project Status

An implementation schedule, outlining the sequence of major activities and the time required for engineering, construction, installation and commissioning of the 25MWp solar PV power plant is provided below. The solar plant is scheduled to be commissioned and start exporting power to the grid by end of September 2012.

Table.2:Project implementation schedule

Activity	May'11	Jun'11	Jul'11	Aug'11	Sep'11	Oct'11	Nov'11	Dec'11	Jan'12	Feb'12	Mar'12	Apr'12	May'12	Jun'12	Jul'12	Aug'12	Sep'12
Chattel																	
Land acquisition, demarcation, soil investigation, survey work																	
Construction of boundary wall / fencing, security hut and gate																	
Internal roads & drainage system																	
Foundations for modules																	
Structure design finalization and ordering of modules																	
Structure erection																	
Module erection																	
AC system equipment at site																	
Switchyard erection works																	
Erection of HT panels and other AC systems																	
LT room / inverter shed constructions																	
Inverters & transformers installation																	
Inverter testing and commissioning																	
GETCO line availability																	
Synchronization with grid																	
Commissioning																	

1.5 Objectives and Scope of the Report

This report is prepared to assess the compliance of the 25 MWp solar power project at Chattel with the 2009 ADB Safeguards Policy Statement, Social Analysis in Private Sector Projects, 2009, ADB's Gender and Development Policy, 1998, Social Protection Requirements as per ADB's Social Protection Strategy 2001 and IFC Performance Standards.

The social compliance audit that was conducted on 24 February 2012 at the project site at Chattel, District Surendranagar, Gujarat had the following objectives:

- Identify past or present concerns related to impacts on involuntary resettlement (physical or economic displacement) and ethnic minorities/Indigenous Peoples;
- Determine whether project actions were in accordance with ADB's SR2 and SR3 principles and requirements; and
- Prepare a corrective action plan (CAP) containing necessary remedial actions (if any)

1.6 Methodology

The following activities were undertaken for the purpose of conducting this audit:

- Data collection from secondary sources such as Forest Atlas and published GOIs data from 2001 population census statistics data, as well as from authorities such as Gujarat Department of Social Justice and Empowerment, and other Departments.
- Preparation of checklist for collecting project related information against ADB guidelines
- Review of national and local laws / regulations and procedures relating to land acquisition, employment of labour etc.
- Review of land allocation documents, permits and other relevant available documents
- Site visit to the plant area, labour camps, canteen facility etc.
- Interviews on a sample basis with the following:
 - Employees at the site
 - Contract labour including their family members staying at the labour camps
 - Local community people around the site
 - Land owners

2. Audit Findings – Involuntary Resettlement

2.1 Land requirements for the Project

The total land available for the Project's solar power generation facility is 91.83 Hectares (ha). The land has been acquired from 42 landowners from three villages Kathada, Savda and Ahmedgadh. Out of the total land area, the PV module array has been established in 57.87 ha, while 1.21 ha was required for the balance structures such as the control room and switchyard. The remaining 32.74 ha is an open area including road coverage.

Table.3: Land details

Village	Type of Landuse Prior acquisition	Area in (Hectares)
Kathada	Agriculture	73.67
Savada	Agriculture	13.00
Ahmedgadh	Agriculture	5.16
Total		91.83

2.2 Land acquisition process and compensation

The land acquired for the project site is totally private land and has been purchased on a voluntary basis (willing seller-willing buyer basis) from the land owners. A third party (land arranger) was appointed by the Company for helping in the purchase of land for the project. The land was purchased from forty two (42) land owners in Kathada, Savda and Ahmedgadh. The compensation rate offered and paid to the land owners on an average was INR 51 per square metre of land which was more than the existing Government circle rates of INR 48 to 50 per square metre of land depending upon the time of purchase. The payment of compensation and land registration process was completed during the period from October 2011 to January 2012.

Discussions with land owners on a sample basis during site visit indicated that the land sold for the project was not much productive for them because of the higher salt concentration in the ground water. As per the land owners, the sale of land came as an opportunity to earn income from an otherwise unproductive land. The payment provided against the land purchased has helped these farmers to find alternative land in a more fertile area or start an alternate livelihood. Also, as per the landowners; there were other productive plots that were available with them. Mostly cash crops such as cotton and groundnuts are cultivated in the region.

2.3 Land or Right of Way (ROW) Requirements for Associated Facilities

The solar power plant will be using the following associated facilities: access roads, transmission lines and sub-station. The project will utilize the existing village road; no new roads will be built as part of this project. The power generated from the proposed solar power plant would be evacuated through a 66kV transmission line to an existing sub-station (Patdi) of GETCO, situated about 7.6 km from the project site. As the project is planned under the Solar Power Policy (2009) of the state of Gujarat, and as per the terms of Power Purchase Agreement, it is the responsibility of GETCO to arrange, provide and maintain the power

transmission evacuation facilities upto the 66 kV switchyard of the project. However, in the interest of meeting the commissioning schedule for the project, it was agreed between GETCO and the Company that the Company would manage the construction of transmission lines under the overall supervision and approval of GETCO.

The Construction of the 66 kV approx. 7.6 km transmission line from Chattel to the Patdi GETCO substation will require the setting up of 34 towers. Each tower footing required 75 sq.m of land. The cost of transmission line will be borne by CCPL. For setting up of transmission line towers, 36 landowners have been compensated. A total compensation of around INR 3.5 Million has been paid or approximately INR 0.1 Million per tower footing. The period of payments to landowners and tower erection was December 2011 – April 2012. No further land acquisition or involuntary resettlement issues are expected from the use of the substations which have been in existence for more than 10 years. The construction of transmission is being concluded and expected to be complete by September 2012.

To that effect, the Company has awarded transmission line contract to contractors who are nominated and approved by GETCO. Under these contracts the works have been executed under the supervision of GETCO engineers and in line with GETCO existing policies and frameworks.

Table 4 Information on Associated Facilities

Associated Facilities	Responsible Agency	Existing or New	Type of Land
Access Road	Existing Village Road (State Govt.)	Existing	Agriculture
Transmission Line	Owner : GETCO	New till substation : Expected date of Completion : 20 th September.2012	Private Agriculture & Govt. Waste Land
Substation	Owner: GETCO	Existing	

2.4 Extent of Involuntary Resettlement Impacts

There were no permanent or temporary inhabitants dwelling on the site as confirmed by interviews with the local community/village residents during the site visit. The project site is located far from the coast line and no *banders* or fishing communities were affected. The project also does not require land acquisition of *gauchar* or grazing land or any state-owned wastelands. Given the characteristics of the site as described above, the construction and operation of the power generation site is not expected to have involuntary resettlement impacts.

The project has complied with the national laws and regulations on land acquisition and has incorporated ADB's SPS (2009) as follows:

- Meaningful consultations with affected people in the issues of land acquisition, or loss of livelihood, if any, have been conducted
- Employment opportunities have been provided to few of the project affected people and local villagers during project construction activities

- Established a grievance redressal mechanism to receive and facilitate resolution of the concerns of affected persons. Please refer section 5(i) for details on community grievance redressal mechanism.

2.5 Applicable Regulations governing transfer of land to the Project

The land transfer to the project has been done as per section 55 of the Saurashtra Gharkhed Tenancy Settlement and Agriculture Land Ordinance 1949 (as amended in 1997¹) applicable in Gujarat. Section 55 outlines the provisions for the Sale of land for *bonafide* industrial purpose. The following table shows how the acquisition has complied with the provisions of this ordinance:

Provisions	Status of Compliance
(1) Nothing in section 54 shall prohibit the sale or the agreement for the sale of land for which no permission is required under sub-section (1) of section 65B of the Bombay Land Revenue Code, 1879 in favour of any person for use of such land by such person for a <i>bonafide</i> industrial purpose:	
Provided that – (a) The land is not situated within the urban agglomeration as defined in clause (n) of section 2 of the Urban Land (Ceiling and Regulation) Act, 1976.	Not Applicable (NA)
(b) Where the area of the land proposed to be sold exceeds ten hectares, the person to whom the land is proposed to be sold in pursuance of this sub-section shall obtain previous permission of the Industries Commissioner, Gujarat state or such other officer, as the State Government may, by an order in writing, authorize in this behalf,	Permission has been obtained from the Industries Commissioner for the project. Attached
(c) The area of the land proposed to be sold shall not exceed four times the area on which construction for a <i>bonafide</i> industrial purpose is proposed to be made by the purchaser: Provide that any additional land which may be required for pollution control measures or required under any relevant law for the time being in force and certified as such by the relevant authority under that law shall not be taken into account for the purpose of computing four times the area,	
(d) Where the land proposed to be sold is owned by a person belonging to the Scheduled Tribe, the	No land has been purchased from person belonging to the Scheduled Tribe. . All the

¹ See amendment available from
http://www.revenuedepartment.gujarat.gov.in/revenuefinal/gujarati/pdf/gr03_guj_act_no-06_1997.pdf

Provisions	Status of Compliance
sale shall be subject to the provisions of section 73AA of the Bombay Land Revenue Code, 1879.	landowners from whom land was purchased were from the Hindu community other than Scheduled Tribe
(2) (a) Where the land is sold to a person in pursuance of sub section (1) (here in after referred to as "the purchaser"), he shall within thirty days from the date of the purchase of the land for a <i>bonafide</i> industrial purpose, send a notice of such purchase in such form along with such other particulars as may be prescribed, to the Collector and endorse a copy there of to the Mamlatdar.	The Notice of Collector and endorsement of registered sale deeds are being complied with the completion of land acquisition for the project.
(b) Where the purchaser fails to send the notice and other particulars to the Collector under clause (a) within the period specified therein, he shall be liable to pay, in addition to the non-agricultural assessment leviable under this Ordinance, such fine not exceeding two thousand rupees as the collector may, subject to rules made under this Ordinance, direct.	
(c) Where, on receipt of the notice of the date of purchase for the use of land for a <i>bonafide</i> industrial purpose and other particulars sent by the purchaser under clause (a), the Collector, after making such inquiry as he deems fit –	
(i) is satisfied that the purchaser of such land has validity purchased the land for a <i>bonafide</i> industrial purpose in conformity with the provisions of sub-section (1), he shall issue a certificate to that effect to the purchaser in such form and within such time as may be prescribed,	Certificate will be issued once the process under Section 2A is complete
(ii) is not so satisfied, he shall, after giving the purchaser an opportunity of being heard, refuse to issue such certificate and on such refusal, the sale of the land to the purchaser shall be deemed to be in contravention of Section 54.	

3. Audit Findings: Indigenous Peoples

3.1 Project Context

The total land acquired by CCPL falls within the villages namely Kathada, Savda and Ahmedgadhi in Surendranagar District, Gujarat State. Almost 70% of the villagers belong to the Hindu community. The prominent castes include Darbari, and Bramhins.

Village-Kathada

Kathada is a mid-sized village located in the district of Surendranagar, Gujarat (India). It is located at a distance of around 68 km from its District Main City Surendranagar and 86 km from its State Capital Gandhinagar. As per the records of Census 2001, the village has a population of about 1,766 persons living in around 354 households. Based on the population, it can be noted that Kathada village has a healthy sex ratio. Most of the landowners from whom land was purchased belonged to the Hindu community not belonging to Scheduled Tribes. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	1,766
• Male Population	884
• Female Population	882

Village-Savda

Savda is a mid-sized village located in the district of Surendranagar, Gujarat (India). It is located at a distance of around 58 km from its District Main City Surendranagar and 96 km from its State Capital Gandhinagar. As per the records of Census 2001, the village has a population of about 1,528 people living in around 302 households. Population wise, Savda village has a healthy sex ratio. Land for the project site was purchased from only two landowners community from the village belonging to the Hindu and Muslim community respectively. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	1,528
• Male Population	804
• Female Population	724

Village- Ahmedgadh

Ahmedgadh is one of the smallest Villages in Dasada Taluk in Surendranagar District in Gujarat State. Ahmedgadh is at a distance of 71 km from its District Main City Surendranagar and around 84 km from its State Main City Gandhinagar. As per the records of Census 2001, the village has a population of about 264 persons living in around 51 households. Based on the population, it can be noted that Ahmedgadh village has a healthy sex ratio. All the landowners from whom land was purchased belonged to the Hindu community not belonging to Scheduled Tribes. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	264
• Male Population	147
• Female Population	117

Demographic details of the Surendranagar District as per Census 2001:

Total Population	1,515,148
• Male Population	787,650
• Female Population	727,498
Total Workers	
• Main Workers	512,038
• Marginal Workers	135,571
• Non-Workers	867,539
Literate Population	316172
• Literacy Rate	61.61
• Literate (Male)	487,094
• Literate (Female)	294,061
Number of SC (Largest Three)	
• Mahyavansi etc.	83,092
• Bhambi etc.	51,060
• Bhangi etc.	14,289
Number of ST (Largest Three)	
• Padhar	10,916
• Bhil etc	2,133
• General Tribes	363

The project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the lands where the project's solar power generation facility are being constructed are not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups. The project is

therefore expected to be classified as category C for both involuntary resettlement and IPs.

4. Consultation and Participation

During project construction, the Company held meetings and public consultations with the residents of Kathada, Savda and Ahmedgadh Villages. The Company made a presentation on the proposed project, development prospects, project impacts and measures to mitigate possible negative impacts. The prospects of improving social and economic status of the region as a result of a successful project implementation as well as corporate social responsibility (CSR) activities of the Company were also discussed. The CSR activities proposed by the Company and to be taken up during the operational phase of the project include:

- Solar light for temple
- Assistance for village schools
- Transportation facility
- Women Empowerment Programmes
- Drinking water facility

During the site visit, discussions were undertaken on an informal basis with a group of 7-8 community members from Kathada, Savda and Ahmedgadh villages who confirmed that they were made aware of the project by the Company. They indicated their satisfaction with the project which will bring more jobs to the village and opportunities to set up small businesses for construction and operational workers.

5. Audit Findings: Other Social Considerations

Other social considerations addressed in this review are related to employee engagement, gender relations, provision of facilities for labour force and safety.

a) Employee Engagement

CCPL, has an existing human resources policy and manual covering employee benefits, equal opportunity, non discrimination, grievance mechanism and others that needs to be followed at all site locations. These include procedures for hiring and recruiting, probation, training, performance review, promotion, insurance, salary and compensation, resignation, lay-off and retrenchment, leave and vacation, and superannuation, which follow Indian labour laws. The policies have been displayed at the CCPL site in local language for the awareness of the workers. Most of the construction labourers at site are employed on contractual basis. Worker committees have also been formed at the site location on health and safety, harassment and abuse and grievance handling for consultation with the workers.

The preference of the company is to hire local labour during project construction provided they meet the required selection criteria. It also has a standard clause in the contractor's

agreements, binding the contractor to comply with the local labour laws and covers ILO standard.

b) Labour Influence

Construction phase

During construction activities, there will be a sizeable influx of population and labour colony is being constructed with basic amenities for the labour working on the project. The peak labour population is approximately 650-700 laborers for three months and may have an impact on the social fabric of the area surrounding the project. This will have an effect on social fabric of the area surrounding the project. However, this impact is envisaged to be insignificant due to the following reasons:

- Temporary labour colonies, equipped with basic amenities, have been situated in the areas already acquired for the project.
- The impact is temporary in nature as it is restricted to the construction phase of the project. After construction phase, the areas acquired by labour colonies shall be reverted to the status at the preconstruction phase.

Therefore, conflict of the migrating labour with locals, will not take place during the construction phase.

Operation Phase

No impact on the local life pattern is envisaged due to operational phase of the project.

c) Gender and Development

- Women were also involved during the community consultation process held during the construction phase of the project. However, no issues or concerns were raised by the women participants during the consultation process.
- No adverse impact could be envisaged on women in the nearby villages due to the solar power project. The Company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws. The clause includes the following:
 - Local labour to be hired as much as possible;
 - Ensure labour related regulations are met;
 - In case of outside labour, ensure that their working conditions as well as camps meet local regulations and best practice;
 - Health and safety training of the labour, raising awareness about STDs, HIV and maintaining behavior standards while moving in the community should be a priority
 - Community should be consulted at regular intervals. Any complaints or concerns with respect to labour should be addressed without delay

The project manager ensured compliance jointly with team and contractors during the construction phase of the project.

- The Company has proposed to initiate women empowerment programmes in the nearby villages during the operational phase of the project.
- On an average, 5 %- 7% of female workers out of total workforce are employed during the construction phase of the project.
- The maximum number of female workers employed during the construction phase of the project was around 40. All the female workers were hired on contract basis.
- Separate accommodation facility has been provided to female workers staying with their families at the labour camp.
- Migrant workers who brought their families during the construction phase of the project were provided separate accommodation facility in the labour camp. In order to ensure health and safety of such workers and their families, the company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws.

d) Working Conditions

- Adequate steps have been taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment
- Regular health and safety trainings are provided to workers at site
- Fire mock drills are being conducted to ensure that all workers in the unit are familiar with the site's overall evacuation procedures
- Separate toilet facilities for men and women, and drinking water facility have been provided to workers at site locations

e) Prohibition of child labour

- No instance of child labour or young worker was observed at the time of the site visit
- The company has strict policy in place not to employ anyone below the age of 18 years. These policies and procedures conform to the provisions of the relevant ILO standards. The HR policy for contract workers also restricts the employment of child labour by contractors

f) Payment of wages

- Minimum wages are paid to the workers at site as per the applicable minimum wages in Surendranagar, Gujarat
- All eligible workers have been covered under ESI (Employees State Insurance) & EPF (Employees Provident Fund) schemes

- The workers are paid equal wages for similar kind of work regardless of gender.

g) Freedom of association

- Workers in the Company are free to join or form trade unions of their own choice and bargain collectively as per the Trade Unions Act, 1926. However, the workers were not associated with any trade union during the construction phase of the project. The Company has developed a parallel means for independent and free association and bargaining for the workers by the formation of worker committees including adequate representation from management and workers. Worker committees have been formed to help workers raise concerns they may have with regard to plant working conditions and also increase their involvement in improving the work environment of the plant.
- Three committees formed comprising representation from management and workers were formed include
 - 1) Health & Safety Committee
 - 2) Anti -Sexual Harassment Committee
 - 3) Grievance Handling Committee

h) Working Hours

- Workers are not required to work in excess of 48 hours per week at the site location and are provided with at least one day off for every 7 days period on average. This is in compliance with the national laws on working hours. The laws include:
- Contract Labour (Regulation and Abolition) Act, 1970
- The Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

i) Grievance Management System

Environmental and social grievances were handled in accordance with the project grievance redressal mechanism defined under the HR policy for contractors. The Grievance Redressal Mechanism (GRM) for the project provides an effective approach for complaints and resolution of issues made by the affected community in a reliable way. This mechanism was established prior to construction and will remain active throughout the life cycle of the project. Open and transparent dialogue will be maintained with project affected persons as and when needed, in compliance with ADB safeguard policy requirements.

