

Report on Rapid Social Impact Assessment

Ultra Mega Power Project, Mundra Taluka, Kutch District, Gujarat, INDIA

A project of
Costal Gujarat Power Limited (CGPL), Tata Power Corporation (TPC) INDIA

November 2007



Prepared By

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Saline Area Vitalisation Enterprise Limited, Ahmedabad, INDIA

Report on

**Rapid Socio-Economic Assessment
Ultra Mega Power Project**
Mundra Taluka, Kutch District, Gujarat State,
INDIA

**Submitted to
Coastal Gujarat Power Limited**

October 2007

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EXECUTIVE SUMMARY

Tata Power Company (TPC) Ltd. has recently been declared the most competitive bidder for establishing 4000 MW Ultra Mega Super-critical Thermal Power Project through an international competitive bidding route on Build, Own and Operate basis at a coastal location in western India, Gujarat. The name of the coastal location is near Tunda village Mundra taluka, Kutch district, Gujarat state.

The project is being set up by Coastal Gujarat Power Ltd. (CGPL), which is a 100% owned by TPC Ltd. The project with five units of 800 MW shall be based on Super Critical Boiler Technology (SCBT) and shall use imported coal, which will be procured through long term fuel supply contracts.

Tata Power – Organisational Overview

As it is well known, **TATA Power Company** (www.tatapower.com) is a part of the US \$ 22 billion **TATA Group** (www.tata.com), one of India's most respected business houses. TPC is a pioneer and leader in introduction technology in Indian power sector. Tata Power was the first to a) bring in Hydro generation b) introduce pump storage and c) set up a 500 MW plant in the country. TPC is India's largest power utility in the private sector with presence in the entire gamut of value chain of power viz. Generation, Transmission, Distribution & Power Trading.

Tata Power currently owns generating capacity of 2,304 MW using thermal (coal, gas & fuel oils), hydro, wind and solar based. TPC also owns 2,200 circuit kms of transmission lines. TPC has promoted a unique cross country 400 KV transmission system between North East – Bhutan and India through Power Links Transmission Ltd., a 2,400 ckm transmission line company set up as Public-Private Partnership with Power Grid Corporation of India Ltd., India's Central Transmission Utility (CTU) as its partner.

Tata Power also has significant presence in retail distribution and distributes power to about one million consumers in the cities of Delhi and Mumbai in addition to supplying bulk power to two key power distribution utilities at Mumbai i.e. Brihanmumbai Electric Supply & Transport Undertaking (BEST) and Reliance Energy Limited (REL).

Social Impact Assessment Exercise

CGPL, in observance with the philosophy and practice of TATA group of companies and adherence to IFC's Performance Standards, has commissioned a Social Impact Assessment (SIA) and preparation of Mitigation Plan. Following is a report of a Rapid Social Impact Assessment (RISA) exercise carried out in and around the proposed project in October 2007.

The Purposes of the exercise are:

1. Assess the potential adverse social impacts and possible opportunities created by the implementation of UMPP from the point of view of local people;
2. Develop a mitigation plan as well as procedures and institutional mechanisms to monitor social impacts on an ongoing basis; and
3. Assist CGPL and its lenders (IFC, Financial institutions etc.) to structure the Project so that Indian and IFC Performance Standards will be met.

Source of information for RISA

RSIA involved

1. review of available literature/documents on the project;
2. carrying out baseline survey of project affected villages; and
3. discussions with representatives and members of
 - project affected villages,
 - non government organisations (NGOs),
 - district level Government
 - CGPL.

Broad Time frame of the Project

1. The construction phase would last for 4-5 years period (2008-2012).
2. The plant is expected to be commissioned in (2012)

Major Project activities

To set up the project the projects requires to

1. acquire 1242 ha. of public and private land,
2. construct main plan, related infrastructure and housing facilities for the staff,
3. transport and store coal,
4. carryout power generation and transmission activity,
5. transport, process, use and dispose used sea water,

Possible Social Impacts and opportunities

Based on RISA following social impacts and opportunities are identified:

1. Loss of Government waste land, grazing land, forest land and private agriculture land of 95 persons.
 - This will affect livelihood patterns of people depending on agriculture, animal rearing, fisheries and charcoal making.
 - This will affect the access to produce like fodder and fuel wood from common property resources (CPR) for economic and domestic use.
 - This will affect movement of people involved in animal rearing.
2. Construction activities over a period of 4-5 years would result in
 - Substantial movement of construction materials, equipments, and temporary in-migration of labour force.
 - Dust and noise pollution.
 - Pressure on water resources, sanitation and solid waste management systems,
 - Opportunity or generation of income/employment through participation in construction activity and servicing needs of migrant people.
3. Power generation and transmission would
 - generate dust, noise and thermal pollution
 - Transport of coal and generation of ash would affect land and water resources and health of local people,
4. Use and discharge of used of sea water would
 - Disturb movement of cattle, livelihood pattern of members of fishing community.

Mitigation:

1. CGPL in association Government agencies and departments at district, state and national level have been following formalities and procedures required for acquisition of public and private land. The issues arising out of public land acquisition are being resolved to the satisfaction of all concerned.
2. In case of private land due process of land acquisition is followed. Most of the landowners (62 out of 95) have arrived at a conciliatory settlement of transfer of land to the company. The issue needs to be resolved with remaining 33 land owners. Out of 33 persons some of them have migrated out and some of them have sold their land to investors. Only about 10% of land owners would want to renegotiate the price offered for their land.
3. CGPL is approaching the issues of disruption of livelihood patterns and possible hardships caused to local people due to project activities and reduced accesses to common property resources with a constructive attitude and socially responsible manner. These issues would be addressed during full SIA exercise to follow.

CGPL is committed to:

- Setting up an institutional arrangement with participation of project affected people, which would redress community grievances; facilitate participation in development and implementation of the Community Development Plans (CDP)
- Providing short-term temporary employment opportunities to affected households, in the Project construction work, to address loss of livelihood and food insecurity;
- Providing stable employment to persons from each affected household;
- Organize Community Development Plans (CDP), in consultation with affected communities, for the four directly affected villages towards improvement in quality of life and amelioration of adverse community impacts; and
- implement a public consultation and disclosure plan, currently under preparation, to remain engaged with the affected communities on an ongoing basis.
- CGPL is committed to the concept of maximizing the benefits offered by the project during the construction as well as commissioning stages, addressing the needs and concerns of the local people, in general and affected people in particular by developing and implementing community development programmes (CDP).

In brief, the social impacts observed can be mitigated and opportunities generated maximized by taking up appropriate mitigation measures as well as through dialogue process with local people and creating institutional arrangements which, would plan & monitor impacts and corresponding initiatives, on an on going basis. This would be attempted during the course of carrying out full SIA exercise.

Abbreviations

APs	Affected Persons
BPL	Below Poverty Line
CDP	Community Development Plan
CEA	Central Electricity Authority
CGPL	Costal Gujarat Power Limited
GEB	Gujarat Electricity Board
GIDC	Gujarat State Industrial Corporation
GOI	Government of India
HH	Household
HHI	Household Income
IFC	International Finance Corporation
IP	Indigenous People
IPP	Independent Power Producer
LA	Land Acquisition
LAA	Land Acquisition Act
NGO	Non-Government Organization
NOC	No Objection Certificate
O&M	Operation and Maintenance
PAH	Project Affected Household
PAP	Project Affected Person
PAV	Project Affected Village
PS	Performance Standard
SA	Social Assessment
SIA	Social Impact Assessment
ST	Scheduled Tribe
TPC	TATA Power Company Limited

Key Definitions

Assistance: This refers to the support provided to APs in the form of ex-gratia payments, loans, asset services, training and skills development, etc. in order to improve the standard of living and reduce the negative impacts of the proposed power project. They are persons who have economic interests or residence within the project site.

Affected Persons (APs): They are persons who have economic interests or residence within the investment programme impact area and who may be adversely affected directly by the investment programme. Affected Persons include those displaced, those losing commercial or residential structures in whole or part, those losing agricultural land or homesteads in whole or part, and those losing income sources as a result of project action. PAPs include both titled and non-titled persons experiencing resettlement (physical or economic, if applicable) impacts due to the project.

Below Poverty Line (BPL) Households: These are households whose monthly income is less than a designated sum as determined by the Government of Gujarat.

Compensation: Is the amount paid under the Land Acquisition Act, 1894 (amended 1984) Award for private property, structures and other assets acquired for the Investment Programme. In this context, compensation refers to payments made by the Government when title of a property is transferred from a private entity to the government.

Cut-off Date: The date of notification under Section 4 (1) of the Land Acquisition Act will be considered as cut-off date for PAPs who have legal title to the land/property, proposed for acquisition. In the case of Squatters, Encroachers and unauthorized occupants, the date of census/socio-economic survey conducted by CGPL will be considered as the cut-off date for entitlements.

District Collector: This is the Administrative head of a District

Gram Panchayat (GP): The local body for self government

Indigenous People (IP): For the purpose of this report, IPs may be defined, as per Indian legislation, as Scheduled Tribes resident in the Project Affected Villages or Scheduled Tribes who have customary/traditional rights and/or dependence on the land and resources acquired under the Project.

Most vulnerable groups: This includes (for the purpose of this report only) all indigenous people from whom land has been acquired (either whole or part of their land holding); landless indigenous people living in the impacted villages who had (or have) land based livelihood but do not have any land; non IP project affected households (PAHs) that have lost all of their land, as well as elderly, single and women headed households and disabled (would include physically and mentally challenged) from whom land has been acquired.

Project Affected Villages (PAVs): These include the villages Tunda, Tunda-Wandh, Kandagra, Navinal and Nana Bhadiya from whose jurisdiction land has been acquired for the Project. While land is being acquired or right of use is being sought in smaller

parcels from other villages for the plant, water pipeline, railway spur and transmission lines, for the purpose of this report, these have not been considered in the PAVs. These PAVs are not expected to be seriously impacted, will not lose access to all their lands and technically should be allowed to use their land for farming once construction has taken place (with the exception of the railway spur). These will be included as PAVs/PAH in the comprehensive study to be completed in the second phase of the social impact assessment.

Project Affected Household (PAH): All members of a household, whether related or not, operating as a single economic unit, who are affected by a project

Private Property Owners: They are those who have legal title to land, structures and other assets.

Replacement Value: This is the value of the acquired assets and property is the amount required for the Affected Household to replace/reconstruct the lost assets through purchase in the open market

Sarpanch: He/she is the head of a Gram Panchayat

Taluka: Block administrative unit.