The major objectives of the Grievance Redressal Mechanism System are to:

- create a platform / process for prevailing proactive Industrial Relations;
- make people accountable for timely redressal of grievances;
- establish a robust process for addressing contract worker grievances;
- create a healthy working atmosphere and drive active engagement at contract worker level;

- have a strategy, supporting long-term business requirements at site;
- prevent minor disagreements developing into more serious disputes later on;
- defend against legal intervention

A Grievance Redressal Committee (GRC) was formed at the project site to ensure affected people's grievances on both environmental and social concerns are adequately addressed and facilitate timely project implementation. The GRC is comprised the following members:

- Project head;
- Liasoning officer – Site In charge/Admin;
- Land seller /Local Community Member

The Company has a robust grievance management system that drives proactive industrial relation (IR) environment, enabling fair opportunity to contract workers to appeal against a grievance through a systematic process.

The process includes the following:

Step 1: Maintenance of Grievance Registers:

Grievance Redressal registers are kept at following locations:

- Register No. 1: Kept in Time Office.
- Register No. 2 onwards: Kept at various locations of the Plant as decided by the local HR Head.

Step 2: Communication of Grievance Redressal Mechanism

- All contract workers informed / communicated to register their Grievances in Grievance Redressal Registers, at the convenient locations.
- These Grievances registered / recorded in the registers studied, analyzed and appropriate solution to query / grievances responded to concerned contract workers by Time Office In-Charge, at least twice a week. The Company shall endeavor to provide resolution to the aggrieved contract worker within 3 days of the grievance registered.

Grievance Redressal Mechanism for Local Community

- The Project Head is responsible for capturing, identifying, maintaining enquiries associated with community grievance in a register, and communicating progress to the concerned community member.
- A Register containing information such as date, time, location and names of villager and grievance; if any. The record will summarize what information was provided to or discussed with the individual land seller or local community member.
- At the Chattel site, there are no grievances related to land acquisition or from local community.

j) Labour Camps

The labour working on site is provided with temporary labour camps, which are close to the site. The labour camp facility is availed by the migrant workers and workers not residing in the nearby villages. Few of the workers are also staying with their family members including children at the camp. Separate shelters have been provided to such families. The labour camps have been provided with basic amenities like drinking water and electricity facility for the workers.

6. Conclusions and Recommendations

6.1 Conclusions

Based on the review of available documentation and information gathered during the site visit, there are no outstanding compensation issues with respect to the acquisition of land for the Project's solar power generation facility. The Project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the land where the Project's solar power generation facility has been constructed is not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups.

The information gathered from the available documents and discussions with relevant CCPL staff and affirmation from the CCPL management regarding their continued harmonious relationship with the communities in the Project area are considered sufficient to support the social compliance audit findings relevant to social safeguards. With respect to ADB's SPS, the Project's categorization on involuntary resettlement and indigenous peoples should be categorized as 'C' respectively, and no corrective action plan will be required.

Other social dimensions, such as recruitment of CCPL employees, local labour engagement through contracts and need based CSR initiatives based on community consultation by CCPL, are found to be satisfactory. The company has existing policies and procedures (e.g., human resource policy, contractual arrangements with contractors) to address potential concerns and issues. During implementation of the Project, the Company is expected to apply the same policies and procedures as those the company maintains, and it will be required to monitor and report to ADB on contractor's engagement of local employees and labours following the relevant clauses on contractor's agreement and the Company's human resources policy.

6.2 Recommendations

The need based CSR initiatives based on community consultations may be initiated during the operation phase. Regular Compliance check on the provision of PPE's to the labourers is important safety concern.

Appendix 1: Photos of the site



Photograph showing the module installation work



Photograph showing the switchyard area



Photograph showing toilet facility for female workers



Photograph showing storage area

Social Safeguards Audit Report

25 MWp Sandland Solar Power Project

August 2012



Prepared by

Sandland Real Estate Private Limited

The company hereby acknowledges that as per the mandate letter signed between company and Ernst & Young (E&Y) on 6th January 2012, E&Y has assisted the company in preparation of the Social Safeguard Audit Report based on data and information provided by the company to E&Y.

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1. Introduction

1.1 Project Description

Sandland Real Estate Pvt Ltd was incorporated on February 25, 2010 to setup a solar PV power project with capacity of 25 MWp at village Alwada and Khimat, District Banaskantha in the state of Gujarat (India). The project is implemented under the Solar Power Policy 2009 of Gujarat. Thin Film PV solar cells shall be used in the project to generate electricity. Sandland Real Estate Pvt Ltd ("the company") has already signed a PPA for 25 years with Gujarat Urja Vikas Nigam Limited (GUVNL) with permission from Government of Gujarat, for sale of power generated from the project.

Table.1: Project details

Sl. No	Particulars	Descriptions
1	Project site	Sandland
2	Village Name	Alwada and Khimat
3	District Name	Banaskantha
4	Name of the state	Gujarat
5	Latitude	24°31'27.1"North
6	Longitude	72°12' 12.27" East
7	Road Accessibility	Road connectivity via Ahmedabad
8	Nearest Airport	Ahmedabad
9	Nearest City	Ahmedabad
10	Land available (Hectares)	79.72
11	Water requirement (LPD)	15,500
12	Annual Global Irradiance (kWh/m ²)	2035
13	Type of PV module	Thin Film
14	Proposed Capacity (MW)	25 MWp
15	Total no of PV modules (Number)	243664
16	Inverter model	Sunny central 800KW Phase 3 CPU
17	Annual electricity supplied to grid (MWh)	45366.600
18	Annual Plant Load factor (%)	20.72
19	Project Cost (Million INR)	3628.4

A social safeguards review was conducted for the Project on 24 February 2012 to check the project's compliance to the ADB 2009 Safeguards Policy Statement (SPS) – Safeguards Requirements (SR) on 2 Involuntary Resettlement and (SR) 3 on Indigenous Peoples. The review comprised of site visit to the plant area, including the labour camps, canteen facility, the access road leading to the site; informal discussions with few of the landowners and local community members; meetings with the management at Corporate Office in Delhi; and review of available project documentation. The site photos are attached as Attachment1.

1.2 Need for the Project

Fast economic growth of the state of Gujarat has resulted in increase in electricity consumption by the industrial and commercial sectors. With the current available capacity, Gujarat is not in a position to meet its requirement either in energy requirement terms or peak capacity requirement terms. Energy requirements of the Gujarat state has increased from 53693 MU in FY 2001-02 to 70412 MU in FY 2009-10 with an energy shortfall of 3149 MU in FY 2009-10.

The Electricity Act 2003 stipulates minimum percentage of energy to be derived out of renewable energy sources which shall be binding on all states. Also the Gujarat Electricity Regulatory Commission has made it mandatory for distribution licenses in the state to purchase a fixed percentage of their total power procurement through renewable energy sources, both solar and non solar.

1.3 Project Location

The project is located at 24°31'27.1"North altitude and 72°12' 12.27" East longitudes. The site is located in Alwada and Khimat in Banaskantha district of the state of Gujarat, India. The surface topography is almost flat. Hence, limited site preparation/ leveling activity is needed to make the land flat as per the requirements of solar PV power plant. The entire area is shadow free as there are no shading elements like mountains, large sand dunes, etc. on the site. Figure 1 and 2 depicts the map of the region indicating the project location.

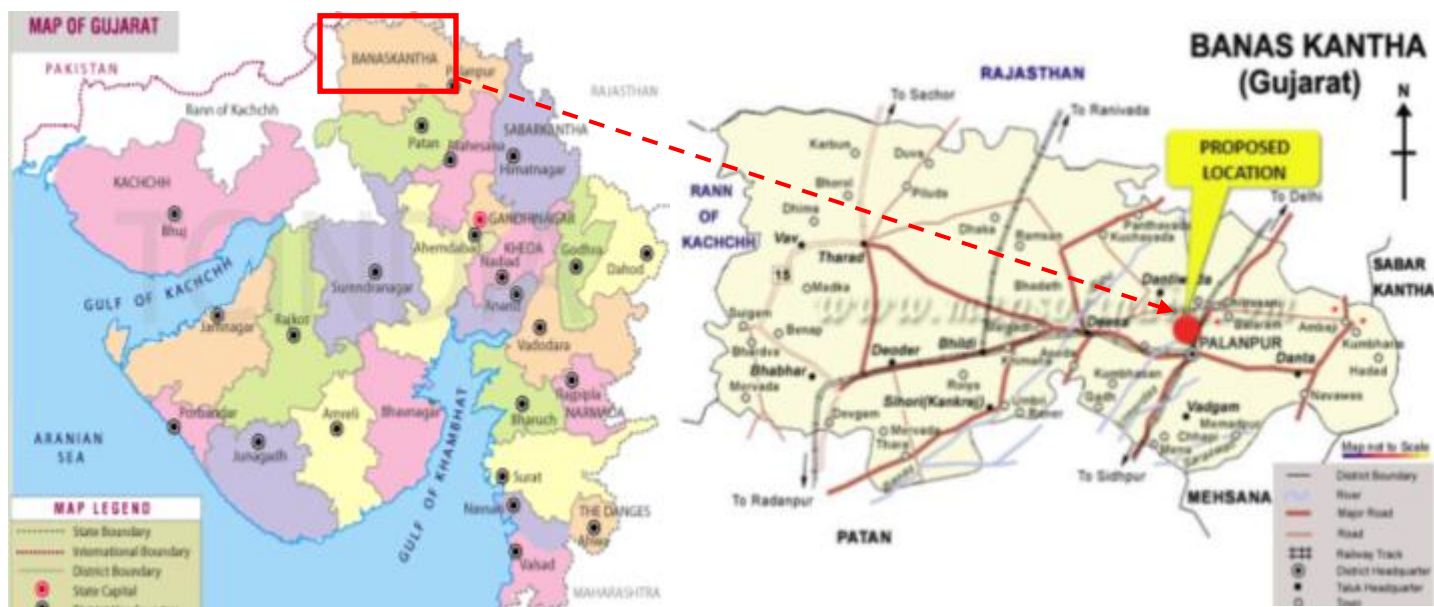


Figure 1: District map of Gujarat and Banaskantha district marking the project location (Source: Detailed Project Report and www.tcindia.com)

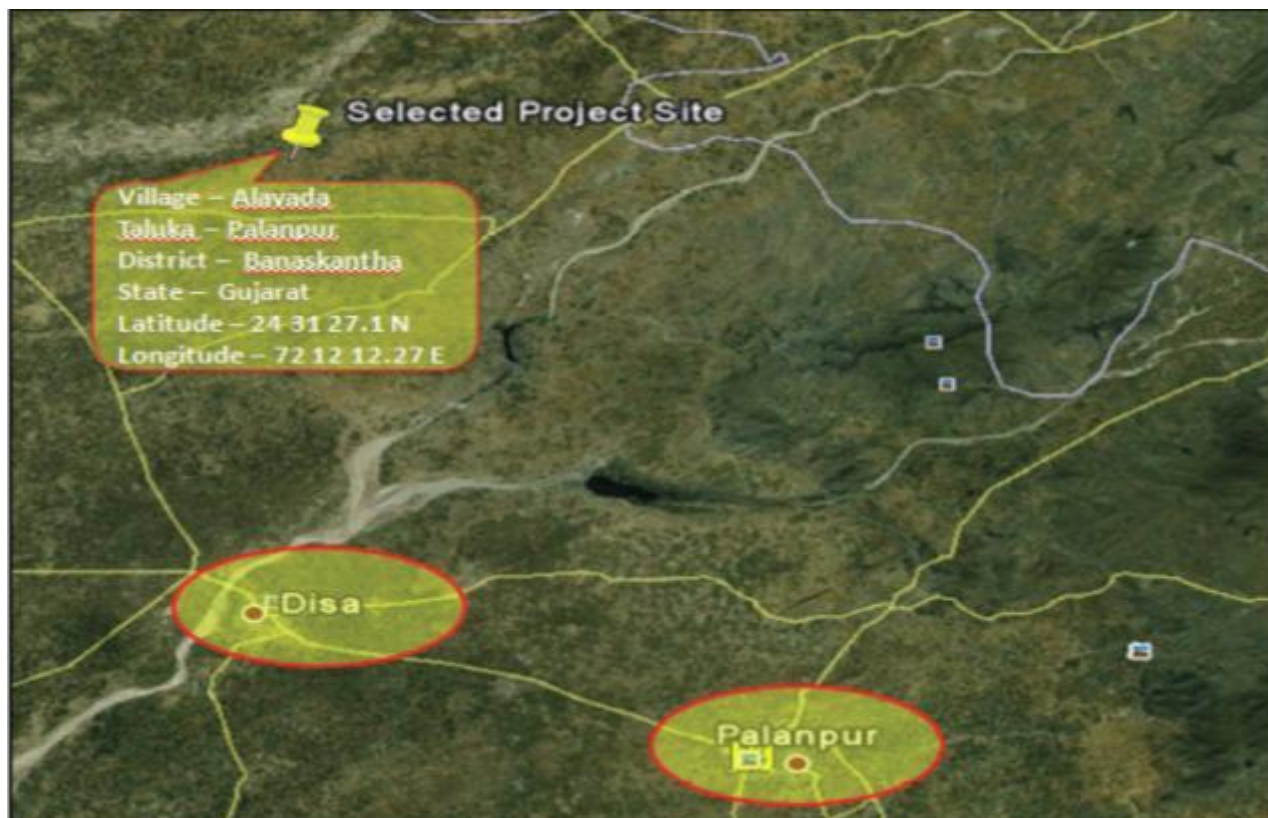


Figure 2: Satellite view of Village Alwada (Banaskantha) , Gujarat (Source: Detailed Project Report)

1.4 Project Implementation Schedule:

An implementation schedule, outlining the sequence of major activities and the time required for engineering, construction, installation and commissioning of the 25MWp solar PV power plant is provided below. The project was commissioned on 01 April 2012.

Table.2: Implementation schedule

Activity	July'11	Aug'11	Sep'11	Oct'11'	Nov '11	Dec'11	Jan'12	Feb12	March'12
Sandland									
Foundations									
Module Availability at site									
Structure Availability									
Structures and Module Erection									
Inverters Shipment									
Inverters at Site									
Inverters Erection									
TL availability									
Testing and commissioning									
Erection by Areva									
Date of Commissioning (1 April 2012)*									

* However, 18 MW solar power plant was ready for commissioning but for transmission line on 27 January, 12

1.5 Objectives and Scope of the Report

This report is prepared to assess the compliance of the 25 MWp solar power project at Sandland with the 2009 ADB Safeguards Policy Statement, Social Analysis in Private Sector Projects, 2009, ADB's Gender and Development Policy, 1998, Social Protection Requirements as per ADB's Social Protection Strategy 2001 and IFC Performance Standards.

The social compliance audit that was conducted on 25 February 2012 at the project site at Sandland, District Banaskantha, Gujarat had the following objectives:

- Identify past or present concerns related to impacts on involuntary resettlement(physical or economic displacement) and ethnic minorities/Indigenous Peoples;
- Determine whether project actions were in accordance with ADB's SR2 and SR3 principles and requirements; and
- Prepare a corrective action plan (CAP) containing necessary remedial actions (if any)

1.6 Methodology

The following activities were undertaken for the purpose of conducting this audit:

- Data collection from secondary sources such as Forest Atlas and published GOIs data from 2001 population census statistics data, as well as from authorities such as Gujarat Department of Social Justice and Empowerment, and other Departments.
- Preparation of checklist for collecting project related information against ADB guidelines
- Review of national and local laws / regulations and procedures relating to land acquisition, employment of labour etc.
- Review of land allocation documents, permits and other relevant available documents
- Site visit to the plant area, labour camps, canteen facility etc.
- Interviews on a sample basis with the following:
 - Employees at the site
 - Contract labour including their family members staying at the labour camps
 - Local community people around the site
 - Land owners

2. Audit Findings – Involuntary Resettlement

2.1 Land requirements for the Project

The total land required for the Project's solar power generation facility is 84.58 Hectares (ha). The land has been acquired from two villages namely Alwada and Khimat from 52 major landowners. Out of the total land area, the PV module array has been established in 62.32 ha, while 0.81ha was required for the balance structures such as the control room and switchyard. The remaining 21.45ha is an open area including road coverage.

Table.3: Land details

Village	Type of Landuse Prior acquisition	Area in (Hectares)
Alwada	Agriculture	52.06
Khimat	Agriculture	32.52
Total		84.58

2.2 Land acquisition process and compensation

The land acquired for the project site is totally private land and has been purchased on a voluntary basis (willing seller-willing buyer basis) from the land owners. A third party (land arranger) was appointed by the Company for helping in the purchase of land for the project. The land was purchased from fifty two (52) major land owners in Awada and Khimat. The compensation rate offered and paid to the land owners on an average was INR 197 per square metre of land which was more than the existing Government circle rates of INR 65 to 75 per square metre of land depending upon the time of purchase. The payment of compensation and land registration process was completed during the period from May 2011- January 2012.

Discussions with land owners on a sample basis during site visit indicated that the land sold for the project was not much productive for them because of the higher salt concentration in the soil. As per the land owners, the sale of land came as an opportunity to earn income from an otherwise unproductive land. The payment provided against the land purchased has helped these farmers to find alternative land in a more fertile area or start an alternate livelihood. Mostly cash crops such as cotton are cultivated in the region.

2.3 Land or Right of Way (ROW) Requirements for Associated Facilities

The solar power plant will be using the following associated facilities: access roads, transmission lines and sub-station. The project will utilize the existing public roads; no new roads will be built as part of this project. As per the power purchase agreement (PPA) signed with GUVNL, the power evacuation is at 66kV connecting to GETCO State Transmission Utility (STU) system. The power generated from the solar power plant is evacuated through a 66kV transmission line (approximately 2.5 km in length) to Khimat Sub-Station of GETCO. As the project is planned under the Solar Power Policy (2009) of the state of Gujarat, and as per the terms of Power Purchase Agreement, it is the responsibility of GETCO to arrange, provide and

maintain the power transmission evacuation facilities upto the 66 kV switchyard of the project. However, in the interest of meeting the commissioning schedule for the project, it was agreed between GETCO and the Company that the Company would manage the construction of transmission lines under the overall supervision and approval of GETCO. GETCO will reimburse the transmission line expenses to SPVs on the basis of GETCO SOR (schedule of rates) while the supply of towers, overhead conductors and other items issued as free issue items for such works.

The Construction of the 66kV 2.5km Transmission Line from Project site to Sub-Station of GETCO at Khimat to be reimbursed by GETCO which required the setting up of 13 towers. Each tower footing required 75sq.m. of land. For setting up of transmission towers, 17 landowners have been compensated. A total compensation of around INR 1.7 million has been paid or approximately INR 0.13mn per tower footing. The period of payments to landowners and tower erection was in December 2011 to February-March 2012. No further land acquisition or involuntary resettlement issues are expected from the use of the substations which have been in existence for more than 10 years. The transmission line was completed on 20th March 2012.

The Company has awarded transmission line contract to contractors who are nominated and approved by GETCO. Under these contracts the works have been executed under the supervision of GETCO engineers and in line with GETCO existing policies and frameworks.

Table 4 Information on Associated Facilities

Associated Facilities	Responsible Agency	Existing or New	Type of Land
Access Road	Existing Village Road (State Govt.)	Existing	Agriculture
Transmission Line	Owner : GETCO	New till substation. Date of Completion : 20 th March 2012	Private Agriculture and Govt. Land
Substation	Owner : GETCO	Existing	

2.4 Extent of Involuntary Resettlement Impacts

There were no permanent or temporary inhabitants dwelling on the site as confirmed by interviews with the local community/village residents during the site visit. The project site is located far from the coast line and no *banders* or fishing communities were affected. The project also does not require land acquisition of *gauchar* or grazing land or any state-owned wastelands. Given the characteristics of the site as described above, the construction and operation of the power generation site is not expected to have involuntary resettlement impacts.

The project has complied with the national laws and regulations on land acquisition and has incorporated ADB's SPS (2009) as follows:

- Meaningful consultations with affected people in the issues of land acquisition, or loss of livelihood, if any, have been conducted
- Employment opportunities have been provided to few of the project affected people and local villagers during project construction activities

- Established a grievance redressal mechanism to receive and facilitate resolution of the concerns of affected persons. Please refer section 5(i) for details on community grievance redressal mechanism.

2.5 Applicable Regulations governing transfer of land to the Project

The land transfer to the project has been done as per section 55 of the Saurashtra Gharkhed Tenancy Settlement and Agriculture Land Ordinance 1949 (as amended in 1997¹) applicable in Gujarat. Section 55 outlines the provisions for the Sale of land for *bonafide* industrial purpose. The following table shows how the acquisition has complied with the provisions of this ordinance:

Provisions	Status of Compliance
(1) Nothing in section 54 shall prohibit the sale or the agreement for the sale of land for which no permission is required under sub-section (1) of section 65B of the Bombay Land Revenue Code, 1879 in favour of any person for use of such land by such person for a <i>bonafide</i> industrial purpose:	
Provided that – (a) The land is not situated within the urban agglomeration as defined in clause (n) of section 2 of the Urban Land (Ceiling and Regulation) Act, 1976.	Not Applicable (NA)
(b) Where the area of the land proposed to be sold exceeds ten hectares, the person to whom the land is proposed to be sold in pursuance of this sub-section shall obtain previous permission of the Industries Commissioner, Gujarat state or such other officer, as the State Government may, by an order in writing, authorize in this behalf,	Permission has been obtained from the Industries Commissioner for the project
(c) The area of the land proposed to be sold shall not exceed four times the area on which construction for a <i>bonafide</i> industrial purpose is proposed to be made by the purchaser: Provide that any additional land which may be required for pollution control measures or required under any relevant law for the time being in force and certified as such by the relevant authority under that law shall not be taken into account for the purpose of computing four times the area,	
(d) Where the land proposed to be sold is owned by a person belonging to the Scheduled Tribe, the sale shall be subject to the provisions of section 73AA of the Bombay Land Revenue Code, 1879.	No land has been purchased from person belonging to the Scheduled Tribe. . All the landowners from whom land was purchased were from the Hindu community other than Scheduled Tribe
(2) (a) Where the land is sold to a person in pursuance of sub section (1) (here in after referred to as “the purchaser”), he shall within thirty days from the date of the purchase of the land for a <i>bonafide</i> industrial purpose, send a notice of such purchase in such form along with such other particulars as may be prescribed, to the Collector and endorse a copy there of to the Mamlatdar.	The Notice of Collector and endorsement of registered sale deeds are being complied with the completion of land acquisition for the project.

¹ See amendment available from
http://www.revenue department.gujarat.gov.in/revenuefinal/gujarati/pdf/gr03_guj_act_no-06_1997.pdf

Provisions	Status of Compliance
(b) Where the purchaser fails to send the notice and other particulars to the Collector under clause (a) within the period specified therein, he shall be liable to pay, in addition to the non-agricultural assessment leviable under this Ordinance, such fine not exceeding two thousand rupees as the collector may, subject to rules made under this Ordinance, direct.	
(c) Where, on receipt of the notice of the date of purchase for the use of land for a <i>bonafide</i> industrial purpose and other particulars sent by the purchaser under clause (a), the Collector, after making such inquiry as he deems fit –	
(i) is satisfied that the purchaser of such land has validity purchased the land for a <i>bonafide</i> industrial purpose in conformity with the provisions of sub-section (1), he shall issue a certificate to that effect to the purchaser in such form and within such time as may be prescribed,	Certificate will be issued once the process under Section 2A is complete
(ii) is not so satisfied, he shall, after giving the purchaser an opportunity of being heard, refuse to issue such certificate and on such refusal, the sale of the land to the purchaser shall be deemed to be in contravention of Section 54.	

3. Audit Findings: Indigenous Peoples

3.1 Project Context

The total land acquired by SREPL falls within the villages namely Alwada and Khimat in Banaskantha District, Gujarat State. The villagers belong to the Hindu community. The prominent castes include Kshatriyas, Vaishya, Krushak, and Brahmins.

All the landowners from whom land was purchased belonged to the Hindu community.

Village-Alwada

Alwada is mid-sized village located in the district of Banaskantha, Gujarat (India). Alwada is located at a distance of 31 km from its district Banaskantha and 157 km from its State Capital Gandhinagar. Based on the population, it is found that Alwada village has a healthy sex ratio. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	3,528
• Male Population	1,828
• Female Population	1,700

Village-Khimat

Khimat is a populated village in Dhanera Taluk, BanasKantha District, Gujarat State. Khimat is 16.8 km far from its Taluk Main Town Dhanera and around 25 km distance from its District Main City BanasKantha. It is located 148 km distance from its State Main City Gandhinagar. As per the records of Census 2001, the village has a population of about 6959 persons living in around 1183 households. Population wise, the village has a healthy sex ratio. Majority of the village population consists of the Hindu community. The Hindu castes in the village include Nagar Brahman, Darbari etc. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	6,959
• Male Population	3,684
• Female Population	3,275

Demographic details of the Banaskantha District as per Census 2001:

Total Population	2504,244
• Male Population	1,297,404
• Female Population	1,206,840
Total Workers	
• Main Workers	830,579
• Marginal Workers	261,622
• Non-Workers	1,412,043
Literate Population	1,037,619
• Literacy Rate	50.97
• Literate (Male)	699,080
• Literate (Female)	338,539
Number of SC (Largest Three)	
• Bhambi etc.	158,332
• Bhangi etc.	39,435
• Mahyavansi	33,884
Number of ST (Largest Three)	
• Bhil etc.	203,077
• Generic Tribes etc.	1,830
• Padhar	185

The project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the lands where the project's solar power generation facility are being constructed are not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups. The project is therefore expected to be classified as category C for both involuntary resettlement and IPs.

4. Consultation and Participation

During project construction, the Company held meetings and public consultations with the residents of Alwada and Khimat villages. The Company made a presentation on the proposed project, development prospects, project impacts and measures to mitigate possible negative impacts. The prospects of improving social and economic status of the region as a result of a successful project implementation as well as corporate social responsibility(CSR) activities of the Company were also discussed. The CSR activities proposed by the Company and to be taken up during the operational phase of the project include:

- Upgradation of village drainage system.
- Supply of teaching aids, books, and uniforms to schools.
- Maintenance of village street lighting
- Women Empowerment Programmes

Photos of the consultation conducted are shown below:





Figure: Stakeholder consultation held on 21 December 2011.

During the site visit, discussions were undertaken on an informal basis with a group of 7-8 community members from Alwada and Khimat villages who confirmed that they were made aware of the project by the Company. They indicated their satisfaction with the project which will bring more jobs to the village and opportunities to set up small businesses for construction and operational workers.

5. Audit Findings: Other Social Considerations

Other social considerations addressed in this review are related to employee engagement, gender relations, provision of facilities for labour force and safety.

a) Employee Engagement

SREPL has an existing human resources policy and manual covering employee benefits, equal opportunity, non discrimination, grievance mechanism and others that needs to be followed at all site locations. These include procedures for hiring and recruiting, probation, training, performance review, promotion, insurance, salary and compensation, resignation, lay-off and retrenchment, leave and vacation, and superannuation, which follow Indian labour laws. The policies have been displayed at the SREPL site in local language for the awareness of the workers. Most of the construction labourers at site are employed on contractual basis. Worker committees have also been formed at the site location on health and safety, harassment and abuse and grievance handling for consultation with the workers.

The preference of the Company is to hire local labour during project construction provided they meet the required selection criteria. It also has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws and covers ILO standard.

b) Labour Influence

Construction phase

During construction activities, there has been a sizeable influx of population and labour colony is being constructed with basic amenities for the labour working on the project. The peak labour population is approximately 650-700 labourers for three months and may have an impact on the social fabric of the area surrounding the project. However, this impact is envisaged to be insignificant due to the following reasons:

- Temporary labour colonies, equipped with basic amenities, have been situated in the areas already acquired for the project.
- The impact is temporary in nature as it is restricted to the construction phase of the project. After construction phase, the areas acquired by labour colonies shall be reverted to the status at the preconstruction phase.

Therefore, conflict of the migrating labour with locals, will not take place during the construction phase.

Operation Phase

No impact on the local life pattern is envisaged due to operational phase of the project.

c) Gender and Development

- No women participated in the stakeholder consultations undertaken with the villagers near the project site.
- However, no adverse impact could be envisaged on women in the nearby villages due to the solar power project. The Company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws. The clause includes the following:
 - ▶ Local labour to be hired as much as possible;
 - ▶ Ensure labour related regulations are met;
 - ▶ In case of outside labour, ensure that their working conditions as well as camps meet local regulations and best practice;
 - ▶ Health and safety training of the labour, raising awareness about STDs, HIV and maintaining behavior standards while moving in the community should be a priority
 - ▶ Community should be consulted at regular intervals. Any complaints or concerns with respect to labour should be addressed without delay

The project manager ensured compliance jointly with team and contractors during the construction phase of the project.

- The Company has proposed to initiate women empowerment programmes in the nearby villages during the operational phase of the project. However no such initiative has been under taken till now.
- On an average, 5 % of female workers were employed during the construction phase of the project.
- Seven contractual workers are currently employed during the operation phase. Female workers are not employed during the operational phase of the project, as the activity of cleaning the solar panels is carried out during night time only and for security reasons, male workers are employed. Further, as the project site is located at remote location, female workers are not employed for safety reasons. However, during day time, few female workers are employed for housekeeping in the project office and cutting grass in the fields. Currently, 2 female workers are employed for such activities.
- The maximum number of female workers employed during the construction phase of the project was around 40. All the female workers were hired on contract basis.
- Separate accommodation facility has been provided to female workers staying with their families at the labour camp.
- Migrant workers who brought their families during the construction phase of the project were provided separate accommodation facility in the labour camp. In order to ensure health and safety of such workers and their families, the company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws.

d) Working Conditions

- Adequate steps have been taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment
- Regular health and safety trainings are provided to workers at site
- Fire mock drills are being conducted to ensure that all workers in the unit are familiar with the site's overall evacuation procedures
- Separate mobile toilet facilities for men and women, and drinking water facility have been provided to workers at site locations

e) Prohibition of child labour

- No instance of child labour or young worker was observed at the time of the site visit
- The company has strict policy in place not to employ anyone below the age of 18 years. These policies and procedures conform to the provisions of the relevant ILO standards. The HR policy for contract workers also restricts the employment of child labour by contractors

f) Payment of wages

- Minimum wages are paid to the workers at site as per the applicable minimum wages in Banaskantha, Gujarat
- All eligible workers have been covered under ESI (Employees State Insurance) & EPF (Employees Provident Fund) schemes
- The workers are paid equal wages for similar kind of work regardless of gender.

g) Freedom of association

- Workers in the Company are free to join or form trade unions of their own choice and bargain collectively as per the Trade Unions Act, 1926. However, the workers were not associated with any trade union during the construction phase of the project. The Company has developed a parallel means for independent and free association and bargaining for the workers by the formation of worker committees including adequate representation from management and workers. Worker committees have been formed to help workers raise concerns they may have with regard to plant working conditions and also increase their involvement in improving the work environment of the plant.
- Three committees comprising representation from management and workers were formed include
 - 1) Health & Safety Committee
 - 2) Anti -Sexual Harassment Committee
 - 3) Grievance Handling Committee

h) Working Hours

- Workers are not required to work in excess of 48 hours per week at the site location and are provided with at least one day off for every 7 days period on average. This is in compliance with the national laws on working hours. The laws include:
- Contract Labour (Regulation and Abolition) Act, 1970
- The Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

i) Grievance Management System

Environmental and social grievances were handled in accordance with the project grievance redressal mechanism defined under the HR policy for contractors. The Grievance Redressal Mechanism (GRM) for the project provides an effective approach for complaints and resolution of issues made by the affected community in a reliable way. This mechanism was established prior to construction and will remain active throughout the life cycle of the project. Open and transparent dialogue will be maintained with project affected persons as and when needed, in compliance with ADB safeguard policy requirements.

The major objectives of the Grievance Redressal Mechanism System are to:

- create a platform / process for prevailing proactive Industrial Relations;
- make people accountable for timely redressal of grievances;
- establish a robust process for addressing contract worker grievances;
- create a healthy working atmosphere and drive active engagement at contract worker level;
- have a strategy, supporting long-term business requirements at site;
- prevent minor disagreements developing into more serious disputes later on;
- defend against legal intervention

A Grievance Redressal Committee (GRC) was formed at the project site to ensure affected people's grievances on both environmental and social concerns are adequately addressed and facilitate timely project implementation. The GRC is comprised the following members:

- Project head;
- Liasoning officer – Site In charge/Admin;
- Land seller/Local Community Member

The Company has a robust grievance management system that drives proactive industrial relation (IR) environment, enabling fair opportunity to contract workers to appeal against a grievance through a systematic process.

The process includes the following:

Step 1: Maintenance of Grievance Registers:

Grievance Redressal registers are kept at following locations:

- Register No. 1: Kept in Time Office.
- Register No. 2 onwards: Kept at various locations of the Plant as decided by the local HR Head.

Step 2: Communication of Grievance Redressal Mechanism

- All contract workers informed / communicated to register their Grievances in Grievance Redressal Registers, at the convenient locations.
- These Grievances registered/recorded in the registers studied, analyzed and appropriate solution to query/grievances responded to concerned contract workers by Time Office In-Charge, at least twice a week. The Company shall endeavor to provide resolution to the aggrieved contract worker within 3 days of the grievance registered.

Grievance Redressal Mechanism for Local Community

- The Project Head is responsible for capturing, identifying, maintaining enquiries associated with community grievance in a register, and communicating progress to the concerned community member.

- A Register containing information such as date, time, location and names of villager and grievance; if any. The record will summarize what information was provided to or discussed with the individual land seller or local community member.

At the Sandland site, the only request from local community was for the renovation of village temple which was addressed by the Sandland SPV. There were no grievances related to land acquisition.

j) Labour Camps

The labour working on site is provided with temporary labour camps, which are close to the site. The labour camp facility is availed by the migrant workers and workers not residing in the nearby villages. Few of the workers are also staying with their family members including children at the camp. Separate shelters have been provided to such families. The labour camps have been provided with basic amenities like drinking water and electricity facility for the workers.

6. Conclusions and Recommendations

6.1 Conclusions

Based on the review of available documentation and information gathered during the site visit, there are no outstanding compensation issues with respect to the acquisition of land for the Project's solar power generation facility. The Project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the land where the Project's solar power generation facility has been constructed is not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups.

The information gathered from the available documents and discussions with relevant SREPL staff and affirmation from the SREPL management regarding their continued harmonious relationship with the communities in the Project area are considered sufficient to support the social compliance audit findings relevant to social safeguards. With respect to ADB's SPS, the Project's categorization on involuntary resettlement and indigenous peoples should be categorized as 'C' respectively, and no corrective action plan will be required.