Tenants and Sharecroppers:

They are persons having bona fide written or unwritten tenancy agreements, with a private property owner having clear property titles, to occupy a structure or land for agricultural use, residence and business.

Vulnerable Households:

In the context of compensation entitlement process of the Investment Programme, these are households headed by women, physically challenged, Indigenous People, and Below Poverty Line (BPL) households.

SECTION 1

1.0 Background & Introduction

1.1 Background

The Government of India has envisaged capacity addition of 100,000 MW by the year 2012 to meet its Mission of Power to All. Achievement of this target also requires the development of large capacity projects at the national level to meet the requirements of a number of States.

In order to achieve the long term goal Ministry of Power (GOI), Central Electricity Authority (CEA), and Power Finance Corporation (PFC), a Govt. of India Undertaking are working together for development of ultra mega power projects (UMPP) under tariff based competitive bidding route. These projects have been awarded to developers on Build, Own and Operate (BOO) basis. The UMPPs, each with a capacity of 4000 MW (Nominal), would also have scope for further expansion.

In order to facilitate tie-up of inputs, linkages and clearances for these projects, PFC have set up 'Shell' Companies as wholly owned subsidiaries. These companies undertook preliminary studies and obtained necessary clearances and tie-ups including water, land and power selling arrangements etc, prior to award of these projects to successful bidders by way of selection of developers through a tariff, based ICB. The shell Companies would also facilitate the process of obtaining environmental clearance.

In the first phase, two projects at coal pit heads (based on domestic coal) and four projects at coastal locations based on imported coal have been identified for development.

Ministry of Power has been working as facilitator to coordinate with concerned Ministries/agencies and State Govt. for ensuring:

- a) Coal block allotment/coal linkages
- b) Environmental clearances
- c) Required support from State Government and its agencies
- d) Financial closure by financial institutions
- e) To facilitate PPA and proper security payment mechanism with State Govt./ State utilities
- f) Monitoring the progress of Shell Companies w.r.t predetermined time lines
- g) These ultra mega power projects will add 20,000 MW at five locations within a span of 7-8 years and help in achievements of the targets of capacity addition.

Tata Power Company Ltd. has been declared the most competitive bidder for establishing 4000 MW Ultra Mega Super-critical Thermal Power Project through an international competitive bidding route at Mundra taluka, Kutch District, Gujarat a coastal location in western India. The project is being set up by Coastal Gujarat Power Ltd. (CGPL), which is 100% owned by Tata Power Company Ltd. (TPC). The project with five units of 800 MW shall be based on Super Critical Boiler Technology and shall use imported coal, which will be procured through long term fuel supply contracts.

1.2 COASTAL GUJARAT POWER LIMITED

Coastal Gujarat Power Limited (CGPL), a wholly owned subsidiary of Power Finance Corporation Ltd., was incorporated on 10th Feb 2006 under the Companies Act 1956 with Registration No. U-40102 DL2006 GOI 146110 and was transferred to Tata Power Company as a wholly owned subsidiary on 22.04.07.

The power generated from Mundra UMPP would be allocated to states of Gujarat (1900 MW), Maharashtra (800 MW), Punjab (500 MW), Haryana (400 MW) and Rajasthan (400 MW). Electrical power flow transmission system studies have been assigned to M/s Power Grid Corporation Ltd. (PGCL) to augment the existing 400 KV/other transmission network in Gujarat and other states of western and northern regions.

The core team comprising engineers of CEA has carried out initial work on site selection, water availability, for the proposed Mundra UMPP. Some of the activities such as topographical survey, geo-technical investigation, hydrographic, seismic and oceanographical studies, area drainage, fuel transportation study, environmental studies, socio-economic studies, power evacuation and load flow studies, grid tolerance / system stability study, preparation of feasibility / project report for the ultra mega project are being outsourced.

CGPL had retained the services of TCE Consulting Engineers Limited to carry out the Environmental Impact Assessment study (Coastal) for the proposed 4000 MW (Nominal) UMPP.

CGPL, in keeping with TATA Group's corporate philosophy and practice has commissioned a socio-economic impact assessment (SIA) to:

1. Enhance positive socio-economic outcomes of the Project,
2. Identify and mitigate potential social impacts and risks,
3. Strengthen community relations and enhance CGPL's reputation; and
4. Meet IFC's Social & Environmental assessment and disclosure requirements

SAVE- Saline Area Vitalisation Enterprise Limited has been retained to carry out detailed Social Impact Assessment (SIA).

Objective of the Social Impact Assessment

The objective of this study is to complete a socio-economic survey of the most vulnerable groups and assess the impact of the Project on these groups. A detailed socio-economic survey of all PAHs is proposed subsequently and this report will be updated to reflect the results and findings of the detailed socio-economic survey of all PAHs. It aims to carry out an assessment of the land acquisition and compensation in the context of IFC's Performance Standard (PS) 5, (concerning Land Acquisition and Involuntary Resettlement) and PS7 (concerning Indigenous Peoples).

In order to assess the land acquisition and the compensation process and the impacts on project affected people, baseline socio-economic data needs to be collected. A comprehensive socio-economic assessment will be completed by February 2008. However, in the immediate term, a critical rapid assessment of socio-economic impacts

on the most vulnerable groups (MVG) has been undertaken to assess any negative impacts on MVG and where required, to develop immediate, short-term mitigation measures. Long term mitigation measures encompassing all PAHs will be developed under a Community Development Plan (CDP) proposed to be completed by February 2008. In particular, at this stage, IFC is concerned with local people who lost all or a substantial portion of their land, other groups that were not initially identified as impacted (such as sharecroppers or renters of land) and other vulnerable groups such as women, women headed families, the elderly, youth and the disabled PAPs.

Sources of Data and Information

Main sources of data are:

1. Literature review,
2. Baseline survey of five project affected villages,
3. Discussions with people from project affected villages, government officers, CGPL staff, and representatives of local and state level NGOs,
4. Government publications and files containing summaries, minutes of meetings and other documents related to UMPP, Files of CGPL on village land data, other communication with authorities and;
5. Comprehensive Environmental Impact Assessment Study carried out by TATA Consulting Engineering (TCE) Limited.

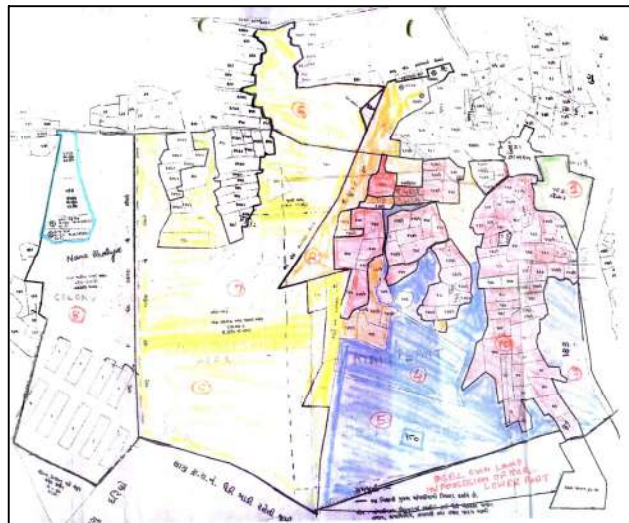
1.3 DESCRIPTION OF THE PROJECT

Location

The proposed power plant would be located at a site near south of Tundawand village in Mundra taluka of Kutch district in Gujarat, India. Proposed site is located at 22° 49' 48" N Latitude and 69° 30' 58" E longitude. The site is well connected with State Highways No. SH-50 (Via Anjar) and No. SH-6 (Via Gandhidham) and would be nearer to the proposed NH-8A (Delhi-Kandla). The nearest railway station is Adipur, which is 57 km away from the proposed site. Adipur railway station is well connected to multi terminal Mundra port through broad gauge railway system privately owned by M/s. Adani Group.

Land

The proposed 4000MW (Nominal) power plant would have 1242 Ha of land which includes 241 Ha of land for disposal of ash generated in 9 years. Approximately 182 Ha of land for colony has been identified. A total of - 1242 Ha of area has been identified for project facilities. The land for UMPP is in the process of acquisition and under ownership of Govt. of Gujarat, MSEZ and private. The proposed land is plain/barren, free of trees, vegetation, wild fauna life, sandy and has no inhabitation.



Water

The proposed power plant will require about 14.26Mm³/day (594,200 m³/hr) of water. The only source of water, required for the proposed thermal power plant is nearby sea (Gulf of Kutch), which is located at a distance of 2.5 km from the power project site. Sea water will be taken to plant boundary through open channel for condenser cooling and other fresh water requirement. Fresh water requirement would be fulfilled by installation of thermal desalination plant. In order to meet the cooling water requirements, once through cooling water system will be incorporated since the same found to be a least cost tariff option.

Overall length of intake channel (approx. width=100m) is about 6.5 km, which will be routed through Kotdi Creek. Length of outfall channel (width=60m) is nearly 4.9 km which will be routed through Mudhwa Creek. A precooling channel will be provided, if necessary, to ensure that the temperature of hot water at the location of discharge meets the environmental stipulations. Detailed studies including model studies will be carried out for finalizing the alignment and design of intake and outfall structures.

Coal

Coal for the project would be imported, sourced from Indonesia through cargo vessels of capacity of 125,000 MT to the nearest Mundra port. The existing facilities at Mundra port for Storage and handling of coal would not be adequate, hence, facilities at the port are to be augmented to meet UMPP requirement. MGR rail link has been indicated to the developer for transportation of coal from Mundra port to proposed power project site.

Power Generation and Transmission

The steam generator (SG) would be designed for firing 100% imported coal. It would be complete with all necessary accessories. The evacuation of the generated power is currently proposed through six nos. 400KV transmission lines from the power plant connecting to the 400KV substations at Limbdi (chorania), Jetpur and Ranchodpura (Vadavi).

1.4 ENVIRONMENTAL IMPACTS

Construction Phase

Construction phase would last for nearly 4.5 to 5 years. Dust emission, noise and water pollution from the construction sites were assessed to be the major environmental impacts during the construction period. Effective implementation recommendations made in the EIA report would help in addressing the problems which are temporary in nature that will subside once construction period is over.

Temporary beneficial socio-economic impact in terms of increased jobs and availability of money to the workers and villagers settled nearby is expected during the construction period. Migration of workers population is expected to be minimum, as local workers from the nearby area will be preferred for temporary employment.