Other social dimensions, such as recruitment of SREPL employees, local labour engagement through contracts and need based CSR initiatives based on community consultation by SREPL, are found to be satisfactory. The company has existing policies and procedures (e.g., human resource policy, contractual arrangements with contractors) to address potential concerns and issues. During implementation of the Project, the Company is expected to apply the same policies and procedures as those the company maintains, and it will be required to monitor and report to ADB on contractor's engagement of local employees and labours following the relevant clauses on contractor's agreement and the Company's human resources policy.

6.2 Recommendations

The need based CSR initiatives based on community consultations may be initiated during the operation phase. Regular Compliance check on the provision of PPE's to the labourers is important safety concern.

Appendix 1. Photos of the site



Photograph showing solar panels at site



Photograph showing switchyard



Photograph showing control room at site

Social Safeguards Audit Report

25 MWp Ganges Solar Power Project

August 2012



Prepared by

Ganges Green Energy Private Limited

The company hereby acknowledges that as per the mandate letter signed between company and Ernst & Young (E&Y) on 6th January 2012, E&Y has assisted the company in preparation of the Social Safeguard Audit Report based on data and information provided by the company to E&Y.

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1. Introduction

1.1 Project Description

Ganges Green Energy Private Limited (GGEPL) was incorporated on 31 October 2007 to set up a solar PV power project with capacity of 25 MWp at villages Dhank and Mervadar, District-Rajkot in the state of Gujarat (India). The project is implemented under the Solar Power Policy 2009 of Gujarat. Crystalline Silicon PV solar cells shall be used in the project to generate electricity. GGEPL (the 'Company') has already signed a Power Purchase Agreement (PPA) for 25 years with Gujarat Urja Vikas Nigam Limited (GUVNL) with permission from Government of Gujarat, for sale of the power generated from the project.

Table.1: Project details

Sl. No	Particulars	Descriptions
1	Project site	Ganges
2	Villages Name	Dhank & Mervadar
3	District Name	Rajkot
4	Name of the state	Gujarat
5	Latitude	21° 43' 56" (North)
6	Longitude	70° 6' 6.7" (East)
7	Road Accessibility	The site is well connected with Upleta via MDR road
8	Nearest Airport	Rajkot
9	Nearest City	Upleta
10	Land available (Hectares)	78.02
11	Water requirement (LPD)	15,500
12	Annual Global Irradiance (kWh/m ²)	2060
13	Type of PV modules	Thin Film and crystalline silicon
14	Proposed Capacity (MW)	25 MWp
15	Capacities of modules proposed (MWp)	a) First Solar (5 MW) b) DA (5 MW) c) MBSL (5MW) d) Hanwha (10 MW)
16	Total no of PV modules (Number)	153072
17	Inverter model	Sunny central 800KW 3 Phase PCU
18	Annual electricity supplied to grid (MWh)	45480
19	Plant Load factor (%) -First year	20.77
20	Project Cost (Million INR)	3304.35

A social safeguards review was conducted for the Project on 23 February 2012 to check the project's compliance to the ADB 2009 Safeguards Policy Statement (SPS) – Safeguards Requirements (SR) on 2 Involuntary Resettlement and (SR) 3 on Indigenous Peoples. The review comprised of site visit to the plant area, including the labour camps, canteen facility, the

access road leading to the site; informal discussions with few of the landowners and local community members; meetings with the management at Corporate Office in Delhi; and review of available project documentation. The site photos are attached as Appendix 1.

1.2 Need for the Project

Fast economic growth of the state of Gujarat has resulted in increase in electricity consumption by the industrial and commercial sectors. With the current available capacity, Gujarat is not in a position to meet its requirement either in energy requirement terms or peak capacity requirement terms. Energy requirements of the Gujarat state has increased from 53693 MU in FY 2001-02 to 70412 MU in FY 2009-10 with an energy shortfall of 3149 MU in FY 2009-10.

The Electricity Act 2003 stipulates minimum percentage of energy to be derived out of renewable energy sources which shall be binding on all states. Also the Gujarat Electricity Regulatory Commission has made it mandatory for distribution licenses in the state to purchase a fixed percentage of their total power procurement through renewable energy sources, both solar and non solar.

1.3 Project Location

The project is located at Latitude 21° 43' 56" (North) and Longitude 70° 6' 6.7" (East). The site is located in villages Dhank and Mervadar, District Rajkot in the state of Gujarat, India. The elevation of the proposed location is around 40 meters (m) and there is no significant difference in the land levelling across the area. Overall the area is flat with gentle slope. Figure 1 and 2 depicts the map of the region



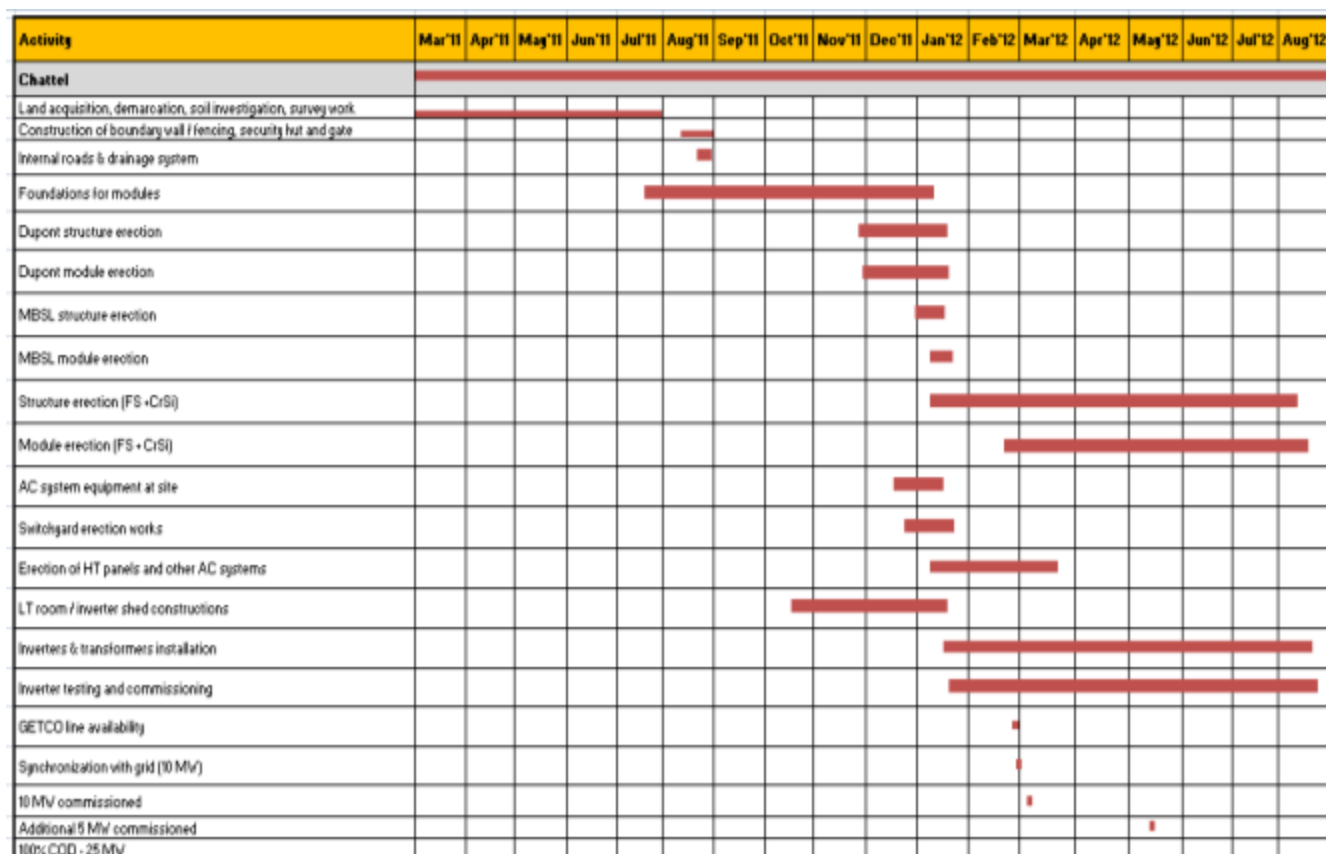
Figure 1: District map of State Gujarat and Rajkot district marking the project location
(Source: Detailed Project Report and www.tcindia.com)



Figure 2: Satellite view of Village Dhank and Mervadar (Rajkot), Gujarat (Source: Detailed Project Report)

1.4 Project Implementation Schedule:

An implementation schedule, outlining the sequence of major activities and the time required for engineering, construction, installation and commissioning of the 25MWp solar PV power plant is provided below. 10 MWp was commissioned on 3 March 2012, while an additional 5 MWp was commissioned on 12 May 2012. The plant is expected to be 100% operational by end of August 2012.



1.5 Objectives and Scope of the Report

This report is prepared to assess the compliance of the Project with the 2009 ADB Safeguards Policy Statement, Social Analysis in Private Sector Projects, 2009, ADB's Gender and Development Policy, 1998, Social Protection Requirements as per ADB's Social Protection Strategy 2001 and IFC Performance Standards.

The social compliance audit that was conducted on 25 February 2012 at the project site at Ganges, District Rajkot, Gujarat had the following objectives:

- Identify past or present concerns related to impacts on involuntary resettlement (physical or economic displacement) and ethnic minorities/Indigenous Peoples;
- Determine whether project actions were in accordance with ADB's SR2 and SR3 principles and requirements; and
- Prepare a corrective action plan (CAP) containing necessary remedial actions (if any)

1.6 Methodology

The following activities were undertaken for the purpose of conducting this audit:

- Data collection from secondary sources such as Forest Atlas and published GOIs data from 2001 population census statistics data, as well as from authorities such as Gujarat Department of Social Justice and Empowerment, and other Departments.

- Preparation of checklist for collecting project related information against ADB guidelines
- Review of national and local laws / regulations and procedures relating to land acquisition, employment of labour etc.
- Review of land allocation documents, permits and other relevant available documents
- Site visit to the plant area, labour camps, canteen facility etc.
- Interviews on a sample basis with the following:
 - Employees at the site
 - Contract labour including their family members staying at the labour camps
 - Local community people around the site
 - Land owners

2. Audit Findings – Involuntary Resettlement

2.1 Land requirements for the Project

The total land required for the Project's solar power generation facility is 78.02 Hectares (ha). The land has been acquired from 'Adani Enterprises Limited'. The acquired portions of land are in villages Dhank and Mervadar. Out of the total land area, the PV module array has been established in 64.67 ha, while 1.21 ha was required for the balance structures such as the control room and switchyard. The remaining 12.14 ha is an open area including road coverage. The said land has been acquired by GGEPL through various sale deeds executed with the erstwhile owners after the conversion of the said land into non-agricultural land.

Table 3: Land details

Village	Type of Landuse Prior acquisition	Area in (Hectares)
Mervadar	Non- Agriculture	56.99
Dhank	Non-Agriculture	21.03
Total		78.02

2.2 Land acquisition process

The land acquired for the project site is totally private land and has been purchased from Adani Enterprises limited. The company paid INR 173 per sq.m to Adani Enterprises for the project land. The land by Adani Enterprises was purchased in year 1996 and during discussion for land acquisition with the management of Adani Enterprises, the company didn't encounter any grievances from local community.

2.3 Land or Right of Way (ROW) Requirements for Associated Facilities

The solar power plant will be using the following associated facilities: access roads, transmission lines and sub-station. The project is located adjacent to the NH 8 highway road connecting to Upleta city, so no new roads would be required as a part of this project. The company plans to construct a 6 m wide road inside the plant for heavy vehicle movement and around 3 m wide road along the boundary wall for the movement of light vehicle.

The power generated is pumped in 66kv transmission line which is less than 1 km long and the project is grid connected to Meharvadar substation in Dhak district. As the project is planned under the Solar Power Policy (2009) of the state of Gujarat, and as per the terms of Power Purchase Agreement, it is the responsibility of GETCO to arrange, provide and maintain the power transmission evacuation facilities upto the 66 KV switchyard of the project. However, in the interest of meeting the commissioning schedule for the project, it was agreed between GETCO and the Company that the Company would manage the construction of transmission lines under the overall supervision and approval of GETCO. GETCO will reimburse the transmission line expenses to SPVs on the basis of GETCO SOR (schedule of rates) while the supply of towers, overhead conductors and other items issued as free issue items for such works.

Construction of the 66kV approximately 1 km Transmission Line from Ganges to existing GEDA Mehravadar Sub-Station to be reimbursed by GETCO required the setting up of one (1) tower only on project land and the tower footing required 75 sq.m. of land. Thus, no ROW payment is applicable in this case. The period of payments to project landowners and tower erection was in December 2011 to February-March 2012. No further land acquisition or involuntary resettlement issues are expected from the use of the substations which have been in existence for more than 10 years.

To that effect, the Company has awarded transmission line contract to contractors who are nominated and approved by GETCO. Under these contracts the works have been executed under the supervision of GETCO engineers and in line with GETCO existing policies and frameworks. The Mehravadar substation is shared with CBC Private Limited and Ganeshvani Private Limited.

Table 4 Information on Associated Facilities

Associated Facilities	Responsible Agency	Existing or New	Type of Land
Access Road	State Govt.	Existing	Agriculture
Transmission Line	Owner : GETCO	New till substation Date of Completion : 28 February 2012	Project land
Substation	Owner : GEDA	Existing	

2.4 Extent of Involuntary Resettlement Impacts

The land has been purchased from Adani Enterprises Limited. The entire project land was fenced and there were no issues of any involuntary resettlement impacts. The project site is located far from the coast line and no *banders* or fishing communities were affected. The project also does not require land acquisition of *gauchar* or grazing land or any state-owned wastelands.

2.5 Applicable Regulations governing transfer of land to the Project

The land so acquired is already a Non Agricultural land purchased from Adani Enterprises Limited and can be used for bonafide industrial purpose.

3. Audit Findings: Indigenous Peoples

3.1 Project Context

The land for the solar project has been acquired from 'Adani Enterprises Limited'. The acquired portions of land are in villages Dhank and Mervadar in Upleta Taluk, Rajkot District, Gujarat State.

a) Village-Dhank

Dhank is one of the villages in Upleta Taluk, Rajkot District, Gujarat State. Dhank is around 18 kms from its Taluk main town Upleta and is located 88.8 kms distance from its District main city Rajkot. It is located around 305 kms distance from its State main city Gandhinagar. Nearby villages of Dhank are Pransla, Mervadar, Jal, Rabarika, and Tanasva.

As per the records of Census 2001, the village has a population of about 7014 persons living in around 1408 households. Population wise Dhank village has around equal male - female ratio. Majority of the households rely on agriculture as their main source of income in the village.

Population Details

Total Population	7014
• Male Population	3589
• Female Population	3425

b) Village Mervadar

Mervadar is one of the villages in Upleta Taluk, Rajkot District, Gujarat State. It is at a distance of around 5 kms from village Dhank. Mervadar is around 19 kms far from its Taluk main town Upleta and is located around 93 kms from its District main city Rajkot. It is located at a distance of around 309 kms from its State main city Gandhinagar. As per the records of Census 2001, the village has a population of about 2005 persons living in around 501 households. Population wise Mervadar village has around equal male - female ratio. Majority of the households rely on agriculture as their main source of income in the village.

Population Details

Total Population	2005
• Male Population	998
• Female Population	1007

Demographic details of the Rajkot District as per Census 2001:

Total Population	3,169,881
• Male Population	1,642,018
• Female Population	1,527,863
Total Workers	1,244,806
• Main Workers	1,076,436
• Marginal Workers	168,370
• Non-Workers	1,925,075
Literate Population	2,033,946
• Literate (Male)	1,166,122
• Literate (Female)	867,824
Number of SC (Largest Three)	
• Mahyavansi etc.	134,846

• Bhambi etc.	73,355
• Bhangi etc.	20,445
Number of ST (Largest Three)	
• Bhil etc.	7,776
• Patelia	2,287
• Generic Tribes etc.	1,100

The project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, as the land has been purchased from Adani Enterprises, so there were no issues of Involuntary Resettlement or Indigenous People. The project is therefore expected to be classified as category C for both involuntary resettlement and IPs.

4. Consultation and Participation

During project construction, the Company held meetings and public consultations with the residents of Dhank and Mervadar villages. During the public consultation meeting, the Company made a presentation on the proposed project, development prospects, project impacts and measures to mitigate possible negative impacts. The prospects of improving social and economic status of the region as a result of a successful project implementation as well as corporate social responsibility (CSR) activities of the Company were also discussed. The CSR activities proposed by the Company and to be taken up during the operational phase of the project include:

- Community development through training and information center establishment
- Children education - providing learning material, extracurricular activities
- Women empowerment – strengthening SHGs, skill training

During the site visit, discussions were undertaken on an informal basis with a group of 7-8 community members from Dhank and Mervadar villages who confirmed that they were made aware of the project by the Company. They indicated their satisfaction with the project which will bring more jobs to the village and opportunities to set up small businesses for construction and operational workers.

5. Audit Findings: Other Social Considerations

Other social considerations addressed in this review are related to employee engagement, gender relations, provision of facilities for labour force and safety.

a) Employee Engagement

GGEPL, has an existing human resources policy and manual covering employee benefits, equal opportunity, non discrimination, grievance mechanism and others that needs to be followed at all site locations. These include procedures for hiring and recruiting, probation, training, performance review, promotion, insurance, salary and compensation, resignation, lay-off and retrenchment, leave and vacation, and superannuation, which follow Indian labour laws. The policies have been displayed at the GGEPL site in local language for the awareness of the workers. Most of the construction labourers at site are employed on contractual basis. Worker committees have also been formed at the site location on health

and safety, harassment and abuse and grievance handling for consultation with the workers.

The preference of the company is to hire local labour during project construction provided they meet the required selection criteria. It also has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws and covers ILO standard.

b) Labour Influence

Construction phase

During construction activities, there has been a sizeable influx of population and labour colony is being constructed with basic amenities for the labour working on the project. The peak labour population is approximately 650-700 labourers for three months and may have an impact of the social fabric of the area surrounding the project. However, this impact is envisaged to be insignificant due to the following reasons:

- Temporary labour colonies, equipped with basic amenities, have been situated in the areas already acquired for the project.
- The impact is temporary in nature as it is restricted to the construction phase of the project. After construction phase, the areas acquired by labour colonies shall be reverted to the status at the preconstruction phase.