Operation Phase

Similarly, necessary studies and recommendations have been made under EIA exercise to address the problems of air, water, noise and thermal pollutions. The effective implementation of the same would address the issues.

Socio – Economic:

Proposed UMPP site has neither inhabitation villages nor permanent structures and hence rehabilitation and resettlement (R & R) issues are not involved that could alter the existing socio-economic pattern.

Most of the people around the site have an income directly or indirectly from agriculture and other service related work. Proposed project will employ local people both during construction and operation phase of the project. Infrastructure facilities and amenities developed for the project could be also used by local villagers. The project will improve the infrastructure facilities and amenities of the study area. Therefore, socio-economic impact of proposed plant is expected to be positive.

Since power is the wheel for any of the development, the surrounding villages and region would get maximum benefits out of generated electricity. The benefits may be realized either as up coming of industries and its allied ancillary units. Other benefits would be generation of either direct or indirect employment to the locals. The ensured and reliable supply of power to upcoming industries and surrounding region would be a boon for development of the region. The locals of the project area are expected to get more benefits from the proposed power project.

The overall impact of the project is expected to be positive.

Ecological

Natural vegetation of the surrounding area was dominated with *Prosopis julfflora* as an open scrub forest. Since the proposed project is consisting of barren sandy area with minimum cultivation and patches of thin vegetation, the setting up of project will not require tree felling, rehabilitation and resettlement. The site is remotely situated from metropolitan city or eco-sensitive spots including national parks, wildlife sanctuaries, historical-religious and cultural sites, defense installation, tropical forests, biosphere reserves, important lakes etc. Therefore, impacts are not envisaged for the mentioned sensitive locations.

With planned measures of developing green belt on the periphery of the project site and environment projection, the impact of the proposed UMPP is expected to be positive on surrounding environment.

Solid Waste Management

MOEF notification on utilization of fly ash would be implemented for utilization of 100% fly ash within 9 years after the commissioning of the proposed project. The required consent for handling and disposal of solid waste would be taken before commissioning

of the proposed project. Therefore, proper disposal and management of generated solid waste would not pose any pollution problem to the surrounding environment.

Pollution Monitoring and Surveillance System

A well-defined environmental monitoring programme would be emphasized with trained and qualified staff that would monitor the ambient air as well as stack gas quality to ensure that the pollutants level is always maintained within the permissible levels. The monitoring system would also cover water, marine environment, sediment, mangroves, seaweeds and fishery resources, ambient temperature and alkalinity. Further, Meteorological station will be set up to monitor wind velocity / direction, temperature, rain fall, relative humidity, cloud cover, solar radiation and barometric pressure.

1.5 LAND ACQUISITION APPROACH

Land Acquisition approach of CGPL for UMPP has been in accordance with the IFC's Performance Standard 5 on Land Acquisition and Performance Standard 7 on Indigenous People (PS5 and PS7) with regard to land acquisition and resettlement, including that which involves indigenous people state:

- Involuntary resettlement refers both to physical displacement (relocation or loss of shelter) and to economic displacement (loss of assets or access to assets that leads to loss of income sources or means of livelihood) as a result of project-related land acquisition.⁵ Resettlement is considered involuntary when affected individuals or communities do not have the right to refuse land acquisition that result in displacement. This occurs in cases of: (i) lawful expropriation or restrictions on land use based on eminent domain ⁶; and (ii) negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.
- Unless properly managed, involuntary resettlement may result in long-term hardship and impoverishment for affected persons and communities, as well as environmental damage and social stress in areas to which they have been displaced. For these reasons, involuntary resettlement should be avoided or at least minimized. However, where it is unavoidable, appropriate measures to mitigate adverse impacts on displaced persons and host communities ⁷ should be carefully planned and implemented.
- Negotiated settlements help avoid expropriation and eliminate the need to use governmental authority to remove people forcibly. Negotiated settlements can usually be achieved by providing fair and appropriate compensation and other incentives or benefits to affected persons or communities, and by mitigating the risks of asymmetry of information and bargaining power.
- The Indigenous Peoples, as social groups with identities that are distinct from dominant groups in national societies, are often among the most marginalized and vulnerable segments of the population. Their economic, social and legal status often limits their capacity to defend their interests in, and rights to, lands and natural and cultural resources, and may restrict their ability to participate in and benefit from development. They are particularly vulnerable if their lands and resources are transformed, encroached upon by outsiders, or significantly

degraded. Their languages, cultures, religions, spiritual beliefs, and institutions may also be under threat. These characteristics expose Indigenous Peoples to different types of risks and severity of impacts, including loss of identity, culture, and natural resource-based livelihoods, as well as exposure to impoverishment and disease.

- Private sector projects may create opportunities for Indigenous People to participate in, and benefit from project related activities that may help them fulfill their aspiration for economic and social development. In addition, it also recognizes that Indigenous People may play a role in sustainable development by promoting and managing activities and enterprises as partners in development.

The objectives of PS7 are –

- To ensure that the development process fosters full respect for the dignity, human rights, aspirations, cultures and natural resource-based livelihoods of Indigenous People.
- To avoid adverse impacts of projects on communities of Indigenous People, or when avoidance is not feasible, to minimize, mitigate, or compensate for such impacts, and to provide opportunities for development benefits, in a culturally appropriate manner.
- To establish and maintain an ongoing relationship with the Indigenous Peoples affected by a project throughout the life of the project.
- To foster good faith negotiation with and informed participation of Indigenous Peoples when projects are to be located on traditional or customary lands under use by the Indigenous Peoples.
- To respect and preserve the culture, knowledge and practices of Indigenous Peoples.

Land Acquisition: Process Adopted for UMPP at Mundra

Land acquisition for CGPL has been the responsibility of District Administration. Government in association with CGPL has followed due processes to acquire land for the UMPP. This includes:

1. Notification through The Gujarat Government Gazette dated – 20th September 2006 under Land acquisition Act 1894.
2. The letter announcing the need for acquisition of public/grazing land was issued by Revenue Department, Government of Gujarat on 17th October 2006 followed by the land transfer order of the Collector, Kutch - Dated 7th April 2007 for village Tunda and letter dated 14th May 2007 for Mota Kandagra of Mundra Taluka.
3. The notification under Section 4 and 6 of the Land Acquisition Act 1894 were subsequently issued for acquisition of private land.

4. Further reserved forest land admeasuring 130 Ha located at village Mota Kandagra, Mundra taluka was required for the UMPP. The application to request land transfer was made to the Principal Secretary, Revenue Department, GoG on 22nd February 2007. This was followed by approval of transfer of said land, with the acceptance by CGPL with the condition that CGPL would establish compensatory forest - letter dated 29th March 2007 of Ministry of Environment and Forest, Government of Gujarat. The land for compensatory plantation is located at village Bamnka, Bhachau taluka, Kutch district.
5. Notification was issued by the Revenue Department, GoG on 28th March 2007 to acquire private land admeasuring 181.70 Ha from 95 plot owners of Tunda village. This was followed by announcement in the English and local vernacular language news papers on 13th April 2007.
6. NOC has been received from Ministry of Defense, GOI, dated 29th March 2007.

⁵ Land acquisition includes both outright purchases of property and purchases of access rights, such as rights-of-way.

⁶ Such restriction may include restrictions of access to legally designated nature conservation areas.

⁷ A host community is any community receiving displaced persons.

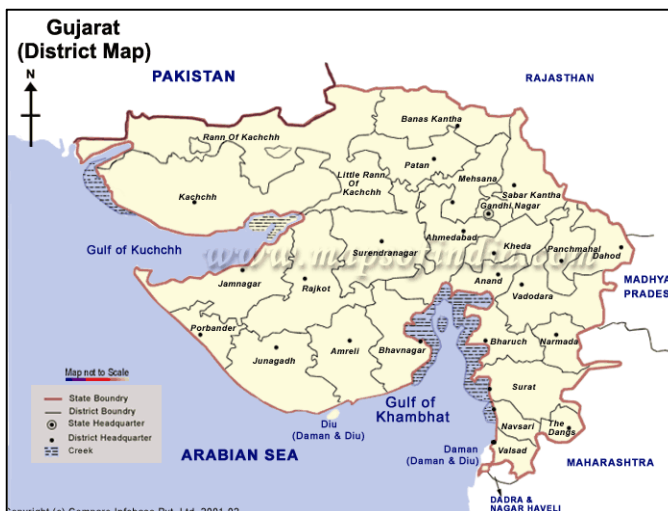
⁸ As per records in CGPL

SECTION 2

1.0 About Gujarat State

Physical

Gujarat with a total Area of 196,024 sq km is surrounded by the Arabian Sea to its west, Rajasthan to its northeast and Madhya Pradesh and Maharashtra to its east and south respectively. It also shares a long boundary with Pakistan to its North. It is divided into twenty-five districts (administrative units), with its state capital at Gandhinagar. It has total population of 5,05,96,992 (Census 2001) living in 18,622 of villages and major urban centres, which include - Ahmedabad, Jamnagar, Rajkot, Surendranagar, Bhavnagar, Junagadh, Porbandar, Gandhinagar, Nadiad, Anand, Vadodara, Broach, Surat, Navsari and Gandhidham.