Therefore, conflict of the migrating labour with locals, will not take place during the construction phase.

Operation Phase

No impact on the local life pattern is envisaged due to operational phase of the project.

c) Gender and Development

- No women participated in the stakeholder consultations undertaken with the villagers near the project site.
- However, no adverse impact could be envisaged on women in the nearby villages due to the solar power project. The Company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws. The clause includes the following:
 - Local labour to be hired as much as possible;
 - Ensure labour related regulations are met;
 - In case of outside labour, ensure that their working conditions as well as camps meet local regulations and best practice;
 - Health and safety training of the labour, raising awareness about STDs, HIV and maintaining behavior standards while moving in the community should be a priority

- Community should be consulted at regular intervals. Any complaints or concerns with respect to labour should be addressed without delay

The project manager ensured compliance jointly with team and contractors during the construction phase of the project.

- The Company has proposed to initiate women empowerment programmes in the nearby villages during the operational phase of the project. However no such initiative has been under taken till now.
- On an average, 5 % of female workers were employed during the construction phase of the project.
- Female workers are not employed during the operational phase of the project, as the activity of cleaning the solar panels is carried out during night time only and for security reasons, male workers are employed. Further, as the project site is located at remote location, female workers are not employed for safety reasons. However, during day time, few female workers may be employed for housekeeping in the project office and cutting grass in the fields. Currently, no female workers have been employed for such activities.
- The maximum number of female workers employed during the construction phase of the project was around 50. All the female workers were hired on contract basis.
- Separate accommodation facility has been provided to female workers staying with their families at the labour camp.
- The migrant workers who brought their families during the construction phase of the project were provided separate accommodation facility in the labour camp. In order to ensure health and safety of such workers and their families, the company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws.

d) Working Conditions

- Adequate steps have been taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment
- Regular health and safety trainings are provided to workers at site
- Fire mock drills are being conducted to ensure that all workers in the unit are familiar with the site's overall evacuation procedures
- Separate mobile toilet facilities for men and women, and drinking water facility have been provided to workers at site locations

e) Prohibition of child labour

- No instance of child labour or young worker was observed at the time of the site visit
- The company has strict policy in place not to employ anyone below the age of 18 years. These policies and procedures conform to the provisions of the relevant ILO standards. The HR policy for contract workers also restricts the employment of child labour by contractors

f) Payment of wages

- Minimum wages are paid to the workers at site as per the applicable minimum wages in Rajkot, Gujarat
- All eligible workers have been covered under ESI (Employees State Insurance) & EPF (Employees Provident Fund) schemes
- The workers are paid equal wages for similar kind of work regardless of gender.

g) Freedom of association

- Workers in the Company are free to join or form trade unions of their own choice and bargain collectively as per the Trade Unions Act, 1926. However, the workers were not associated with any trade union during the construction phase of the project. The Company has developed a parallel means for independent and free association and bargaining for the workers by the formation of worker committees including adequate representation from management and workers. Worker committees have been formed to help workers raise concerns they may have with regard to plant working conditions and also increase their involvement in improving the work environment of the plant.
- The committees formed comprising representation from management and workers include
 - 1) Health & Safety Committee
 - 2) Anti -Sexual Harassment Committee
 - 3) Grievance Handling Committee

h) Working Hours

- Workers are not required to work in excess of 48 hours per week at the site location and are provided with at least one day off for every 7 days period on average. This is in compliance with the national laws on working hours. The laws include:
 - Contract Labour (Regulation and Abolition) Act, 1970
 - The Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

i) Grievance Management System

Environmental and social grievances are handled in accordance with the project grievance redressal mechanism defined under the HR policy for contractors. The Grievance Redressal Mechanism (GRM) for the project provides an effective approach for complaints and resolution of issues made by the affected community due to project related activities (if any) in a reliable way. This mechanism was established prior to construction and will remain active throughout the life cycle of the project. Open and transparent dialogue will be maintained with project affected persons as and when needed, in compliance with ADB safeguard policy requirements.

The major objectives of the Grievance Redressal Mechanism System are to:

- create a platform / process for prevailing proactive Industrial Relations;
- make people accountable for timely redressal of grievances;
- establish a robust process for addressing contract worker grievances;
- create a healthy working atmosphere and drive active engagement at contract worker level;
- have a strategy, supporting long-term business requirements at site;
- prevent minor disagreements developing into more serious disputes later on;
- defend against legal intervention

A Grievance Redressal Committee (GRC) was formed at the project site to ensure community member grievances (if any) on both environmental and social concerns are adequately addressed and facilitate timely project implementation. The GRC comprises the following members:

- Project head;
- Liasoning officer – Site In charge/Admin;
- Local Community Member

Grievance Redressal Mechanism for workers

The Company has a robust grievance management system that drives proactive industrial relation (IR) environment, enabling fair opportunity to contract workers to appeal against a grievance through a systematic process.

The process includes the following:

Step 1: Maintenance of Grievance Registers:

Grievance Redressal registers are kept at following locations:

- Register No. 1: Kept at Time Office.
- Register No. 2 onwards: Kept at various locations of the Plant as decided by the local HR Head.

Step 2: Communication of Grievance Redressal Mechanism

- All contract workers informed / communicated to register their Grievances in Grievance Redressal Registers, at the convenient locations.
- These Grievances registered / recorded in the registers are studied, analyzed and appropriate solution to query / grievances responded to concerned contract workers by Time Office In-Charge, at least twice a week. The Company shall endeavor to provide resolution to the aggrieved contract worker within 3 days of the grievance registered.
-

Grievance Redressal Mechanism for Local Community

- The Project Head is responsible for capturing, identifying, maintaining enquiries associated with community grievance in a register, and communicating progress to the concerned community member.
- A Register containing information such as date, time, location and names of villager and grievance; if any. The record will summarize what information was provided to or discussed with the community member.

At the Ganges site, the two requests from local community were related to upgradation of road adjacent to project boundary and these were suitably addressed by the Ganges SPV. There were no grievances related to land acquisition.

j) Labour Camps

The labour working on site is provided with temporary labour camps, which are close to the site. The labour camp facility is availed by the migrant workers and workers not residing in the nearby villages. Few of the workers are also staying with their family members including children at the camp. Separate shelters have been provided to such families. The labour camps have been provided with basic amenities like drinking water and electricity facility for the workers.

6. Conclusions and Recommendations

6.1 Conclusions

Based on the review of available documentation and information gathered during the site visit, there are no outstanding compensation issues with respect to the acquisition of land for the Project's solar power generation facility. The Project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, as the land has been purchased from Adani Enterprises, so there were no issues of Involuntary Resettlement or Indigenous People. The project is therefore expected to be classified as category C for both involuntary resettlement and IPs.

The information gathered from the available documents and discussions with relevant GGEPL staff and affirmation from the GGEPL management regarding their continued harmonious relationship with the communities in the Project area are considered sufficient to support the social compliance audit findings relevant to social safeguards. With respect to ADB's SPS, the Project's categorization on involuntary resettlement and indigenous peoples should be categorized as 'C' respectively, and no corrective action plan will be required.

Other social dimensions, such as recruitment of GGEPL employees, local labour engagement through contracts and need based CSR initiatives based on community consultation by GGEPL, are found to be satisfactory. The company has existing policies and procedures (e.g., human resource policy, contractual arrangements with

contractors) to address potential concerns and issues. During implementation of the Project, the Company is expected to apply the same policies and procedures as those the company maintains, and it will be required to monitor and report to ADB on contractor's engagement of local employees and labours following the relevant clauses on contractor's agreement and the Company's human resources policy.

6.2 Recommendations

The need based CSR initiatives based on community consultations may be initiated during the operation phase. Regular Compliance check on the provision of PPE's to the labourers is important safety concern.

Appendix 1: Photos of the site



Photographs showing the different areas of the project site



Photographs showing the stakeholder consultation conducted at the project site

Social Safeguards Audit Report

25 MWp Responsive Solar Power Project

August 2012



Prepared by

Responsive SUTIP Limited

The company hereby acknowledges that as per the mandate letter signed between company and Ernst & Young (E&Y) on 6th January 2012, E&Y has assisted the company in preparation of the Social Safeguard Audit Report based on data and information provided by the company to E&Y.

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1. Introduction

1.1 Project Description

Responsive SUTIP Limited was incorporated on 04 February, 2010 to setup a solar PV power project with capacity of 25 MWp (Megawatt Peak) at villages Kamalpur and Rajpar, District Surendranagar in the state of Gujarat (India). The project is implemented under the Solar Power Policy 2009 of Gujarat. Multi Crystalline Silicon PV solar cells shall be used in the project to generate electricity. Responsive SUTIP ("the company") has already signed a PPA for 25 years with Gujarat Urja Vikas Nigam Limited (GUVNL) with permission from Government of Gujarat, for sale of power generated from the project. The project is under construction and is expected to be commissioned by end of September 2012.

Table.1: Project details

Sl. No	Particulars	Descriptions
1	Project site	Responsive
2	Village Name	Kamalpur and Rajpar
3	District Name	Surendranagar
4	Name of the state	Gujarat
5	Latitude	23° 03' 27" (North)
6	Longitude	71° 51'.42" (East)
7	Road Accessibility	Road connectivity via Ahmedabad
8	Nearest Airport	Ahmedabad
9	Nearest City	Ahmedabad
10	Land available (Hectares)	74.61
11	Water requirement (LPD)	13,000
12	Annual Global Irradiance (kWh/m ²)	2020
13	Type of PV module	Multi Crystalline solar PV module
14	Proposed Capacity (MW)	25 MWp
15	Total no of PV modules (Number)	105120
16	Inverter model	Bonfiglioli RPS TL 1220 PCU
17	Annual electricity supplied to grid (MWh)	43200.462 MWh
18	Annual Plant Load factor (%) - First year	19.73
19	Project Cost	2957.56

A social safeguards review was conducted for the Project on 22 February 2012 to check the project's compliance to the ADB Social Safeguards Policy Statement (SPS) – Safeguards Requirements (SR) on 2 Involuntary Resettlement and (SR) 3 on Indigenous Peoples. The review comprised of site visit to the plant area, including the labour camps, canteen facility, the access road leading to the site; informal discussions with few of the landowners and

local community members; meetings with the management at Corporate Office in Delhi; and review of available project documentation. The site photos are attached as Appendix1.

1.2 Need for the Project

Fast economic growth of the state of Gujarat has resulted in increase in electricity consumption by the industrial and commercial sectors. With the current available capacity, Gujarat is not in a position to meet its requirement either in energy requirement terms or peak capacity requirement terms. Energy requirements of the Gujarat state has increased from 53693 MU in FY 2001-02 to 70412 MU in FY 2009-10 with an energy shortfall of 3149 MU in FY 2009-10.

The Electricity Act 2003 stipulates minimum percentage of energy to be derived out of renewable energy sources which shall be binding on all states. Also the Gujarat Electricity Regulatory Commission has made it mandatory for distribution licenses in the state to purchase a fixed percentage of their total power procurement through renewable energy sources, both solar and non solar.

1.3 Project Location

The project is located at Latitude 23° 03' 27" North altitude and 71° 51'.42" East longitudes. The site is located in villages Kamalpur and Rajpar, District Surendranagar of the state of Gujarat, India. The project location has well established connectivity and accessibility through road and rail network. Viramgaon is the nearest town from the project site in the Surendranagar district. The surface topography is almost flat. Hence, limited site preparation/leveling activity is needed to make the land flat as per the requirements of solar PV power plant. The entire area is shadow free as there are no shading elements like mountains, large sand dunes, etc on the site. Figure 1 and 2 depicts the map of the region indicating the project location.

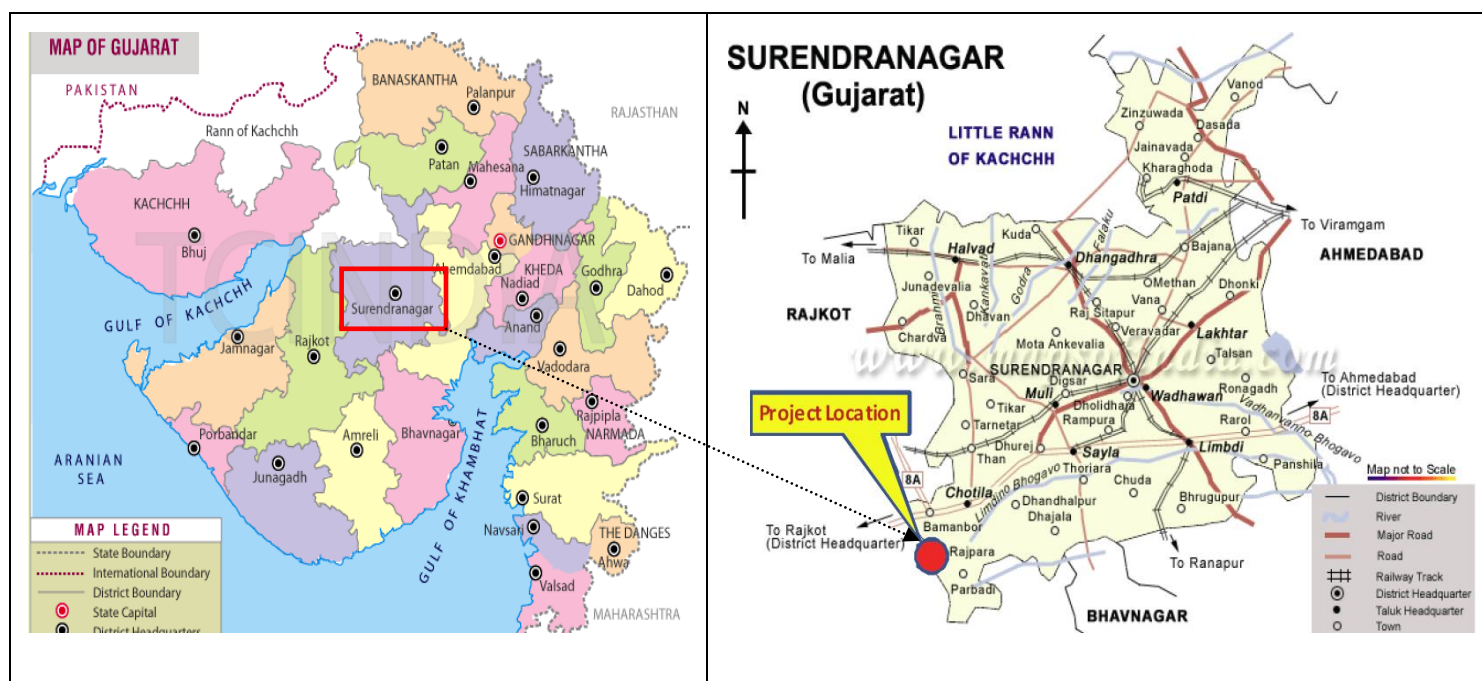


Figure 1: District map of Gujarat and Surendranagar district marking the project location (Source: Detailed Project Report and www.tcindia.com)

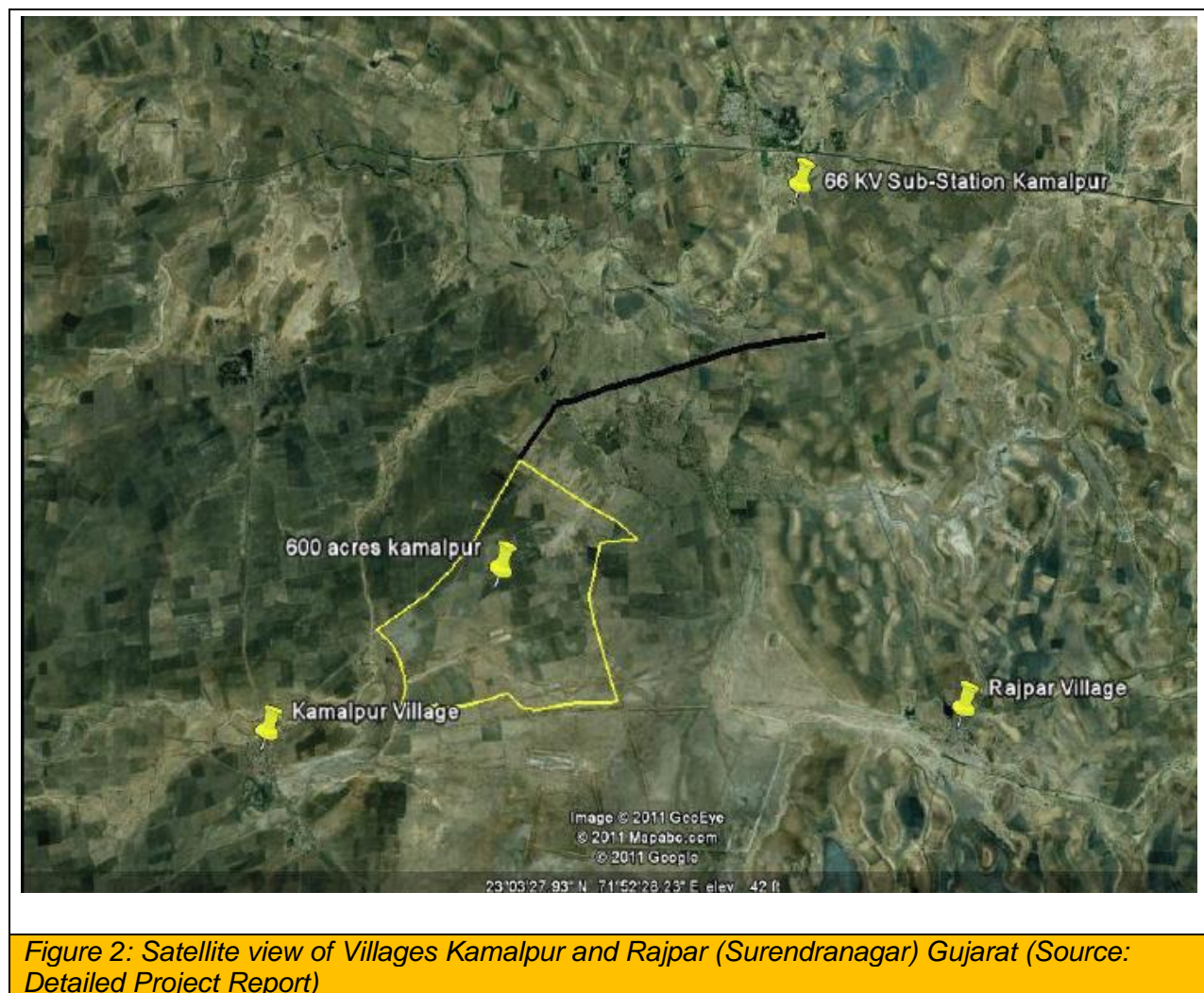


Figure 2: Satellite view of Villages Kamalpur and Rajpar (Surendranagar) Gujarat (Source: Detailed Project Report)

1.4 Project Implementation Schedule

The project implementation schedule, outlining the sequence of major activities and the time required for engineering, construction, installation and commissioning of the 25MWp solar PV project is provided below. Currently, the project is under construction phase. The project is scheduled to be commissioned by end of September 2012.