Demography

Table 1: Demographic Details of Gujarat

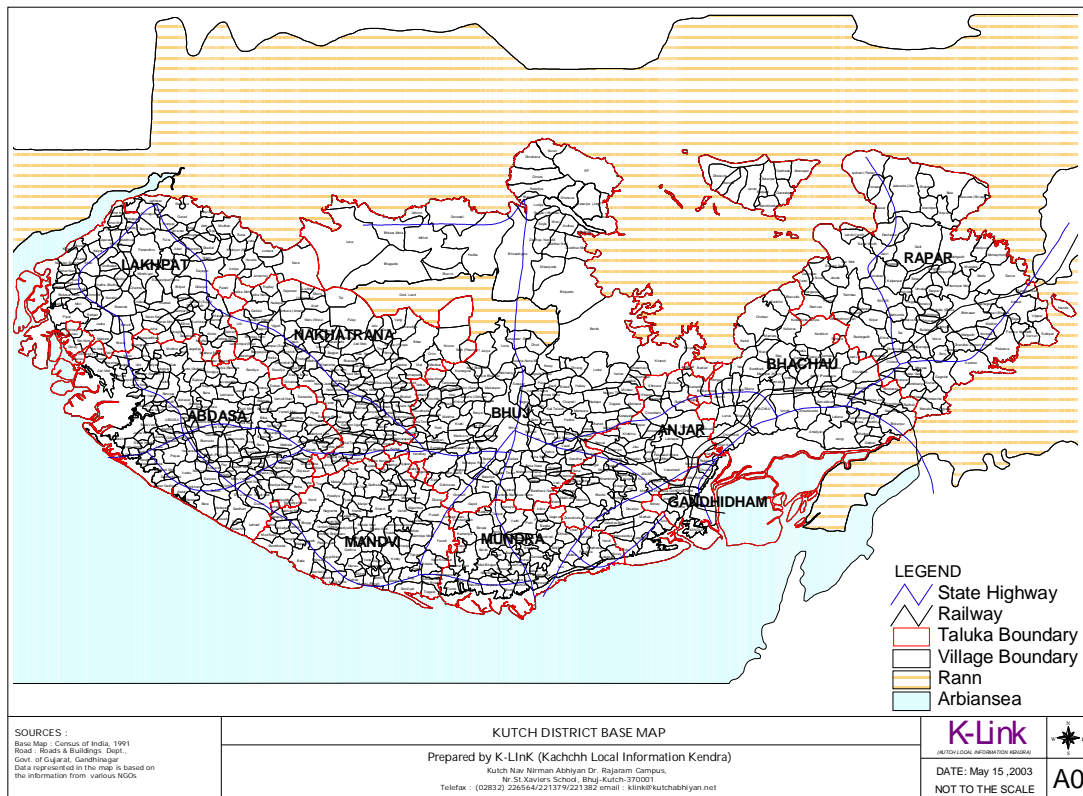
S.No	Demographic Details	Male	Female	Total
1	Population	26,344,053	24,252,939	50,596,992
		Rural	Urban	
	31,697,615	18,899,377	Total	
	Schedule* Caste	Schedule* Tribe		
3,749,237	7,549,072	11,298,309		
2	Population Density (person/sq km)	258		
3	Sex Ratio	921		
4	Literacy Rate (in %)	61.57		

Source: Census (2001) *1991 Census

2.0 About Kutch District

Geography of the region:

Kutch is an erstwhile princely state of India. It is the largest district of the state of Gujarat and the second largest district in India covering an area of 45,612 sq kms. The land is virtually 'an island' resembling a tortoise "Katchua or Kachbo", surrounded by seawater. Kutch was also known as the kutchdweep or Kutchbet." The Great Rann of Kutch and the Little Rann of Kutch respectively-uninhabitable deserts which during the monsoon season (June to October) are often completely submerged by floods. It has a vast coastline of 352 kilometers with Arabian Sea.



Kutch bounded by the Arabian Sea to the west; the Gulf of Kutch, which separates it from the Kathiawar peninsula, to the south and southeast; and by the Rann of Kutch, a sprawling but seasonal wetland, to the north and east. The border with Pakistan lies along the northern edge of the Rann of Kutch.

Topographically, Kutch is divided into 5 distinct regions:

- (i) The Great Rann, or uninhabited wasteland in the north,
- (ii) The Grasslands of Banni,
- (iii) Mainland, consisting of planes, hills and dry river beds,
- (iv) The Coastline along the Arabian Sea in the south, and
- (v) Creeks and mangroves in the west.

The southern portion of the Rann is considered an island, with seawater inundating the land for most of the year. The mainland is generally plain, but has some hill ranges and isolated hills. The administrative headquarters are in Bhuj. The district's five main towns are Gandhidham, Bhuj, Anjaar, Mandavi and Mundra.

Demographic distribution:

The district had a population of 1,583,225 of which 30% were urban as of 2001. Kutch has approximately 950 villages inhabited by a diverse population. Hindus constitute 89% of the population, followed by Muslims who form 9% and Jains who make up 1% of the total population. The region is sparsely populated in comparison to the large area of land, but the settlements are fairly densely populated.

Climate:

Kutch has a tropical monsoon climate with an average annual rainfall of approximately 14 inches. The temperature ranges from 2 degrees Celsius in the winter to 45 degrees Celsius in the summer. The three main seasons are: (i) summer, from February to June, (ii) monsoon season, from July to September, and (iii) winter, from October to January.

Language

The languages spoken predominantly in Kutch are Kutchi and Gujarati. Kutchi draws heavily from its neighbouring language groups: Sindhi, Punjabi and Gujarati. Script of Kutchi language has become extinct reducing it to a dialect, occasionally written in the Gujarati script. Samples of Kutchi script are available in Kutch Museum. Kutchi and Gujarati are not mutually intelligible though Sindhi and Kutchi are to some extent.

People

Kutch district is inhabited by various groups and communities. Many of these have reached this region after centuries of migration from neighbouring regions of Marwar (Western Rajasthan), Sind, Afghanistan and further. Various nomadic, semi nomadic and artisan groups are living in Kutch. While certain groups like the Kutchi Rabaris, Meghvals, Wankars, Ahirs and many others have adopted a settled lifestyle and have struck a life rhythm much close to that of the modern day towns. There are still some groups such as Dhanetah Jaths, Halepotra, Raisipotra and even the Sammas, Node and other Muslim groups who stay in the Banni region, in much more primitive living conditions. A number of natives migrated to Africa, especially South Africa the early 1960's and also form a substantial expatriate population in the United Kingdom.

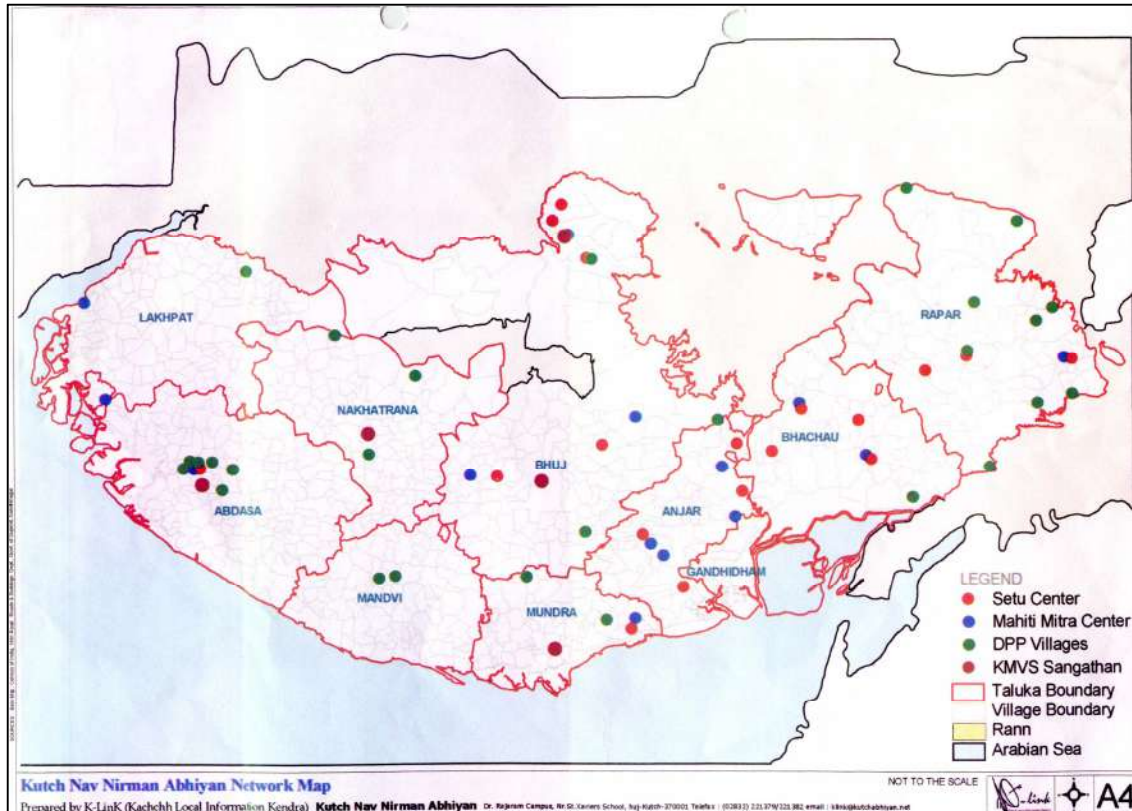
History - Modern Period

Upon the independence of India in 1947, Kutch acceded into the dominion of India and was constituted an independent commissionerate. It was created a state within the union of India in 1950. On November 1, 1956, Kutch was merged with Bombay state, which in 1960 was divided into the new linguistic states of Gujarat and Maharashtra. Kutch thereupon became a part of Gujarat state.

The epicenter of 2001 Gujarat Earthquake was in this district. It was the most severe earthquake (out of more than 90 earthquakes) to hit Kutch in 185 years. Much of Bhuj was destroyed or damaged as were many villages.

About Mundra Taluka

Mundra features prominently in the rich maritime history of India, ever since the town was established in the time of Raja Bhojrajji (1633-1645). With its strategic location along the Gulf of Kutch, making it a western gateway into India, Mundra has always had an international orientation.



Mundra town is located about 70 km from Gandhidham which is one of the major towns in the district of Kutch in Gujarat. The other important towns in this district are Bhuj and Mandavi besides of course Gandhidham. Mundra has total population of about 60,000 persons of which majority are migrants.

The traditional maritime activity in the area includes shipbuilding, of which Mandavi has been a major centre. The main occupation of the local community is agriculture and trading, while the main handicrafts are tie & dye, block prints and Namda work. The main source of income for the local people is fishing. The quality of water in this region is very poor and has high fluoride content. The transportation and medical facilities in the region are not very well established but this is now rapidly improving.

Following the earthquake of January 2001 which had ravaged this district, lots of tax incentives were granted for setting up new industries in this district and this has led to

the rapid industrialisation of this region. A special economic zone is also now coming up in this town around the port

The economic activity in the area has received an added impetus with the arrival of the Port and SEZ, and other business organizations like MICT, Adani, Wilmer, Jindal Saw, IOCL, HPCL, CFSs, Aashapura Industries as well as service providers like Skanska, ECC, L&T, and Simplex have establishment in and around Mundra since the arrival of the Port in 1998.

Mundra SEZ

The Government of India and the State Government of Gujarat have accorded the approval to the Adani Group to Develop, Operate and Maintain a Special Economic Zone (SEZ) at Mundra in Gujarat. The Project is referred to as Mundra SEZ.

Mundra Port is an integral part of the Mundra SEZ. The SEZ status confers significant benefits to the developers and business partners of the port, thus providing cost-efficient solutions to the end-customers.