Table.2:Project implementation schedule

Activity	Sep'11	Oct'11	Nov'11	Dec'11	Jan'12	Feb'12	Mar'12	Apr'12	May'12	Jun'12	Jul'12	Aug'12	Sep'12
Responsive - Kamalpur													
Module Foundations													
Area Grading works													
Plant Roads													
Switchyard Civil works													
HT Control Room - Civil works													
LT Room - Civil Works													
Structure for CrSi Module													
Structure Erection													
Module Erection													
Inverters at Site													
Inverters Erection													
TL availability													
Testing and comissioning													
AC Systems Supplies													
Erection by Areva													
COD													

1.5 Objectives and Scope of the Report

This report is prepared to assess the compliance of the 25 MWp solar power project at Responsive with the 2009 ADB Safeguards Policy Statement, Social Analysis in Private Sector Projects, 2009, ADB's Gender and Development Policy, 1998, Social Protection Requirements as per ADB's Social Protection Strategy 2001 and IFC Performance Standards.

The social compliance audit that was conducted on 22 February 2012 at the project site at Responsive, District Surendranagar, Gujarat had the following objectives:

- Identify past or present concerns related to impacts on involuntary resettlement (physical or economic displacement) and ethnic minorities/Indigenous Peoples;
- Determine whether project actions were in accordance with ADB's SR2 and SR3 principles and requirements; and
- Prepare a corrective action plan (CAP) containing necessary remedial actions (if any)

1.6 Methodology

The following activities were undertaken for the purpose of conducting this audit:

- Data collection from secondary sources such as Forest Atlas and published GOIs data from 2001 population census statistics data, as well as from authorities such as Gujarat Department of Social Justice and Empowerment, and other Departments.
- Preparation of checklist for collecting project related information against ADB guidelines
- Review of national and local laws / regulations and procedures relating to land acquisition, employment of labour etc.
- Review of land allocation documents, permits and other relevant available documents
- Site visit to the plant area, labour camps, canteen facility etc.
- Interviews on a sample basis with the following:
 - Employees at the site
 - Contract labour including their family members staying at the labour camps
 - Local community people around the site
 - Land owners

2. Audit Findings – Involuntary Resettlement

2.1 Land requirements for the Project

The total land available for the Project's solar power generation facility is 74.61 Hectares (ha). The land has been acquired from 24 landowners of villages Kamalpur and Rajpar. Out of the total land area, the PV module array shall be established in 46.53 ha, while 1.21 ha was required for the balance structures such as the control room and switchyard. The remaining 26.86 ha is an open area including road coverage.

Table.3: Land details

Village	Type of Landuse Prior acquisition	Area in (Hectares)
Kamalpur	Agriculture	63.32
Rajpar	Agriculture	11.29
Total		74.61

2.2 Land acquisition process and compensation

The land acquired for the project site is totally private land and has been purchased on a voluntary basis (willing seller-willing buyer basis) from the land owners. The land was purchased from twenty four (24) land owners in Kamalpur and Rajpar. The compensation rate offered and paid to the land owners on an average was INR 58 per square metre of land which was more than the existing Government circle rates of INR 49 to 53 per square metre of land depending upon the time of purchase. The payment of compensation and land registration process was completed during the period from September 2011 – March 2012.

Discussions with land owners on a sample basis during site visit indicated that the land sold for the project was not much productive for them because of the saltwater ingress in the area. As per the land owners, the sale of land came as an opportunity to earn income from an otherwise unproductive land. The payment provided against the land purchased has helped these farmers to find alternative land in a more fertile area or start an alternate livelihood. Also, as per the landowners, there were other productive plots that were available with them. Mostly cash crops such as cotton and castor are cultivated in the region.

2.3 Land or Right of Way (ROW) Requirements for Associated Facilities

The solar power plant will be using the following associated facilities: access roads, transmission lines and sub-station. The project will utilize the existing public roads; no new roads will be built as part of this project. The power generated from the proposed solar power plant would be evacuated through a 66KV transmission line to an existing Sub-Station (Kamalpur) of GETCO, situated about 6 km from the project site. As the project is planned under the Solar Power Policy (2009) of the state of Gujarat, and as per the terms of Power Purchase Agreement, it is the responsibility of GETCO to arrange, provide and maintain the power transmission evacuation facilities upto the 66 KV switchyard of the project. However, in

the interest of meeting the commissioning schedule for the project, it was agreed between GETCO and the Company that the Company would manage the construction of transmission lines under the overall supervision and approval of GETCO. GETCO will reimburse the transmission line expenses to SPVs on the basis of GETCO SOR (schedule of rates) while the supply of towers, overhead conductors and other items issued as free issue items for such works.

The Construction of the 66 kV about 6 km transmission line from Responsive to the existing Kamalpur GETCO substation to be reimbursed by GETCO required the setting up of 25 towers. Each tower footing required 75 sq.m of land. For setting up of transmission line towers, around 20-25 landowners are involved and a total compensation payment of around INR 2.5 Million is expected to be paid to the landowners. The expected construction period for transmission tower erection is August to September 2012 and the payments to landowners shall be made with the progress of the transmission line. No further land acquisition or involuntary resettlement issues are expected from the use of the substations which have been in existence for more than 15 years. The transmission line is shared with 25 MW Solar Power Project namely Ujjawala Power Private Limited.

To that effect, the Company has awarded transmission line contract to contractors who are nominated and approved by GETCO. Under these contracts the work is being executed under the supervision of GETCO engineers and in line with GETCO existing policies and frameworks. The Kamalpur substation is shared with Ujjawala Power Private Limited.

Table 4 Information on Associated Facilities

Associated Facilities	Responsible Agency	Existing or New	Type of Land
Access Road	Existing Village Road (State Govt.)	Existing	Agriculture
Transmission Line	Owner : GETCO	New till substation Expected Date of Completion : 20 th September 2012	Private Agriculture and Govt. Land
Substation	Owner :GETCO	Existing	

2.4 Extent of Involuntary Resettlement Impacts

There were no permanent or temporary inhabitants dwelling on the site as confirmed by interviews with the local community/village residents during the site visit. The project site is located far from the coast line and no *banders* or fishing communities were affected. The project also does not require land acquisition of *gauchar* or grazing land or any state-owned wastelands. Given the characteristics of the site as described above, the construction and operation of the power generation site is not expected to have involuntary resettlement impacts.

The project has complied with the national laws and regulations on land acquisition and has incorporated ADB's SPS (2009) as follows:

- Meaningful consultations with affected people in the issues of land acquisition, or loss of livelihood, if any, have been conducted
- Employment opportunities have been provided to few of the project affected people and local villagers during project construction activities
- Established a grievance redressal mechanism to receive and facilitate resolution of the concerns of affected persons. Please refer section 5(i) for details on community grievance redressal mechanism.

2.5 Applicable Regulations governing transfer of land to the Project

The land transfer to the project has been done as per section 55 of the Saurashtra Gharkhed Tenancy Settlement and Agriculture Land Ordinance 1949 (as amended in 1997¹) applicable in Gujarat. Section 55 outlines the provisions for the Sale of land for *bonafide* industrial purpose. The following table shows how the acquisition has complied with the provisions of this ordinance:

Provisions	Status of Compliance
(1) Nothing in section 54 shall prohibit the sale or the agreement for the sale of land for which no permission is required under sub-section (1) of section 65B of the Bombay Land Revenue Code, 1879 in favour of any person for use of such land by such person for a <i>bonafide</i> industrial purpose:	
Provided that – (a) The land is not situated within the urban agglomeration as defined in clause (n) of section 2 of the Urban Land (Ceiling and Regulation) Act, 1976.	Not Applicable (NA)
(b) Where the area of the land proposed to be sold exceeds ten hectares, the person to whom the land is proposed to be sold in pursuance of this sub-section shall obtain previous permission of the Industries Commissioner, Gujarat state or such other officer, as the State Government may, by an order in writing, authorize in this behalf,	Permission has been obtained from the Industries Commissioner for the project
(c) The area of the land proposed to be sold shall not exceed four times the area on which construction for a <i>bonafide</i> industrial purpose is proposed to be made by the purchaser: Provide that any additional land which may be required for pollution control measures or required under any relevant law for the time being in force and certified as such by the relevant authority under that law shall not be taken into account for the	

¹ See amendment available from
http://www.revenuedepartment.gujarat.gov.in/revenuefinal/gujarati/pdf/gr03_guj_act_no-06_1997.pdf

Provisions	Status of Compliance
purpose of computing four times the area,	
(d) Where the land proposed to be sold is owned by a person belonging to the Scheduled Tribe, the sale shall be subject to the provisions of section 73AA of the Bombay Land Revenue Code, 1879.	No land has been purchased from person belonging to the Scheduled Tribe. . All the landowners from whom land was purchased were from the Hindu community other than Scheduled Tribe
(2) (a) Where the land is sold to a person in pursuance of sub section (1) (here in after referred to as "the purchaser"), he shall within thirty days from the date of the purchase of the land for a <i>bonafide</i> industrial purpose, send a notice of such purchase in such form along with such other particulars as may be prescribed, to the Collector and endorse a copy there of to the Mamlatdar.	The Notice of Collector and endorsement of registered sale deeds are being complied with the completion of land acquisition for the project.
(b) Where the purchaser fails to send the notice and other particulars to the Collector under clause (a) within the period specified therein, he shall be liable to pay, in addition to the non-agricultural assessment leviable under this Ordinance, such fine not exceeding two thousand rupees as the collector may, subject to rules made under this Ordinance, direct.	
(c) Where, on receipt of the notice of the date of purchase for the use of land for a <i>bonafide</i> industrial purpose and other particulars sent by the purchaser under clause (a), the Collector, after making such inquiry as he deems fit –	
(i) is satisfied that the purchaser of such land has validity purchased the land for a <i>bonafide</i> industrial purpose in conformity with the provisions of sub-section (1), he shall issue a certificate to that effect to the purchaser in such form and within such time as may be prescribed,	Certificate will be issued once the process under Section 2A is complete
(ii) is not so satisfied, he shall, after giving the purchaser an opportunity of being heard, refuse to issue such certificate and on such refusal, the sale of the land to the purchaser shall be deemed to be in contravention of Section 54.	

3. Audit Findings: Indigenous Peoples

3.1 Project Context

The total land acquired by Responsive SUTIP Limited falls in two villages namely Kamalpur and Rajpar in Surendranagar District, Gujarat State. Almost 70% of the villagers belong to the Hindu community. The prominent castes include Darbari, and Brahmins.

Village-Kamalpur

Kamalpur is a small village located in the district of Surendranagar, Gujarat (India). Kamalpur is around 27 km far from its Taluk Main Town Dasada, and is located at a distance of around 48 km from the district Surendranagar. As per the records of Census 2001, the village has a population of about 955 persons living in around 199 households. Population wise, the village has a healthy sex ratio. Around 70% of the village population consists of the Hindu community while the remaining population consists of Muslim community. The Hindu castes in the village include Nagar Brahman, Darbari etc. Most of the landowners from whom land has been acquired belong to the Hindu community not belonging to Scheduled Tribes. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	955
• Male Population	502
• Female Population	453

Village-Rajpar

Rajpar is a mid-sized village located in the district of Surendranagar, Gujarat (India). Rajpar is located at a distance of 84 km from Gandhinagar. As per the records of Census 2001, the village has a population of about 1062 persons living in around 197 households. Based on the population it can be noted that the village has a healthy sex ratio. Around 70% of the village population consists of the Hindu community while the remaining population consists of Muslim community. The Hindu castes in the village include Nagar Brahman, Darbari etc. The landowners from whom land was acquired are equally distributed between the Hindu and Muslim communities. However none of them belong to the ST community. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	1062
• Male Population	556
• Female Population	506

Demographic details of the Surendranagar District as per Census 2001:

Total Population	1,515,148
• Male Population	787,650
• Female Population	727,498
Total Workers	
• Main Workers	512,038
• Marginal Workers	135,571
• Non-Workers	867,539
Literate Population	316172
• Literacy Rate	61.61
• Literate (Male)	487,094
• Literate (Female)	294,061
Number of SC (Largest Three)	
• Mahyavansi etc.	83,092
• Bhambi etc.	51,060
• Bhangi etc.	14,289
Number of ST (Largest Three)	
• Padhar	10,916
• Bhil etc	2,133
• General Tribes	363

The project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the lands where the project's solar power generation facility are being constructed are not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups. The project is therefore expected to be classified as category C for both involuntary resettlement and IPs.

4. Consultation and Participation

During project construction, the Company held informal meetings and public consultation with the residents of Kamalpur and Rajpar Villages. The Company made a presentation on the proposed project, development prospects, project impacts and measures to mitigate possible negative impacts. The prospects of improving social and economic status of the region as a result of a successful project implementation as well as corporate social responsibility (CSR) activities of the Company were also discussed. The CSR activities proposed by the Company and to be taken up during the operational phase of the project include:

- Solar light for temple
- Assistance for village schools
- Women empowerment programmes

- Transportation facility
- Drinking water facility

During the site visit, discussions were undertaken on an informal basis with a group of 7-8 community members from Kamalpur and Rajpur villages who confirmed that they were made aware of the project by the Company. They indicated their satisfaction with the project which will bring more jobs to the village and opportunities to set up small businesses for construction and operational workers.

5. Audit Findings: Other Social Considerations

Other social considerations addressed in this review are related to employee engagement, gender relations, provision of facilities for labour force and safety.

a) Employee Engagement

Responsive SUTIP, has an existing human resources policy and manual covering employee benefits, equal opportunity, non discrimination, grievance mechanism and others that needs to be followed at all site locations. These include procedures for hiring and recruiting, probation, training, performance review, promotion, insurance, salary and compensation, resignation, lay-off and retrenchment, leave and vacation, and superannuation, which follow Indian labour laws. The policies have been displayed at the Responsive SUTIP site in local language for the awareness of the workers. Most of the construction labourers at site are employed on contractual basis. Worker committees have also been formed at the site location on health and safety, harassment and abuse and grievance handling for consultation with the workers.

The preference of the company is to hire local labour during project construction provided they meet the required selection criteria. It also has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws and covers ILO standard.

b) Labour Influence

Construction phase

During construction activities, there will be a sizeable influx of population and labour colony is being constructed with basic amenities for the labour working on the project. The peak labour population is approximately 650-700 laborers for three months and may have an impact on the social fabric of the area surrounding the project. However, this impact is envisaged to be insignificant due to the following reasons:

- Temporary labour colonies, equipped with basic amenities, have been situated in the areas already acquired for the project.
- The impact is temporary in nature as it is restricted to the construction phase of the project. After construction phase, the areas acquired by labour colonies shall be reverted to the status at the preconstruction phase.

Therefore, conflict of the migrating labour with locals, will not take place during the construction phase.

Operation Phase

No impact on the local life pattern is envisaged due to operational phase of the project.

c) Gender and Development

- Women were also involved during the community consultation process held during the construction phase of the project. However, no issues or concerns were raised by the women participants during the consultation process.
- No adverse impact could be envisaged on women in the nearby villages due to the solar power project. The Company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws. The clause includes the following:
 - Local labour to be hired as much as possible;
 - Ensure labour related regulations are met;
 - In case of outside labour, ensure that their working conditions as well as camps meet local regulations and best practice;
 - Health and safety training of the labour, raising awareness about STDs, HIV and maintaining behavior standards while moving in the community should be a priority
 - Community should be consulted at regular intervals. Any complaints or concerns with respect to labour should be addressed without delay
- The Company has proposed to initiate women empowerment programmes in the nearby villages during the operational phase of the project.
- On an average, 5 % of female workers out of total workforce are employed during the construction phase of the project.
- The maximum number of female workers employed during the construction phase of the project was around 40. All the female workers were hired on contract basis.
- Separate accommodation facility has been provided to female workers staying with their families at the labour camp.
- Migrant workers who brought their families during the construction phase of the project were provided separate accommodation facility in the labour camp. In order to ensure health and safety of such workers and their families, the company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws.

The project manager ensured compliance jointly with team and contractors during the construction phase of the project.

d) Working Conditions

- Adequate steps have been taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment
- Regular health and safety trainings are provided to workers at site
- Fire mock drills are being conducted to ensure that all workers in the unit are familiar with the site's overall evacuation procedures
- Separate mobile toilet facilities for men and women, and drinking water facility have been provided to workers at site locations

e) Prohibition of child labour

- No instance of child labour or young worker was observed at the time of the site visit
- The company has strict policy in place not to employ anyone below the age of 18 years. These policies and procedures conform to the provisions of the relevant ILO standards. The HR policy for contract workers also restricts the employment of child labour by contractors

f) Payment of wages

- Minimum wages are paid to the workers at site as per the applicable minimum wages in Surendranagar, Gujarat
- All eligible workers have been covered under ESI (Employees State Insurance) & EPF (Employees Provident Fund) schemes
- The workers are paid equal wages for similar kind of work regardless of gender.

g) Freedom of Association

- Workers in the Company are free to join or form trade unions of their own choice and bargain collectively as per the Trade Unions Act, 1926. However, the workers were not associated with any trade union during the construction phase of the project. The Company has developed a parallel means for independent and free association and bargaining for the workers by the formation of worker committees including adequate representation from management and workers. Worker committees have been formed to help workers raise concerns and also increase their involvement in improving the work environment of the plant.
- The committees formed comprising representation from management and workers include
 - 1) Health & Safety Committee
 - 2) Anti -Sexual Harassment Committee
 - 3) Grievance Handling Committee

h) Working Hours

- Workers are not required to work in excess of 48 hours per week at the site location and are provided with at least one day off for every 7 days period on average. This is in compliance with the national laws on working hours. The laws include:

- Contract Labour (Regulation and Abolition) Act, 1970
- The Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

i) Grievance Management System

Environmental and social grievances are handled in accordance with the project grievance redressal mechanism defined under the HR policy for contractors. The Grievance Redressal Mechanism (GRM) for the project provides an effective approach for complaints and resolution of issues made by the affected community in a reliable way. This mechanism established prior to construction will remain active throughout the life cycle of the project. Open and transparent dialogue will be maintained with project affected persons as and when needed, in compliance with ADB safeguard policy requirements.

The major objectives of the Grievance Redressal Mechanism System are to:

- create a platform / process for prevailing proactive Industrial Relations;
- make people accountable for timely redressal of grievances;
- establish a robust process for addressing contract worker grievances;
- create a healthy working atmosphere and drive active engagement at contract worker level;
- have a strategy, supporting long-term business requirements at site;
- prevent minor disagreements developing into more serious disputes later on;
- defend against legal intervention

A Grievance Redressal Committee (GRC) was formed at the project site to ensure affected people's grievances on both environmental and social concerns are adequately addressed and facilitate timely project implementation. The GRC comprises the following members:

- Project head;
- Liasoning officer – Site In charge/Admin;
- Land seller

Grievance Redressal Mechanism for workers

The Company has a robust grievance management system that drives proactive industrial relation (IR) environment, enabling fair opportunity to contract workers to appeal against a grievance through a systematic process.

The process includes the following:

Step 1: Maintenance of Grievance Registers:

Grievance Redressal registers are kept at following locations:

- Register No. 1: Kept in Time Office.

- Register No. 2 onwards: Kept at various locations of the Plant as decided by the local HR Head.

Step 2: Communication of Grievance Redressal Mechanism

- All contract workers informed / communicated to register their Grievances in Grievance Redressal Registers, at the convenient locations.
- These Grievances registered / recorded in the registers are studied, analyzed and appropriate solution to query / grievances to be responded to concerned contract workers by Time Office In-Charge, at least twice a week. The Company shall endeavor to provide resolution to the aggrieved contract worker within 3 days of the grievance registered.

Grievance Redressal Mechanism for Local Community

- The Project Head is responsible for capturing, identifying, maintaining enquiries associated with community grievance in a register, and communicating progress to the concerned community member.
- A Register containing information such as date, time, location and names of villager and grievance; if any. The record will summarize what information was provided to or discussed with the individual land seller or local community member.

j) Labour Camps

The labour working on site is provided with temporary labour camps, which are close to the site. The labour camp facility is availed by the migrant workers and workers not residing in the nearby villages. Few of the workers are also staying with their family members including children at the camp. Separate shelters have been provided to such families. The labour camps have been provided with basic amenities like drinking water and electricity facility for the workers.

6. Conclusions and Recommendations

6.1 Conclusions

Based on the review of available documentation and information gathered during the site visit, there are no outstanding compensation issues with respect to the acquisition of land for the Project's solar power generation facility. The Project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the land where the Project's solar power generation facility has been constructed is not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups.

The information gathered from the available documents and discussions with relevant Responsive SUTIP staff and affirmation from the Responsive SUTIP management regarding their continued harmonious relationship with the communities in the Project area are considered sufficient to support the social compliance audit findings relevant to social safeguards. With respect to ADB's SPS, the Project's categorization on

involuntary resettlement and indigenous peoples should be categorized as 'C' respectively, and no corrective action plan will be required.

Other social dimensions, such as recruitment of Responsive SUTIP employees, local labour engagement through contracts and need based CSR initiatives based on community consultation by Responsive SUTIP, are found to be satisfactory. The company has existing policies and procedures (e.g., human resource policy, contractual arrangements with contractors) to address potential concerns and issues. During implementation of the Project, the Company is expected to apply the same policies and procedures as those the company maintains, and it will be required to monitor and report to ADB on contractor's engagement of local employees and labourers following the relevant clauses on contractor's agreement and the Company's human resources policy.

6.2 Recommendations

Regular Compliance check on the provision of PPE's to the labourers is important safety concern.

Appendix 1. Photos of the Responsive site



Photograph of office facility



Photograph of storage facility

Social Safeguards Audit Report

25 MWp

Ujjawala Solar
Power Project

August 2012



Prepared by

Ujjawala Power Private Limited

The company hereby acknowledges that as per the mandate letter signed between company and Ernst & Young (E&Y) on 6th January 2012, E&Y has assisted the company in preparation of the Social Safeguard Audit Report based on data and information provided by the company to E&Y.

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1. Introduction

1.1 Project Description

Ujjawala Power Private Limited (UPPL) was incorporated on 15 September 2010 to setup a 25 MWp solar PV power project at village Kamalpur, District Surendranagar in the state of Gujarat (India). The project is implemented under the Solar Power Policy 2009 of Gujarat. Multi Crystalline Silicon PV solar cells shall be used in the project to generate electricity. UPPL ("the company") has already signed a PPA for 25 years with Gujarat Urja Vikas Nigam Limited (GUVNL) with permission from Government of Gujarat, for sale of power generated from the project.

Table.1: Project details

Sl. No	Particulars	Descriptions
1	Project site	Ujjawala
2	Village Name	Kamalpur
3	District Name	Surendranagar
4	Name of the state	Gujarat
5	Latitude	23° 03' 27" (North)
6	Longitude	71°51'.42" (East)
7	Road Accessibility	Road connectivity via Ahmedabad
8	Nearest Airport	Ahmedabad
9	Nearest City	Ahmedabad
10	Land available (Hectares)	50.58
11	Water requirement (LPD)	13000
12	Annual Global Irradiance (kWh/m ²)	2020
13	Type of PV Module	Multi crystalline solar PV module
14	Proposed Capacity (MW)	25 MWp
15	Total no of PV modules (Number)	108696
16	Inverter model	800KW 3 Phase PCU
17	Annual electricity supplied to grid (MWh)	43200.462
18	Annual Plant Load factor (%)	19.73
19	Project Cost (Million INR)	2956.23

A social safeguards review was conducted for the Project on 22 February 2012 to check the project's compliance to the ADB Social Safeguards Policy Statement (SPS) – Safeguards Requirements (SR) on 2 Involuntary Resettlement and (SR) 3 on Indigenous Peoples. The review comprised of site visit to the plant area, including the labour camps, canteen facility, the access road leading to the site; informal discussions with few of the landowners and local community members; meetings with the management at Corporate Office in Delhi; and review of available project documentation. The site photos are attached as Appendix1.

1.2 Need for the Project

Fast economic growth of the state of Gujarat has resulted in increase in electricity consumption by the industrial and commercial sectors. With the current available capacity, Gujarat is not in a position to meet its requirement either in energy requirement terms or peak capacity requirement terms. Energy requirements of the Gujarat state has increased from 53693 MU in FY 2001-02 to 70412 MU in FY 2009-10 with an energy shortfall of 3149 MU in FY 2009-10.

The Electricity Act 2003 stipulates minimum percentage of energy to be derived out of renewable energy sources which shall be binding on all states. Also the Gujarat Electricity Regulatory Commission has made it mandatory for distribution licenses in the state to purchase a fixed percentage of their total power procurement through renewable energy sources, both solar and non solar.

1.3 Project Location

The project is located at Latitude 23° 03' 27" North altitude and 71° 51'.42" East longitudes. The site is located in village Kamalpur, District Surendranagar of the state of Gujarat, India. The project location has well established connectivity and accessibility through road and rail network. Viramgaon is the nearest town from the project site in the Surendranagar district. The surface topography is almost flat. Hence, limited site preparation/leveling activity is needed to make the land flat as per the requirements of solar PV power plant. The entire area is shadow free as there are no shading elements like mountains, large sand dunes, etc on the site. Figure 1 and 2 depicts the map of the region indicating the project location.

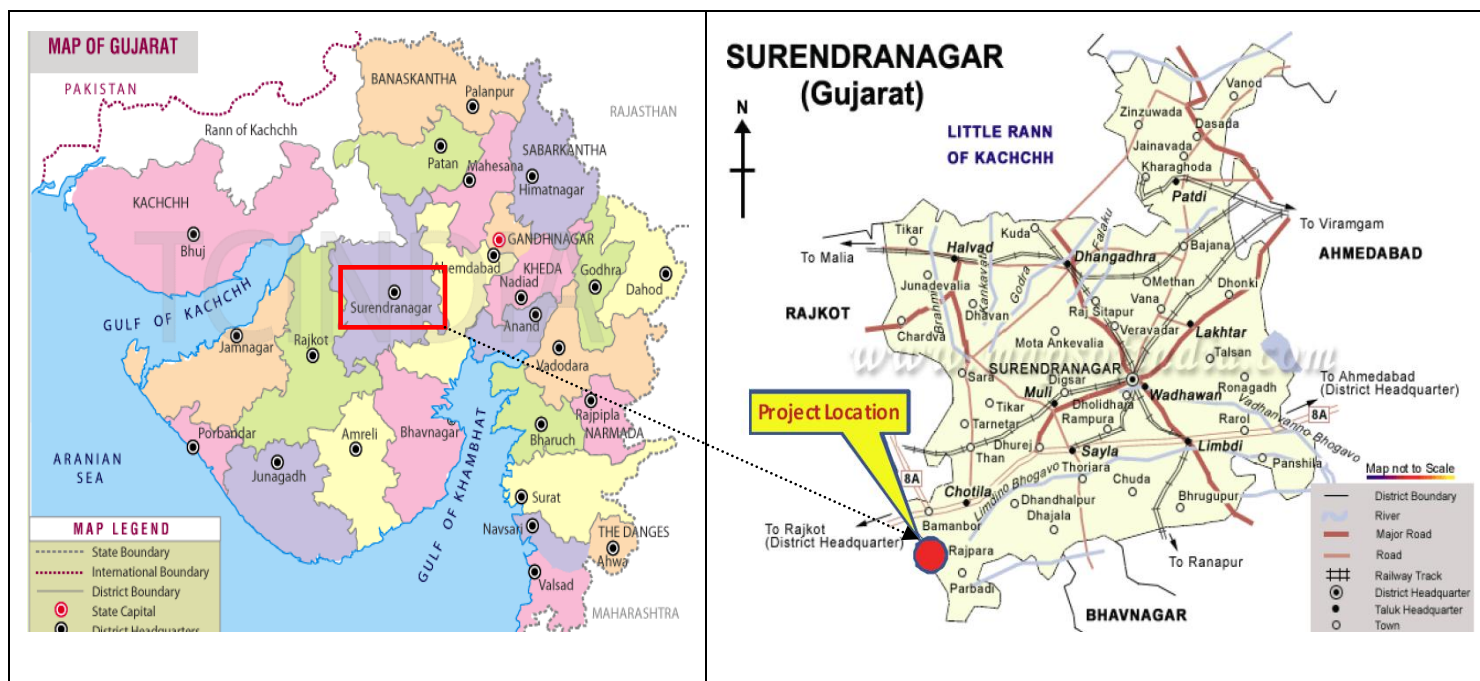


Figure 1: District map of Gujarat and Surendranagar district marking the project location (Source: Detailed Project Report and www.tcindia.com)

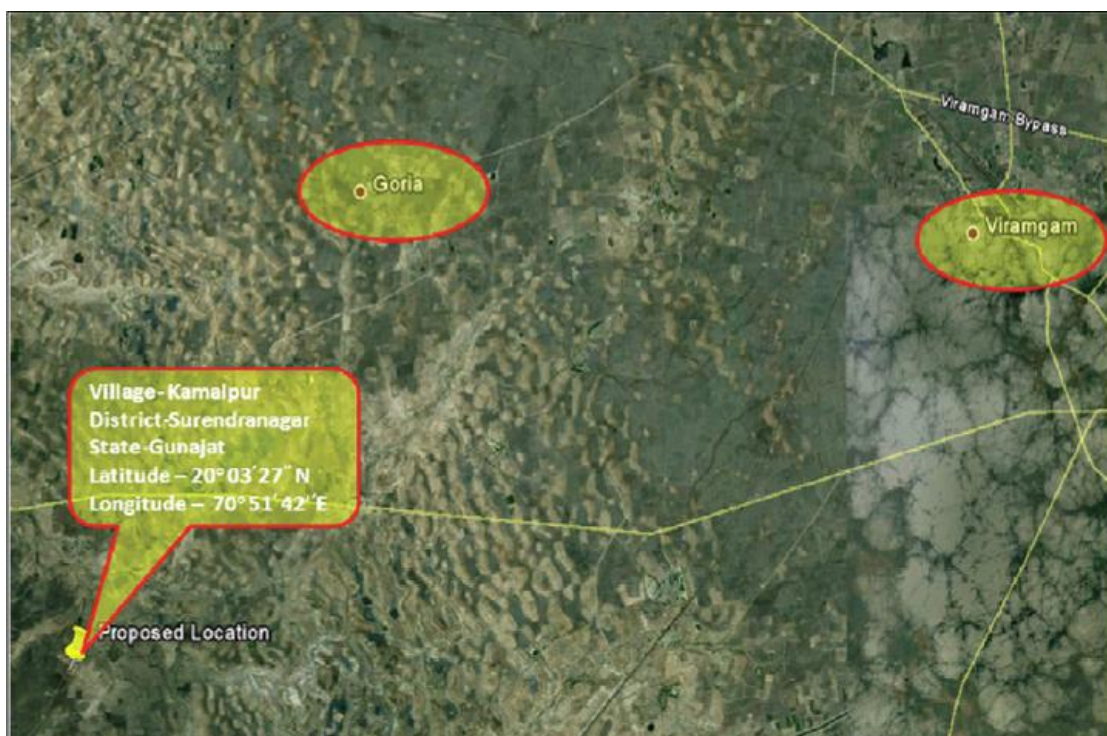


Figure 2: Satellite view of Village Kamalpur (Surendranagar), Gujarat (Source: Detailed Project Report)

1.4 Project Implementation Schedule

The project implementation schedule, outlining the sequence of major activities and the time required for engineering, construction, installation and commissioning of the 25MWp solar PV project is provided below. Currently, the project is under construction phase. The project is scheduled to be commissioned by end of September 2012.

Table.2:Project implementation schedule

Activity	Dec'11	Jan'12	Feb'12	Mar'12	Apr'12	May'12	Jun'12	Jul'12	Aug'12	Sep'12
Ujjawala - Kamalpur 25 MW Solar Plant										
Land Acquisition, Demarcation, Soil Investigation & Survey										
Construction of Boundary Wall / Fencing, Security Hut & Gate										
Internal Roads & Drainage System										
Foundations for CrSi Modules										
Structures at Site										
Structure Erection										
Modules at Site										
Module Erection										
Switchyard Erection Works										
HT Control Room Constructions										
Erection of HT Panels and Other AC Systems										
LT Room / Inverter Shed Constructions										
Inverters at Site										
Inverters & Transformers Installation										
Inverter Testing & Commissioning										
Plant Illumination / Earthing Works										
Individual & Overall Testing & Commissioning of the System										
GETCO Line Availability										
Synchronization with Grid										
COD										

1.5 Objectives and Scope of the Report

This report is prepared to assess the compliance of the 25 MWp solar power project at Responsive with the 2009 ADB Safeguards Policy Statement, Social Analysis in Private Sector Projects, 2009, ADB's Gender and Development Policy, 1998, Social Protection Requirements as per ADB's Social Protection Strategy 2001 and IFC Performance Standards.

The social compliance audit that was conducted on 22 February 2012 at the project site at Responsive, District Surendranagar, Gujarat had the following objectives:

- Identify past or present concerns related to impacts on involuntary resettlement (physical or economic displacement) and ethnic minorities/Indigenous Peoples;
- Determine whether project actions were in accordance with ADB's SR2 and SR3 principles and requirements; and
- Prepare a corrective action plan (CAP) containing necessary remedial actions (if any)

1.6 Methodology

The following activities were undertaken for the purpose of conducting this audit:

- Data collection from secondary sources such as Forest Atlas and published GOIs data from 2001 population census statistics data, as well as from authorities such as Gujarat Department of Social Justice and Empowerment, and other Departments.
- Preparation of checklist for collecting project related information against ADB guidelines
- Review of national and local laws / regulations and procedures relating to land acquisition, employment of labour etc.
- Review of land allocation documents, permits and other relevant available documents
- Site visit to the plant area, labour camps, canteen facility etc.
- Interviews on a sample basis with the following:
 - Employees at the site
 - Contract labour including their family members staying at the labour camps
 - Local community people around the site
 - Land owners

2. Audit Findings – Involuntary Resettlement

2.1 Land requirements for the Project

The total land required for the Project's solar power generation facility is 50.58 Hectares (ha). Presently, 23.86 ha land has been acquired from 8 landowners of village Kamalpur in Surendranagar district, Gujarat. Out of the total land area required for the project, the PV module array shall be established in 42.9 ha, while 1.21 ha will be required for the balance structures such as the control room and switchyard. The remaining 6.47 ha is an open area including road coverage.

Table.3: Land details

Village	Type of Landuse Prior acquisition	Area in (Hectares)
Kamalpur	Agriculture	50.58
Total		50.58

2.2 Land acquisition process and compensation

The 23.86 ha of land acquired so far for the project site is totally private land and has been purchased on a voluntary basis (willing seller-willing buyer basis) from the land owners. The 23.86 ha land was purchased from eight (8) land owners in Kamalpur village. The compensation rate offered to these land owners on an average was INR 68 per square metre of land which was more than the existing Government circle rates of INR 49 to 53 per square metre of land depending upon the time of purchase. The land acquisition and registration process for the balance land is expected to be completed by August 2012, post which, the ground clearing shall commence.