Mundra SEZ would provide integrated infrastructure encompassing all infrastructure relating to business, living, learning, as well as recreation facilities so as to make the zone self-sufficient. Mundra SEZ will have world-class Industrial, Business, and Social infrastructure like development of Industrial plots, Commercial and Residential buildings, Schools, Colleges, Hospital, Entertainment, Sports and Recreation facilities.

The SEZ will have all essential utilities such as power generation, transmission & distribution network, water desalination plant and supply network, sewage, water recycling plant, telecom network and multi-modal connectivity viz. roads, airport, seaport & rail.

The Adani Group is developing the 13000 ha SEZ with the Mundra Port as its main stay, with the 1st phase encompassing 2550 Ha. The Mundra SEZ would utilize the Port and the immediate land surrounding it. The pilot phase 1-A of the Mundra SEZ of 1300 ha has started its operation from 2006.



Mundra SEZ site layout

With the existing facilities and the planned developments of the Port and the surrounding region, Mundra Port is really and truly poised at the threshold to take a giant leap into the big league of Port Infrastructure and services provider and take the country to the forefront of International Port Infrastructure

Coastal Gujarat Power Limited – Project at Mundra

The project is located half way between Mundra and Mandavi town of Kutch district. The project is in the process of acquiring land and setting construction process in motion.



UMPP Mundra Site:

The Impact of the project

Major Project activities

To set up the project the projects requires to:

1. acquire 1242 ha. of public and private land,
2. construct main plan, related infrastructure and housing facilities for the staff,
3. transport and store coal,
4. carryout power generation and transmission activity,
5. transport, process, use and dispose used sea water,

Possible Social Impacts and opportunities

Based on RISA following social impacts and opportunities are identified:

Direct Impact

1. Loss of Government waste land, grazing land, forest land and private agriculture land of 95 persons.

- The public land is being acquired from Tunda and Kandagra villages of Mundra taluka while from Nana-Bhadiya of Mandavi taluka of the district. This land acquisition also includes grazing and forest land.
- Private land is being acquired from Tunda village and Tunda Wandh, a sub-settlement of Tuna village. Tunda – wandh is also losing grazing land where main and only occupation of the people is animal rearing.

- The private land is also acquired from Nana-Bhadiya which, would be used for housing colony for the staff of the project.
- This will affect livelihood patterns of people depending on agriculture, animal rearing, fisheries and charcoal making.
- This will affect the access to produce from common property resources (CPR) for economic and domestic use.
- This will affect movement of people involved animal rearing.

Response of the affected People:

- Out of 95 land owners 62 have entered into conciliatory agreement with CGPL to transfer land for the project. CGPL would arrange to pay Rs. 6.00 lakh per acre to the land owners.
- In case of private land due process of land acquisition is followed. Most of the landowners (62 out of 95) have arrived at a conciliatory settlement of transfer of land to the company. The issue needs to be resolved with remaining 33 land owners. Out of 33 persons some of them have migrated out and some of them have sold their land to investors. Only about 10% of land owners would want to renegotiate the price offered for their land.
- For the negotiations they would direct discussions with the representatives of the company.
- Though the land from Tunda-Wandh is not being acquired and their settlement falls into MSEZ, owned by M/s Adani Group, they would certainly get isolated. From the main human settlements. Their needs and concerns need to be addressed at for smooth implementation of the project.
- CGPL is proposing to provide service road to connect them with main settlement but that may not be sufficient.

2. Construction activities over a period of 4-5 years would generate

- Substantial movement of construction materials, equipments, and temporary in-migration of labour force.
- dust and noise pollution.
- pressure on water resources, sanitation and solid waste management systems,
- Opportunity or generation of income and employment through participation in construction activity and servicing needs of migrant people.

Response of the affected People:

- The people feel that various pollutions generated during construction and operation stages of the project would adversely affect the productivity of land and water resources, health and socio-cultural fabric of the village communities.
- People are not fully aware about the measures planned to address different type of pollutions.
- People from Nana- Bhadiya sees project as and opportunity as housing colony for the staff of the project is located near their village. While other people from surrounding villages (Tunda, Tunda-Wand, Mota Kandagra and Sirachar are concerned about the pollutions as the power generation facilities are located in the direction of their villages.

3. Power generation and transmission would

- Generate dust, noise and thermal pollution.
- Transport of coal and generation of ash would affect land and water resources and health of cal people,

4. Use and discharge of used of sea water would

- Disturb movement of cattle, livelihood pattern of members of fishing community.

Mitigation:

1. Since the CGPL in association Government agencies and departments at district, state and national level have been following formalities and procedures required for public and private the issues arising out of public land acquisition are being resolved to the satisfaction of all concerned.
4. In case of private land due process of land acquisition id followed. Most of the landowners (62 out of 95) have arrived at a conciliatory settlement of transfer of land to the company. The issue needs to be resolved with remaining 33 land owners.
5. CGPL is approaching the issues of disruption of livelihood patterns and possible hardships caused to local people due to project activities and reduced accesses to common property resources with a constructive attitude and socially responsible manner. These issues would be addressed during full SIA exercise to follow.

CGPL during the course of full SIA would attempt to address these concerns by:

- Setting up an institutional arrangement with participation of project affected people, which would redress community grievances; facilitate participation in development and implementation of the Community Development Plans (CDP).
- providing short-term temporary employment opportunities to affected households, in the Project construction work, to address loss of livelihood and food insecurity;
- providing stable employment to persons from each affected household;
- organize Community Development Plans (CDP), in consultation with affected communities, for the four directly affected villages towards improvement in quality of life and amelioration of adverse community impacts; and
- implement a public consultation and disclosure plan, currently under preparation, to remain engaged with the affected communities on an ongoing basis.

CGPL is committed to the concept of maximizing the benefits offered by the project during the construction as well as commissioning stages, in favour of local people, in general and affected people in particular by developing and implementing community development programmes.

Background Information:

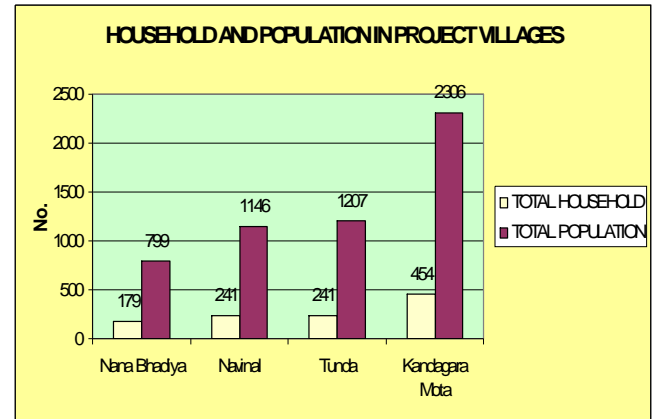
About Project Affected Villages (PAVs)

VILLAGE	Area (Ha)	Total Pop.	No of HH	Male Pop.	Female Pop.	% Male Pop.	% Female Pop.
TOTAL	86,740	83,010	16,973	42,311	40,699	52	48
Tunda	1,314	1,207	241	607	600	50	50
Kandagara Mota	2,085	2,306	454	1,150	1,156	50	50
Bhardiya	1,178	1	1	1	-	100	-
Navinal	1,038	1,146	241	598	548	52	48
Vadala	3,641	1,751	405	861	890	49	51

Source: Census of India

Demographic details of affected villages

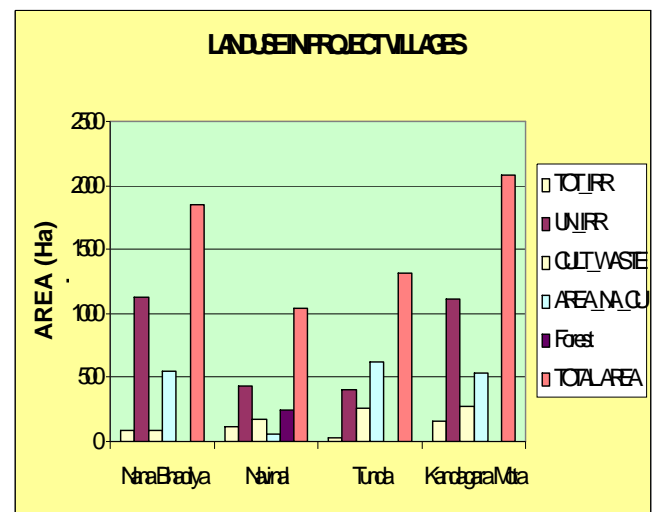
Details	Nana Bhadiya	Navinal	Tunda	Kandagara Mota	Total
Total Household	179	241	241	454	1115
Total Population	799	1146	1207	2306	5458
Total Male	394	598	607	1150	2749
Total Female	405	548	600	1156	2709
Population SC	330	189	68	317	904
Male SC	160	99	37	171	467
Female SC	170	90	31	146	437
Population ST	43	98	0	144	285
Male ST	26	57	0	70	153
Female ST	17	41	0	74	132



Land use in Affected Villages

Details	Nana Bhadiya	Navinal	Tunda	Kandagara Mota	Total
Canal - Govt.	0	0	0	0	0
Canal - Pvt	0	0	0	0	0
Well - Without Electricity	57.51	0	0	0	57.51
Well - With Electricity	25.12	121.41	30.35	62.73	239.61
Other - Irrigation	0	0	0	91.05	91.05
Total - Irrigation	82.63	121.41	30.35	153.78	388.17
Un-irrigated	1134.29	439.9	403.2	1118.64	3096.03
Culturable Waste	88.45	176.37	266.51	278.39	809.72
Area Non-Culturable	547.95	55.4	614.24	534.15	1751.74
Forest	0	245.25	0	0	245.25
Total Area	1853.32	1038.33	1314.3	2084.96	6290.91

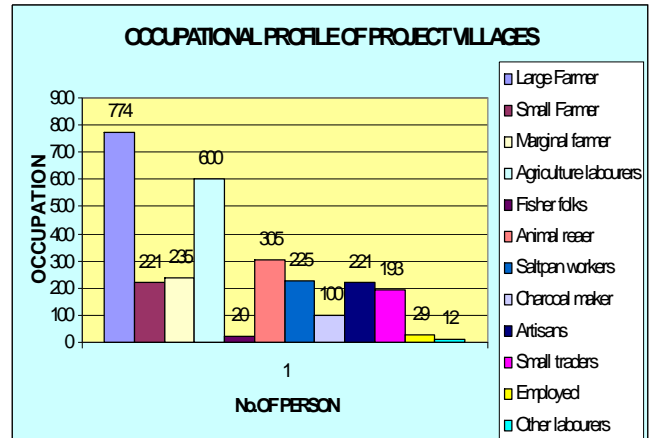
(Source: Census-2001)



Note: Details of Tunda-Wandh is included in details of Tunda Village

Occupational profile in affected villages

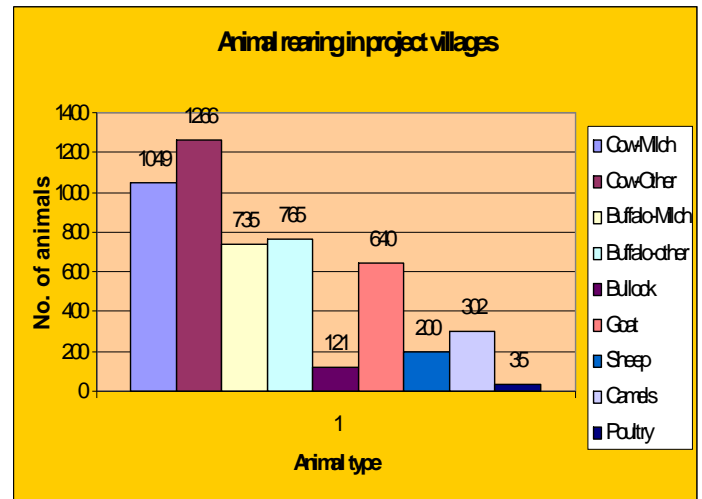
Occupational group	Nana Bhadiya	Navinal	Tunda	Wandh	Kandagra	Total
Large Farmer	300	250	12	12	200	774
Small Farmer	125	30	8	8	50	221
Marginal farmer	235					235
Agri. labourers	50	100	100	150	200	600
Fisher folks	0	20				20
Animal Rearing	75			50	180	305
Saltpan workers	0	200	25			225
Charcoal maker	75			25		100
Artisans	200	10	7	4		221
Small traders	30	7	6		150	193
Employed	12	1	6		10	29
Other labourers					12	12



(Source: Discussion with Villagers and Panchayat)

Animal population in project affected villages

Sr. No.	Type	Nana Bhadiya	Navinal	Tunda	Wandh	Kandagra	Total No.
		No.	No.	No.	No.	No.	
1	Cow-Milch	109	40	150	100	650	1049
2	Cow-Other	106	60	500	150	450	1266
3	Buffalo-Milch	20	75	40	100	500	735
4	Buffalo-other	25	80	60	200	400	765
5	Bullock	45	5	16		55	121
6	Goat	275	100	65	50	150	640
7	Sheep				200		200
8	Camels	235	2	5	50	10	302
9	Poultry	35					35
10	Total-Milch	129	115	190	200	1150	1784
11	Total-others	309	247	647	650	1065	2918

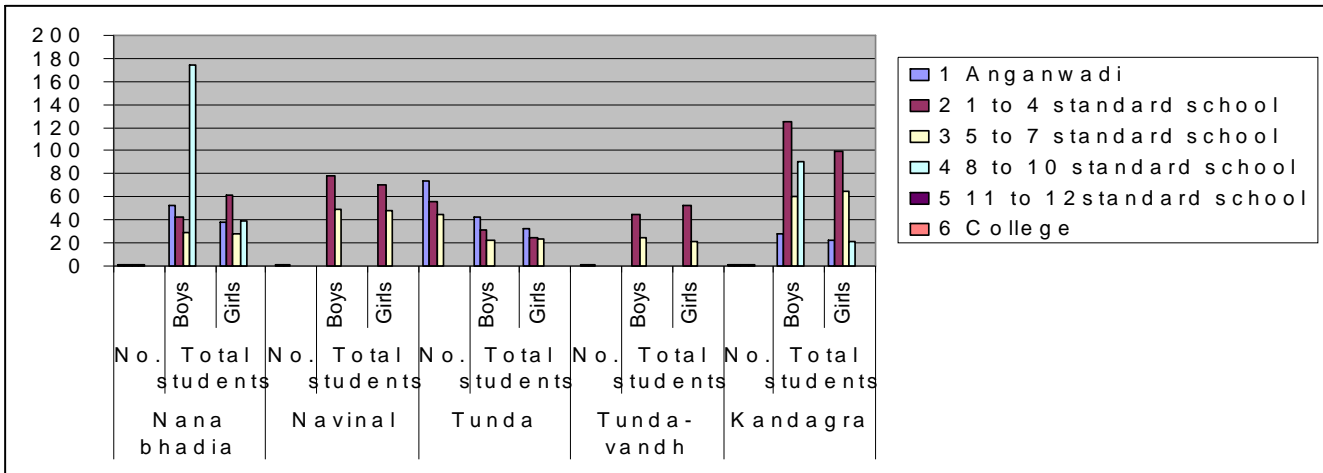


(Source: Discussion with Villagers and Panchayat)

Educational facilities in affected villages

Sr. No.	Type Of Institution	Nana Bhadiya		Navinal		Tunda		Tunda-Wandh		Kandagra						
		No.	Total Students	No.	Total Students	No.	Total Students	No.	Total Students	No.	Total Students					
		Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls					
1	Anganwadi	1	53	38			74	42	32			1	28	22		
2	1 To 4 Standard School	1	42	62	1	78	70	56	31	25	1	45	52	1	125	100
3	5 To 7 Standard School	1	29	28	1	49	48	45	22	23	1	25	21	1	60	65
4	8 To 10 Standard School	1	174	39										1	90	21
5	11 To 12 standard School															
6	College															

(Source: Discussion with Villagers and Panchayat)



Cropping pattern in affected villages

Sr.No	Crop type	Area covered under different crops in ha.					Total
		Nana Bhadiya	Navinal	Tunda	Wandh	Kandagra	
1	Food crops	440	865	100	10	225	1640
2	Oil seeds	80		20		150	250
3	Cash crop	190		200	30	700	1120
4	Horticulture						0
5	Vegetable			10		50	60
6	Floriculture						0
7	Forestry						
	Total	710	865	330	40	1125	3070

(Source: Discussion with Villagers and Panchayat)

Health facilities in project affected villages

Sr. No.	Type of facility	Nana Bhadiya	Navinal	Tunda	Wandh	Kandagra
1	Primary health Centre	No	Yes	No	No	Yes
2	Community Health Centre	No	No	No	No	No
3	Referral hospital	No	No	No	No	No
4	Private dispensary	Yes	No	No	No	Yes

(Source: Discussion with Villagers and Panchayat)

Name of the Village	Religion wise distribution	Coast based occupation Pattern
Tunda	Muslim – 350 Darbar - 125 Brahmin – 60 Harijan - 70 Jains - 30	Muslims – Agriculture/ Making Mud utensils Darbar – Agriculture Brahmin – Religious ceremony/Trade & commerce Harijan – Agriculture Labour / Charcoal Making Jains – Migrated to Mumbai for Trade & Commerce
Tunda Wandh	Rabari (shepherds)	Animal rearing
Nana Bhadiya	Muslim – 275-300 Harijan - 375 Vaishnavs –110 Jains – 50 Devipujak - 100	Muslim – Agriculture/Agri labour Harijan – Agriculture/Agri labour Vaishnavs – Trade Jains – Migrated t Mumbai Devipujak – trade of local tooth brush
Mota Bhadiya	Ghadvi– 2700 Harijan - 650 Darbar –125 Muslim – 90 Luvana - 20	Ghadvi – Agriculture Harijan – Agri. Labourers Darbar – Agriculture Muslim - Agri. Labourers Luvana – Agriculture/Trade
Note: Only 10% of he people live in the village, the remaining 90% live on farm land.		
Siracha	Harijan – 600 Darbar –50	Agriculture/Agri. Labourers
Note: 60%-70% of the land has been sold to Adani.		
Navinal	Darbar– 800 Harijan - 450 Devpujak - 100 Mahjan – 50 Maharaj - 20	Darbar – Agriculture Harijan - Agri. Labourers Devpujak – Vegetables Mahjan – Trade Maharaj – Religious ceremony
Note: Navinal has 200 persons engaged in fisheries. 15 of them are pagarias while 185 has boats. They would face problem of thoroughfare and place to carry out post fishing process.		

SECTION 3

Next Stage of Action:

Based on RSIA it is observed that CGPL is in the process of acquiring land and setting up operation systems to start the project establishment stage. Once the activity on the project site would gather pace the issues of land acquisition and livelihood displacement would also gather momentum.

The preliminary survey does not show any major problems/threats to the project and the impacts perceived and documented can be addressed through a proper dialogue with concerned interest group and stakeholders. As shown in the activity and time plan an effective public disclosure, community consultation process along with community development and mitigation plan would be carried out.

Impact Assessment

There is an urgent need to assess all identified impacts (covered in this Report) and develop a matrix for providing mitigation of these impacts and assistance to PAPs. The assistance would encompass Resettlement Framework (including an Entitlement Matrix, Compensation Plan, and Livelihood Restoration Plan) and a Community Development Plan.

Impact Mitigation and Community Development Plan

The preliminary observations suggest that the community development plan which would be prepared in consultation with concerned persons would include following possible components:

1. Satisfactory resolution of land acquisition process.
2. Satisfactory resolution of the livelihood and settlement issues of persons from Tunda-Wand.
3. Sharing of information about the measures to address pollution issues during various stages of the project.
4. Initiation and establishment of institutional arrangement to plan and monitor impact mitigation process on an ongoing basis.
5. Community development plan which would include;
 - resolve health, sanitation and educational needs of the local people
 - Increase their access to better quality social services
 - Livelihood
 - in terms of income generation through setting up enterprises to provide goods and services (transport, hospitality et.) to construction workers, members of and housing colony of CGPL.
 - In terms providing skilled/semiskilled labour

In order to develop a comprehensive understanding of possible social impact, prepare a mitigation and community development plan, as part of full SIA exercise, following time frame would be followed.