Discussions with land owners on a sample basis during site visit indicated that the land sold for the project was not much productive for them because of the salt water ingress in the area. As per the land owners, the sale of land came as an opportunity to earn income from an otherwise unproductive land. The payment provided against the land purchased has helped these farmers to find alternative land in a more fertile area or start an alternate livelihood. Also, as per the landowners, there were other productive plots that were available with them. Mostly cash crops such as cotton and castor are cultivated in the region.

2.3 Land or Right of Way (ROW) Requirements for Associated Facilities

The solar power plant will be using the following associated facilities: access roads, transmission lines and sub-station. The project will utilize the existing public roads; no new roads will be built as part of this project. The power generated from the proposed solar power plant would be evacuated through a 66KV transmission line to an existing Sub-Station (Kamalpur) of GETCO, situated about 6 km from the project site. As the project is planned under the Solar Power Policy (2009) of the state of Gujarat, and as per the terms of Power

Purchase Agreement, it is the responsibility of GETCO to arrange, provide and maintain the power transmission evacuation facilities upto the 66 KV switchyard of the project. However, in the interest of meeting the commissioning schedule for the project, it was agreed between GETCO and the Company that the Company would manage the construction of transmission lines under the overall supervision and approval of GETCO. GETCO will reimburse the transmission line expenses to SPVs on the basis of GETCO SOR (schedule of rates) while the supply of towers, overhead conductors and other items issued as free issue items for such works.

The Construction of the 66 kV about 6 km transmission line from Ujjawla to the existing Kamalpur GETCO substation to be reimbursed by GETCO required the setting up of 25 towers. Each tower footing required 75 sq.m of land. For setting up of transmission line towers, around 20-25 landowners are involved and a total compensation payment of around INR 2.5 Million is expected to be paid to the landowners. The expected construction period for transmission tower erection is August to September 2012 and the payments to landowners shall be made with the progress of the transmission line. No further land acquisition or involuntary resettlement issues are expected from the use of the substations which have been in existence for more than 15 years. The transmission line is shared with 25 MW Solar Power Project namely Responsive Sutip Limited. The transmission line is under construction and expected to be completed by the month of September 2012.

To that effect, the Company has awarded transmission line contract to contractors who are nominated and approved by GETCO. Under these contracts the work is being executed under the supervision of GETCO engineers and in line with GETCO existing policies and frameworks. The transmission line and the Kamalpur substation are shared with Responsive Power Private Limited.

Table 4 Information on Associated Facilities

Associated Facilities	Responsible Agency	Existing or New	Type of Land
Access Road	Existing Village Road (State Govt.)	Existing	Agriculture
Transmission Line	Owner : GETCO	New till substation Expected Date of Completion : 20 th September 2012	Private Agriculture and Govt. Land
Substation	Owner :GETCO	Existing	

2.4 Extent of Involuntary Resettlement Impacts

There were no permanent or temporary inhabitants dwelling on the site as confirmed by interviews with the local community/village residents during the site visit. The project site is located far from the coast line and no *banders* or fishing communities were affected. The project also does not require land acquisition of *gauchar* or grazing land or any state-owned wastelands. Given the characteristics of the site as described above, the construction and operation of the power generation site is not expected to have involuntary resettlement impacts.

The project has complied with the national laws and regulations on land acquisition and has incorporated ADB's SPS (2009) as follows:

- Meaningful consultations with affected people in the issues of land acquisition, or loss of livelihood, if any, have been conducted
- Employment opportunities have been provided to few of the project affected people and local villagers during project construction activities
- Established a grievance redressal mechanism to receive and facilitate resolution of the concerns of affected persons. Please refer section 5(i) for details on community grievance redressal mechanism.

2.5 Applicable Regulations governing transfer of land to the Project

The land transfer to the project has been done as per section 55 of the Saurashtra Gharkhed Tenancy Settlement and Agriculture Land Ordinance 1949 (as amended in 1997¹) applicable in Gujarat. Section 55 outlines the provisions for the Sale of land for *bonafide* industrial purpose. The following table shows how the acquisition has complied with the provisions of this ordinance:

Provisions	Status of Compliance
(1) Nothing in section 54 shall prohibit the sale or the agreement for the sale of land for which no permission is required under sub-section (1) of section 65B of the Bombay Land Revenue Code, 1879 in favour of any person for use of such land by such person for a <i>bonafide</i> industrial purpose:	
Provided that – (a) The land is not situated within the urban agglomeration as defined in clause (n) of section 2 of the Urban Land (Ceiling and Regulation) Act, 1976.	Not Applicable (NA)
(b) Where the area of the land proposed to be sold exceeds ten hectares, the person to whom the land is proposed to be sold in pursuance of this sub-section shall obtain previous permission of the Industries Commissioner, Gujarat state or such other officer, as the State Government may, by an order in writing, authorize in this behalf,	Permission has been obtained from the Industries Commissioner for the project
(c) The area of the land proposed to be sold shall not exceed four times the area on which construction for a <i>bonafide</i> industrial purpose is proposed to be made by the purchaser: Provide that any additional land which may be required for	

¹ See amendment available from
http://www.revenuedepartment.gujarat.gov.in/revenuefinal/gujarati/pdf/gr03_guj_act_no-06_1997.pdf

Provisions	Status of Compliance
pollution control measures or required under any relevant law for the time being in force and certified as such by the relevant authority under that law shall not be taken into account for the purpose of computing four times the area,	
(d) Where the land proposed to be sold is owned by a person belonging to the Scheduled Tribe, the sale shall be subject to the provisions of section 73AA of the Bombay Land Revenue Code, 1879.	No land has been purchased from person belonging to the Scheduled Tribe. All the landowners from whom land was purchased were from the Hindu community other than Scheduled Tribe
(2) (a) Where the land is sold to a person in pursuance of sub section (1) (here in after referred to as "the purchaser"), he shall within thirty days from the date of the purchase of the land for a <i>bonafide</i> industrial purpose, send a notice of such purchase in such form along with such other particulars as may be prescribed, to the Collector and endorse a copy there of to the Mamlatdar.	The Notice of Collector and endorsement of registered sale deeds are being complied with the completion of land acquisition for the project.
(b) Where the purchaser fails to send the notice and other particulars to the Collector under clause (a) within the period specified therein, he shall be liable to pay, in addition to the non-agricultural assessment leviable under this Ordinance, such fine not exceeding two thousand rupees as the collector may, subject to rules made under this Ordinance, direct.	
(c) Where, on receipt of the notice of the date of purchase for the use of land for a <i>bonafide</i> industrial purpose and other particulars sent by the purchaser under clause (a), the Collector, after making such inquiry as he deems fit –	
(i) is satisfied that the purchaser of such land has validity purchased the land for a <i>bonafide</i> industrial purpose in conformity with the provisions of sub-section (1), he shall issue a certificate to that effect to the purchaser in such form and within such time as may be prescribed,	Certificate will be issued once the process under Section 2A is complete
(ii) is not so satisfied, he shall, after giving the purchaser an opportunity of being heard, refuse to issue such certificate and on such refusal, the sale of the land to the purchaser shall be deemed to be in contravention of Section 54.	

3. Audit Findings: Indigenous Peoples

3.1 Project Context

The total land acquired by Ujjawala Power Private Limited falls in the village Kamalpur in Surendranagar District, Gujarat State. Almost 70% of the villagers belong to the Hindu community. The prominent castes include Darbari, and Brahmins.

Village-Kamalpur

Kamalpur is a small village located in the district of Surendranagar, Gujarat (India). Kamalpur is around 27 km far from its Taluk Main Town Dasada, and is located at a distance of around 48 km from the district Surendranagar. As per the records of Census 2001, the village has a population of about 955 persons living in around 199 households. Population wise, the village has a healthy sex ratio. Around 70% of the village population consists of the Hindu community while the remaining population consists of Muslim community. The Hindu castes in the village include Nagar Brahman, Darbari etc. Most of the landowners from whom land has been acquired belong to the Hindu community not belonging to Scheduled Tribes. Majority of the households rely on agriculture as their main source of income in the village.

Based on our discussions with the local community members on a sample basis, it was observed that no person belonging to scheduled tribe was currently residing in the village.

Population Details

Total Population	955
• Male Population	502
• Female Population	453

Demographic details of the Surendranagar District as per Census 2001:

Total Population	1,515,148
• Male Population	787,650
• Female Population	727,498
Total Workers	
• Main Workers	512,038
• Marginal Workers	135,571
• Non-Workers	867,539
Literate Population	316172
• Literacy Rate	61.61
• Literate (Male)	487,094
• Literate (Female)	294,061

Number of SC (Largest Three)	
• Mahyavansi etc.	83,092
• Bhambi etc.	51,060
• Bhangi etc.	14,289
Number of ST (Largest Three)	
• Padhar	10,916
• Bhil etc	2,133
• General Tribes	363

The project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the lands where the project's solar power generation facility are being constructed are not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups. The project is therefore expected to be classified as category C for both involuntary resettlement and IPs.

4. Consultation and Participation

During project construction, the Company held informal meetings and public consultations with the residents of Kamalpur Village. The Company made a presentation on the proposed project, development prospects, project impacts and measures to mitigate possible negative impacts. The prospects of improving social and economic status of the region as a result of a successful project implementation as well as corporate social responsibility (CSR) activities of the Company were also discussed. The CSR activities proposed by the Company and to be taken up during the operational phase of the project include:

- Solar light for temple
- Assistance for village schools
- Women empowerment programmes
- Transportation facility
- Drinking water facility

During the site visit, discussions were undertaken on an informal basis with a group of 7-8 community members from Kamalpur village who confirmed that they were made aware of the project by the Company. They indicated their satisfaction with the project which will bring more jobs to the village and opportunities to set up small businesses for construction and operational workers.

5. Audit Findings: Other Social Considerations

Other social considerations addressed in this review are related to employee engagement, gender relations, provision of facilities for labour force and safety.

a) Employee Engagement

UPPL has an existing human resources policy and manual covering employee benefits, equal opportunity, non discrimination, grievance mechanism and others that needs to be followed at all site locations. These include procedures for hiring and recruiting, probation, training, performance review, promotion, insurance, salary and compensation, resignation, lay-off and retrenchment, leave and vacation, and superannuation, which follow Indian labour laws. The policies have been displayed at the UPPL site in local language for the awareness of the workers. Most of the construction labourers at site are employed on contractual basis. Worker committees have also been formed at the site location on health and safety, harassment and abuse and grievance handling for consultation with the workers.

The preference of the company is to hire local labour during project construction provided they meet the required selection criteria. It also has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws and covers ILO standard.

b) Labour Influence

Construction phase

During construction activities, there is expected to be a sizeable influx of population and labour colony is proposed to be constructed with basic amenities for the labour working on the project. The peak labour population is envisaged to be approximately 650-700 laborers for three months and may have an impact on the social fabric of the area surrounding the project. However, this impact is envisaged to be insignificant due to the following reasons:

- Temporary labour colonies, equipped with basic amenities, will be provided during the project's construction phase
- The impact is temporary in nature as it is restricted to the construction phase of the project. After construction phase, the areas acquired by labour colonies shall be reverted to the status at the preconstruction phase.

Therefore, conflict of the migrating labour with locals, will not take place during the construction phase.

Operation Phase

No impact on the local life pattern is envisaged due to operational phase of the project.

c) Gender and Development

- Women were also involved during the community consultation process held for the project. However, no issues or concerns were raised by the women participants during the consultation process.
- No adverse impact could be envisaged on women in the nearby villages due to the solar power project. The Company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws. The clause includes the following:
 - Local labour to be hired as much as possible;
 - Ensure labour related regulations are met;
 - In case of outside labour, ensure that their working conditions as well as camps meet local regulations and best practice;
 - Health and safety training of the labour, raising awareness about STDs, HIV and maintaining behavior standards while moving in the community should be a priority
 - Community should be consulted at regular intervals. Any complaints or concerns with respect to labour should be addressed without delay
- The Company has proposed to initiate women empowerment programmes in the nearby villages during the operational phase of the project.
- Migrant workers who bring their families during the construction phase of the project will be provided separate accommodation facility in the labour camp. In order to ensure health and safety of such workers and their families, the company has a standard clause in the contractor's agreements, binding the contractor to comply with the local labour laws.

The project manager shall ensure compliance jointly with team and contractors during the construction phase of the project.

d) Working Conditions

- Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment
- Regular health and safety trainings will be provided to workers at site
- Fire mock drills will be conducted to ensure that all workers in the unit are familiar with the site's overall evacuation procedures
- Separate mobile toilet facilities for men and women, and drinking water facility will be provided to workers at site locations

e) Prohibition of child labour

- The company has strict policy in place not to employ anyone below the age of 18 years. These policies and procedures conform to the provisions of the relevant ILO

standards. The HR policy for contract workers also restricts the employment of child labour by contractors.

f) Payment of wages

- Wages shall be paid to the workers at site as per the applicable minimum wages in Surendranagar, Gujarat
- All eligible workers shall be covered under ESI (Employees State Insurance) & EPF (Employees Provident Fund) schemes
- The workers shall be paid equal wages for similar kind of work regardless of gender.

g) Freedom of Association

- Workers in the Company are free to join or form trade unions of their own choice and bargain collectively as per the Trade Unions Act, 1926. In case workers are not associated with trade unions, the worker committees shall be formed to help workers raise concerns and also increase their involvement in improving the work environment of the plant.
- The committees comprising representation from management and workers shall include:
 - 1) Health & Safety Committee
 - 2) Anti -Sexual Harassment Committee
 - 3) Grievance Handling Committee

h) Working Hours

- Workers shall not be required to work in excess of 48 hours per week at the site location and will be provided with at least one day off for every 7 days period on average. This is in compliance with the national laws on working hours. The laws include:
 - Contract Labour (Regulation and Abolition) Act, 1970
 - The Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

i) Grievance Management System

Environmental and social grievances are handled in accordance with the project grievance redressal mechanism defined under the HR policy for contractors. The Grievance Redressal Mechanism (GRM) for the project provides an effective approach for complaints and resolution of issues made by the affected community in a reliable way. This mechanism established prior to construction will remain active throughout the life cycle of the project. Open and transparent dialogue will be maintained with project affected persons as and when needed, in compliance with ADB safeguard policy requirements.

The major objectives of the Grievance Redressal Mechanism System are to:

- create a platform / process for prevailing proactive Industrial Relations;
- make people accountable for timely redressal of grievances;

- establish a robust process for addressing contract worker grievances;
- create a healthy working atmosphere and drive active engagement at contract worker level;
- have a strategy, supporting long-term business requirements at site;
- prevent minor disagreements developing into more serious disputes later on;
- defend against legal intervention

A Grievance Redressal Committee (GRC) was formed at the project site to ensure affected people's grievances on both environmental and social concerns are adequately addressed and facilitate timely project implementation. The GRC comprises the following members:

- Project head;
- Liasoning officer – Site In charge/Admin;
- Land seller

Grievance Redressal Mechanism for workers

The Company also has a robust grievance management system that drives proactive industrial relation (IR) environment, enabling fair opportunity to contract workers to appeal against a grievance through a systematic process.

The process includes the following:

Step 1: Maintenance of Grievance Registers:

Grievance Redressal registers to be kept at following locations:

- Register No. 1: Kept in Time Office.
- Register No. 2 onwards: Kept at various locations of the Plant as decided by the local HR Head.

Step 2: Communication of Grievance Redressal Mechanism

- All contract workers informed / communicated to register their Grievances in Grievance Redressal Registers, at the convenient locations.
- These Grievances registered / recorded in the registers are studied, analyzed and appropriate solution to query / grievances to be responded to concerned contract workers by Time Office In-Charge, at least twice a week. The Company shall endeavor to provide resolution to the aggrieved contract worker within 3 days of the grievance registered.

Grievance Redressal Mechanism for Local Community

- The Project Head is responsible for capturing, identifying, maintaining enquiries associated with community grievance in a register, and communicating progress to the concerned community member.

- A Register containing information such as date, time, location and names of villager and grievance; if any. The record will summarize what information was provided to or discussed with the individual land seller or local community member.
- No grievance has been recorded at Ujjawala site, related to land acquisition.

j) Labour Camps

The labour working on site shall be provided with temporary labour camps, which are close to the site. The labour camp facility is expected to be availed by the migrant workers and workers not residing in the nearby villages. The labour camps shall be provided with basic amenities like drinking water and electricity facility for the workers.

6. Conclusions and Recommendations

6.1 Conclusions

Based on the review of available documentation and information gathered during the site visit, there are no outstanding compensation issues with respect to the acquisition of land for the Project's solar power generation facility. The Project construction and operation will not in any way affect the dignity, human rights, livelihood systems and culture of the residents of the village. Moreover, the land where the Project's solar power generation facility is to be constructed is not owned, used, occupied, or claimed as ancestral domain or asset of any tribal groups.

The information gathered from the available documents and discussions with relevant UPPL staff and affirmation from the UPPL management regarding their harmonious relationship with the communities in the Project area are considered sufficient to support the social compliance audit findings relevant to social safeguards. With respect to ADB's SPS, the Project's categorization on involuntary resettlement and indigenous peoples should be categorized as 'C' respectively, and no corrective action plan will be required.

The company has existing policies and procedures (e.g., human resource policy, contractual arrangements with contractors) to address potential concerns and issues. During implementation of the Project, the Company is expected to apply the same policies and procedures as those the company maintains, and it will be required to monitor and report to ADB on contractor's engagement of local employees and labourers following the relevant clauses on contractor's agreement and the Company's human resources policy.

6.2 Recommendations

Regular compliance check on the provision of PPE's to the labourers is an important safety concern.

Appendix 1. Photos of the Ujjawala site



Photograph showing the Project Land



Photograph showing the Project Land



Photographs showing existing access road
leading to the site