TATA Power SIA Time Plan																				
Months	1				2				3				4				5			
Weeks	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
RSIA WORK PLAN										DETAILS SIA WORK PLAN										
Activities (person days work)																				
1 Scoping Study & Review Existing Social Information																				
Desk review																				
Identification of list of relevant information to be collected with ref. to IFC's PS (2)																				
Sourcing required information through visit and discussions (3)																				
preparing scope of the study (1)																				
2 Social Baseline & assessing socio-economic conditions																				
Village level tabulation from census (0.5)																				
Preparatory work for qualitative & quantitative information collection																				
Preparing Participatory Rural Appraisal tools (1.5)																				
Preparing questioner for quantitative covering information requested under TOR (1.5)																				
Field testing & modification of household information collection questioner (2)																				
Conducting PRA falling within radius of 10 Sq.Km from plant location. (10)																				
Household level survey in villages directly affected by project (30)																				
Analysis of information collected from the villages.(14)																				
Writing & Submission of RSIA draft report (5)																				
3 Assessing impacts of land acquisition & adequacy of compensations																				
Collection & review of processes adopted for land acquisition and compensations of other projects in the project area.(2)																				
Based on PRA prepare profile of the land and families impacted by land acquisition (3)																				
Preparing format for detail assessment of land acquisition & compensation (3)																				
Information collection from affected/probable households (8)																				
4 Evaluating social impacts of the project																				
Analysis of expected benefits v/s loss of assets w.r.t present socio-economic profile of households (3)																				
Analysis of expected benefits & loss of assets w.r.t present infrastructure facility in villages covered under study(2)																				
Identification of vulnerable population & their livelihood resources (3)																				
5 Assessing degree of local support for the project																				
Strategic plan for engagement of stakeholder																				
Social baseline analysis for employment, skill and service sector opportunities with PAF community (3)																				
Structured interviews with youth, panchayat, occupational groups skilled workers and women group in villages in vicinity (6)																				
Consultations with community- free, prior and informed.(3)																				
Stakeholder analysis- Direct & indirectly impacted families (5)																				
Action plan for mitigating the negative impact of project on PAF communities (10)																				
Preparing strategies for communication plan (7)																				
Strategies for Consultation & Disclosure plan (5)																				
6 SIA report - Management Plan, Livelihood restoration plan, CD plan (15)																				
SIA report - preparation Management Plan, Livelihood restoration plan, CD plan (25)																				
Feedback on SIA report - Management Plan, Livelihood restoration plan, CD plan (15)																				
Final SIA report with feedback (10)																				

Annexure - 1

Social Impact Assessment and Socio-Economic Baseline Survey

The Socio-Economic Baseline Survey (a census of all affected households) should target the population residing in the project's area of influence. This survey will help predict how the local population will cope with any impacts identified, as well as take advantage of any opportunities the project creates. The social assessment in the scoping stage will take into account secondary data about the population in the area. However, once critical impacts and issues are identified, it will be possible to design more detailed studies to collect information on specific groups affected by the project and to develop specific action plans to address these issues.

Moving from a review of secondary data, participatory techniques such as Participatory Rural Appraisal (PRA) can be helpful in identifying a base for dialogue with the community, identifying issues of concern and formulating mitigation or opportunities for development. This also ties in with the consultation and the stakeholder analysis, which will also allow a broad range of perspectives to contribute to the assessment. It will be necessary to design some qualitative interview techniques (group interviews, key informants interviews, and focus groups) to collect information on local perspectives, concerns and aspirations of and impacts on women, youths and indigenous populations for example. Also quantitative techniques (questionnaire surveys) will allow the collection of specific data on key issues such as employment and income streams, household survival strategies, vulnerable groups, the division of labour, dependency on land and resources, as well as basic indicators on demographics, health, education level and skills characteristics and development.

It is suggested to divide the survey area into two zones: one close to the facilities (power plant and associated facilities) where the various facilities have direct impacts, and a second zone, the "outer zone", where only indirect impacts are felt.

The type of information to be provided by the consultants should provide a general understanding of the socio-economic baseline and will allow them to select some indicators to monitor and evaluate the social impacts of the project, including community development efforts. Information to be collected include:

- Household characteristics, such as number of members, gender, age, education level, employment status/primary occupation, illness/disease, any specific vulnerabilities on account of age, women headed families, disabilities, social status, IP status, dependence on natural resources (grazing, fishing, etc.)
- Livelihood/occupation (title holder, landless laborers, sharecropper, groups with traditional/customary rights), grazing, fishing (near sea/deep sea etc.
- type of housing (joint family dwelling, single family dwelling or other), other assets such as consumer durables, access to and amount of land in possession, boats (for near sea fishing and deep sea fishing) etc;
- Income streams, salary, skills, access to skills development and training, self employed/employ others, market produce/livestock, seasonal/part time labor, in-kind bartering, money sent from elsewhere/remittances;
- Entrepreneurship, access to credit; and
- Common property resources, public infrastructure and cultural property.

A representative, possibly stratified (men, women, elderly, vulnerable groups and Indigenous people) sample may be selected.

The Table below lists potential topics to be explored as part of a Social Baseline Study and the methods best suited for gathering different types of information. This list will not be inclusive as the scoping stage will identify preliminary impacts which will allow the study to focus on the directly affected population. The objective is to investigate in further detail only those aspects most relevant to the project and its social impacts.

Area of Investigation	Comments/Questions
SECONDARY DATA	
<ul style="list-style-type: none"> • Demographic profile • Size, location, history and distribution of the population • Household composition and demographic characteristics • Socio-economic status • Socio-cultural characteristics 	<ul style="list-style-type: none"> -describe the characteristics of each community/settlement located within the project area including: name and location of community, size, spatial distribution, land ownership patterns, ethnic composition, education levels, socio-economic status, age and sex distribution, social and political organization, local and traditional decision-making structures, culture, religion, language, identification of key local representatives. -include maps of the project area that clearly delineate the location of each of the communities. -consider both household and community level data if available.
QUALITATIVE METHODS AND PARTICIPATORY TECHNIQUES	
<ul style="list-style-type: none"> • Quality of life of the population • Salient characteristics of social differentiation within communities • Key social institutions and customary systems for decision-making • Characteristics of social organization and internal community relations. • <u>Local institutions and decision-making</u> • <u>Natural Resource Management and Land Use</u> • Relevant cultural 	<ul style="list-style-type: none"> -Household and community levels. -Indigenous peoples and other vulnerable groups such as women, youth and the elderly. -Including local government, non-government or civil society organizations and conflict resolution mechanisms. Describe the pattern of land use within the project area, if appropriate, clearly demarcating agricultural land, forest, hunting and fishing areas, grazing land, residential and uninhabited areas, including limitations and relative importance of these resources. Who are the owners, occupiers and or users of the land? Is land ownership communal or based on individual title? What percentage of the population occupies or uses land to which they do not have formal, legal title? -Special attention should be paid to land areas where title or ownership is unclear or disputed between parties. -To what degree are households dependent on access to communal land or activities related to natural resources such as hunting, fishing, grazing, gathering of forest products etc.? -Provide maps that indicate government-owned lands, private land, communal land and land of unknown ownership. -Describe any sites having archaeological (prehistoric), historical, religious, and unique cultural values.

<p>properties and archaeological sites</p> <ul style="list-style-type: none"> • Livelihood systems and survival strategies • Household organization • Information on social mobility and the social division of labor • Perceptions of past, present, and future limitations or opportunities for development. • Perceptions of opportunities for sustainable development with respect to the project. • Perceived project impacts and ways to mitigate them. 	<p>historical, religious, and unique natural values.</p> <p>-Describe the production systems of communities in the project area.</p> <p>-How do people (both men and women) make a living? What are their various sources of income and employment during the year? What types of crops are grown and animals raised? What types of access to markets exist for these products?</p> <p>-What is the contribution of women, children and migrants to household income?</p> <p>-What are the average wage levels in the area for these activities and the average income levels of these households?</p>
QUANTITATIVE METHODS	
<ul style="list-style-type: none"> • Livelihoods and occupations • Levels of education and level of skills development • Sources and amounts of household income including land used for farming (if at all) and its productivity. • Data on household expenditures • Household structures, land, and other assets <p>Access to health, education, skills training and other services</p>	<p>-break down by household age and gender including remittances.</p> <p>-Quality and productivity of land and soils including crops, livestock, agricultural equipment, small enterprise equipment, etc.</p> <p>-Describe the existing social services and infrastructure available to communities within the project area including access to: health care, education, water supply and sanitation, waste treatment and disposal, housing, electricity, markets, transport and roads, communication, and local banking and credit facilities.</p> <p>-What are the major changes going on in the population without the project?</p>

Annexure-2

ASSESSMENT OF THE IMPACTS OF PAST AND FUTURE LAND ACQUISITION

Scope

The Consultant is expected to carry out an assessment of the land acquisition and compensation process, taking into account the requirements of IFC's PS5. The Consultant will document and assess, through a sampling methodology, the adequacy of compensation payments and measures to address resettlement and rehabilitation (R&R), taking into account the requirements of IFC's Performance Standard 5, for Land Acquisition and Involuntary Resettlement..

In the event of there being any deviation from IFC's PS5 criteria, the Consultant will identify specific areas of variance (gap) and suggest measures to close such gap.

KEY ISSUES

Issues that should be considered in this assessment include:

- Public information and consultation in advance of land acquisition (refer Annex 2 section --- for details);
- Types of compensation provided and adequacy of the compensation, particularly considering that PS5 calls for compensation at replacement cost (e.g., sufficient to cover the replacement cost of lost assets);
- Impact of land acquisition on livelihoods, access to natural resources, etc.;
- Measures to address the loss of livelihoods or income streams
- Level of participation of affected people in decisions regarding compensation rates and options for resettlement and livelihood restoration;
- Safeguards for the most vulnerable of the affected people, including indigenous, women headed households, natural resource dependent groups, elderly, informal settlers, groups with traditional/customary rights, disabled any others identified;
- Potential for redress of grievances with the process or its outcome;
- Describe organizational framework to address gaps with PS5 and include budget;
- Describe processes that will be undertaken for monitoring and evaluation of compensation and R&R measures

Tasks

The Consultant will carry out the following tasks:

- a. Consult with relevant government officials to identify the phases of land acquisition and number of households affected. Obtain details regarding the process of land acquisition, the method of land and asset valuation, and livelihood restoration.
- b. Consult with local land agents, prominent members of affected communities and other sources to evaluate the adequacy of the compensation for loss of land and other assets

Select and interview affected households who lost/will lose their land to obtain an understanding of: the ability of the household members to restore their living conditions and livelihoods to at least the levels that they experienced prior to land acquisition for the project.

Important Note – Issues concerning resettlement are often sensitive and must be dealt with discreetly, taking care not to challenge or antagonize officials involved with the process or to raise any doubts or expectations amongst project affected people. The purpose of the review and assessment is not to undertake an exhaustive assessment of every affected household and all aspects of the resettlement process, but to obtain an overall understanding, and to identify any key issues and any possible non-compliance with Performance Standard 5, namely, that displaced households should be at least as well off, and preferably better off, than before displacement.

Annexure - 3

An example of Indicators and Validation Methods for Ascertaining the Process of Free, Prior and Informed Consultation

Material Consideration	Examples of Validation Methods
<p>1. Company Strategy, Policy, or Principles on Engagement</p> <p>Strategy, policy, or principles for on-going engagement with explicit mention of project-affected persons and/or communities.</p>	<p>Client's strategy, policy or principles or other supporting documents.</p>
<p>2. Stakeholder Identification and Analysis</p> <p>As part of the Social and Environmental Assessment process, identification of all project-affected communities, their disaggregation (numbers, locations) in terms of different levels of vulnerability to adverse project impacts and risks, and an analysis of the effect of adverse project impacts and risks on each group. Part of the Social and Environmental Assessment process, this analysis should also look at communities and individuals that will benefit from the project.</p>	<p>Stakeholder analysis document as part of ESIA or SEA.</p> <p>Client's planning documentation for community engagement, e.g. communications strategy, consultation plan, Public Consultation and Disclosure Plans, and stakeholder engagement plan.</p>
<p>3. Community Engagement</p> <p>A process of consultation that is ongoing during the project planning process (including the process of Environmental and Social Assessment), such that: (a) affected communities have been engaged in: (i) identifying potential impacts and risks; (ii) assessing the consequences of these impacts and risks for their lives; and (iii) providing input into the proposed mitigation measures, the sharing of development benefits and opportunities and implementation issues; and that (b) new impacts and risks that have come to light during the planning and assessment process have also been consulted upon.</p>	<p>Client's schedule and record of community engagement.</p> <p>Client's record of discussions with recognized community representatives, respected key informants, and legitimate representatives of sub-groups (e.g., women, minorities).</p>

<p>4. Information Disclosure</p> <p>Timely disclosure by the client of project information by the client to all project-affected communities about the purpose, nature and scale of the project; the duration of proposed project activities; and expected risks, impacts and development benefits that directly affect them. Disclosure should be in a form that is understandable and meaningful.</p>	<p>Client's materials prepared for disclosure and consultation.</p> <p>Client's record of discussions with recognized community representatives; respected key informants; and legitimate representatives of sub-groups.</p>
<p>5. Consultation</p> <p>a) Free</p> <p>Evidence from the communities adversely affected by the project that the client or its representatives have not coerced, intimidated or unduly incentivized the affected population to be supportive of the project.</p>	<p>Client's record of discussions with recognized community representatives, respected key informants, and legitimate representatives of subgroups.</p>
<p>b) Prior</p> <p>Consultation with affected communities must be sufficiently early in the project planning process:(i) to allow time for project information to be interpreted and comments and recommendations formulated and discussed; (ii) for the consultation to have a meaningful influence on the broad project design options (e.g., siting, location, routing, sequencing, and scheduling); (iii) for the consultation to have a meaningful influence on the choice and design of mitigation measures, the sharing of development benefits and opportunities, and project implementation.</p>	<p>Client's record of discussions with recognized community representatives, respected key informants, and legitimate representatives of subgroups.</p>
<p>c) Informed</p> <p>Consultation with affected communities on project operations and potential adverse impacts and risks, based on adequate and relevant disclosure of project information, and using methods of communication that are inclusive (i.e., accommodating various levels of vulnerability), culturally appropriate, and adapted to</p>	<p>Client's record of discussions with recognized community representatives; respected key informants; and legitimate representatives of sub-groups.</p>

<p>the communities' language needs and decision-making, such that members of these communities fully understand how the project will affect their lives.</p>	
<p>6. Informed Participation Evidence of the client's organized and iterative consultation, leading to the client's specific decisions to incorporate the views of the affected communities on matters that affect them directly, such as the avoidance or minimization of project impacts, proposed mitigation measures, the sharing of project benefits and opportunities, and implementation issues.</p>	<p>Client's schedule and record of community engagement. The client's documentation of measures taken to avoid or minimize risks to and adverse impacts on affected communities in response to community feedback received during consultation. Drafts of Action Plan.</p>
<p>7. Vulnerable Groups-Consultation and Mitigation Evidence that individuals or groups particularly vulnerable to adverse project impacts and risks have been party to effective prior, free and informed consultation as well as informed participation, and evidence that the potential impacts and specific or exacerbated risks to them will be mitigated to the satisfaction of these parties.</p>	<p>Stakeholder analysis as part of ESIA or SEA or Socio-economic baseline data. Client's record of community engagement, including record of discussions with legitimate representatives of vulnerable groups. Client's documentation of measures taken to avoid or minimize risks to and adverse impacts on vulnerable groups in response to feedback received during consultation. Drafts of Action Plan.</p>
<p>8. Grievance Mechanism-Structure, Procedure, and Application An effective grievance mechanism procedure that is fully functioning: (i) throughout the process of environmental and social assessment; and (ii) that is suitable for the operational phase of the project to receive and address the affected communities' concerns about the client's social and environmental performance. The mechanism should be culturally appropriate, readily accessible to all segments of the affected communities, and available to affected communities at no cost and without retribution.</p>	<p>Client's organizational structure and responsibilities, and procedures for managing grievances. Client's record of grievances received about the project and addressed, including expressions in support or dissent. Client's record of discussions with recognized community representatives, respected key informants, and legitimate representatives of subgroups.</p>

<p>9. Feedback to affected communities</p> <p>Documentation that the client provided the results of consultation to the project-affected communities, and either: (i) demonstrated how the comments and recommendations made by the project-affected communities have been accommodated in the project design, mitigation measures, and/or sharing of development benefits and opportunities; or (ii) provided a rationale why these comments and recommendations have not been accommodated.</p>	<p>Client's record of community engagement. Client's documentation of measures taken to avoid or minimize risks to and adverse impacts on affected communities. Discussions with recognized community representatives, respected key informants, and legitimate representatives of subgroups. Client's ongoing reporting on implementation of Action Plan. Revised management program or Action Plan.</p>
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The consultant/client may also use perception surveys to pose questions to affected communities and solicit their responses

Annexure - 4

COMMUNITY DEVELOPMENT PLAN (CDP)

The CDP report should include the following sections:

- a) **Executive Summary.** The Executive Summary should concisely summarize the scope and nature of the CDP, including an implementation schedule, budget and proposals for monitoring.
- b) **Introduction.** Provide a summary description of the project, its context and components requiring the need for a CDP.
- b) **CDP Planning Principles.** Provide a concise statement of the planning principles and objectives of the CDP.
- c) **Legal Framework.** The plan should contain a summary of the legal framework concerning local communities. It should also address land tenure issues and access to natural resources.
- d) **Key Issues.** Provide a summary of key issues concerning implementation of the CDP.
- e) **Eligibility Criteria.** Provide criteria that will be used to define households and groups (physically displaced, economically displaced households, other subsistence farmers, women's groups, youth groups, indigenous people, etc) that will be targeted by the CDP.
- f) **Identification of CDP Projects.** Describe the process undertaken with local communities to identify community development projects. Describe the process that will be used to identify future CDP projects, evaluate their feasibility and select projects for implementation
- g) **Organizational Framework.** Describe the proposed organizational developments to facilitate implementation of the CDP, including co-ordination of activities. There maybe a linkage with the organizational framework established for the RAP.
- h) **Grievance Procedures.** Refer to Section 5 (PCDP).
- i) **Arrangements for Funding the CDP.** Include a detailed cost estimate and schedule to implement the CDP and describe the arrangements that will be made to fund the CDP.

Monitoring and Evaluation. Describe the process that will be undertaken for ongoing monitoring and evaluation of the CDP.

Specific components of the CDP could be supported by the IFC.

Annexure - 5

PUBLIC CONSULTATION AND DISCLOSURE PLAN (PCDP)

Scope of PCDP

Develop a PCDP for MUNDRA UMPP to implement going forward, which should set out a program for on-going public consultation and information disclosure during the planning, construction and operational phases of the Project. Reference should be made to the IFC's "Good Practice Manual: Doing Better Business through Effective Public Consultation and Disclosure" (1998).

MUNDRA UMPP will have documented much of the past consultation that has taken place, but may need some support and guidance to present this information as well as devise a plan going forward, as per IFC Performance Standards. The Consultant will provide appropriate support and guidance as sought by the Company.

The PCDP will include:

- a) **Summary.** Summarize the PCDP Program, its objectives and goals.
- b) **Regulations and Requirements.** Summarize any India requirements, policies, laws, regulations and regulations for public consultation and disclosure related to local EA legislation or other aspects of the project.
- c) **Review Previous Public Consultation and Disclosure.** Summarize community participation and public consultation undertaken to date. This should include the types of information disseminated and the forms it took; the locations and dates of meetings; a description of the individuals, groups and organizations consulted; an overview of the issues discussed; a description of how the issues raised were responded to by the project sponsor; and explanation of how these responses were communicated to those consulted and the wider public.
- d) **Stakeholders.** Provide an inventory of key stakeholder groups who will be informed and consulted about the project.
- e) **Public Consultation and Disclosure Programme.** Describe the public consultation and disclosure process that will take place in the course of implementation and of the project (including the environmental and social management plans) and on-going monitoring. Describe the types of methods that will be used to communicate information to each of the stakeholder groups identified. Methods may vary according to target audience (local traditional mechanisms for consultation and decision-making; use of mass media such as radio [if appropriate]; meetings with key informants and groups; and continuous participation processes with community representatives or interest groups in the project zone).
- f) **Schedule.** Include a schedule of when and how often consultation and disclosure activities will take place for the construction and operational phases of the project and each stakeholder group identified.
- g) **Resources Available.** State what resources are available for implementation of the PCDP and who will be responsible for carrying out these activities. Effective consultation and information disclosure might also require assistance from specialized consultants preparing the RAP and CDP, particularly in the initial stages. The sponsor should however be involved in all consultations related to the project.
- h) **Grievance Mechanisms.** Describe the process by which people affected by the project, the RAP and the CDP can bring their concerns and any grievances to the sponsors and those involved in implementing the project, for consideration and / or redress.
- i) **Feedback.** Identify where, when and how the results and feedback from public consultation and information disclosure will be reported.