

Due Diligence Report

PUBLIC

Document Stage: Draft
Project No: 53067-004
September 2024

India: Inclusive, Resilient, and Sustainable Housing for Urban Poor Sector Project in Tamil Nadu - Shoolagiri

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Environmental, Social, and Governance Due Diligence for Industrial Housing Project, Shoolagiri, by Tamil Nadu Industrial Housing Private Limited, Tamil Nadu

Submitted on: September 2024

Submitted by:



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Abbreviations

ADB	Asian Development Bank	EWS	Economically Weaker Section
AMC	Asset Management Company	FSI	Floor Space Index
BMTPC	Building Materials and Technology Promotion Council	IFC	International Finance Corporation
CEPI	Comprehensive Environmental Pollution Index	INR	Indian National Rupees
CGWA	Central Ground Water Authority	MOEFCC	Ministry of Environment, Forest and Climate Change
CPCB	Central Pollution Control Board	NOC	No Objection Certificate
CTE	Consent to Establish	NGO	Non-Governmental Organization
CTO	Consent to Operate	OHS	Occupational Health and Safety
DG set	Diesel Generator set	PIAL	Prohibited Investment Activities List
DTCP	Directorate of Town and Country Planning	PPE	Personal Protective Equipment
EMC	Environmental Management Centre Pvt Ltd	PM	Particulate Matter
E&S	Environmental and Social	PMC	Project Management Consulting
EPC	Engineering, Procurement, and Construction	PUC	Pollution Under Control
EHS	Environmental, Health and Safety	SIPCOT	State Industries Promotion Corporation of Tamil Nadu Limited
EHSS	Environmental, Health, Safety and Security	SPS	Safeguard Policy Statement
EMC	Environmental Management Centre Pvt. Ltd	STP	Sewage Treatment Plant
EMP	Environmental Management Plan	TNEB	Tamil Nadu Electricity Board
EPF	Employee Provident Fund	TNIFMC	Tamil Nadu Infrastructure Fund Management Corporation
ESAP	Environment and Social Action Plan	TNIHPL	Tamil Nadu Industrial Housing Pvt Ltd
ESGMS	Environment, Social and Governance Management System	TNPCB	Tamil Nadu Pollution Control Board
ESI	Employee State Insurance	TNSF	Tamil Nadu Shelter Fund

Executive Summary

The 'Industrial Housing Project at Shoolagiri is a residential project, to be developed by Tamil Nadu Industrial Housing Pvt Ltd (TNIHPL) in Nallaganakothapalli Village, Shoolagiri, Krishnagiri District, Tamil Nadu. **The project involves the construction of two towers (G+7 for women and G+8 for men) with a designated community area over a total land area of 5.05 acres.** The total built-up area proposed floor space index (FSI)+ non-FSI is 1,59,000 sq. ft (14,771.5 sq.m). The project shall comprise of 1,495 beds for industrial workers. The project will benefit workers in nearby industries, particularly migrant workers who frequently struggle to find proper and affordable housing.

The land parcel with Survey No. 275/1 (P+), 275/2(P+), 275/3(P+), 275/4A(P+), 275/4B(P+), 277/1(P+), 277/2(P+) and 281/6 (P+) have been classified as wet land as per the survey records. The land parcel of 5.05 acres belongs to SIPCOT. TNIHPL has submitted the layout for obtaining planning permission from the Directorate of Town and Country Planning (DTCP) to the Krishnagiri District Town Planning.

The project is currently at a pre-construction stage. Soil stabilization and strengthening will commence followed by construction once the necessary approvals have been obtained and requisite soil strength through test results have been confirmed. As reported during the site visit, an Engineering, Procurement, and Construction (EPC) contractor would be selected for the construction phase.

TNIHPL will manage the construction of the project. The TNIHPL team will oversee the activities of the project as per the EMP requirements along with the contractor engaged. The project is proposed to be divided in three phases, pre-construction, construction and operational phase. The pre-construction phase would require TNIHPL to procure all the legal clearances and permissions prior to construction. It is recommended that regular monitoring of air, ground water, noise and the mitigation measures be carried out prior to construction and during the construction phase of the project.

The Tamil Nadu Shelter Fund (TNSF) adopted its Environmental, Social, and Governance Management System (ESGMS) in 2020. The key components of TNSF's ESGMS includes an Environmental, Social, and Governance (ESG) Policy, implementation procedures presented as tools, process flowcharts, formats and templates, and a resource library. The ten tools which are part of the ESGMS are designed to enable compliance with the ESG requirements established for the TNSF.

TNSF's ESGMS outlines the screening, categorization, and due diligence (including identification of environmental and social impacts and mitigation) for potential investments under TNSF. Subprojects meeting the subproject eligibility criteria can be included under the project. Subprojects listed in the appendix 5 of the Prohibited Investment Activities List (PIAL) will not be included. Category A subprojects will not be considered for investment. In addition to the ESGMS, an action plan has been agreed with TNIFMC that applies to Asian Development Bank (ADB)-funded investments under the TNSF to ensure compliance with ADB Safeguard Policy Statement (SPS).

The methodology used for conducting the study includes collection of secondary information, site observation by EMC team, meetings with TNIFMC and TNIHPL along with meeting with local community around the project in the project area.

The project shall obtain all applicable and necessary approvals from regulatory authorities. A robust stakeholder engagement plan and grievance redressal mechanism is proposed to be implemented for the project.

Reporting of the ESGMS and agreed action plan shall be submitted to ADB on a semi-annual basis during project implementation; these semi-annual reports on ESGMS and action plan implementation will be shared with ADB and publicly disclosed.

Chapter 1 of this report provides the background and scope of the Environment and Social Due Diligence (ESDD) assignment along with the approach and methodology adopted. The project details including the status of the project and description on land status and land-use, site connectivity, and social infrastructure around the project site have also been described in this chapter.

Chapter 2 includes the key findings from the ESG risk rating tool developed by TNSF. The project has got an overall risk rating of 38.69% which falls on “Medium-High” risk on project risk rating scale.

Chapter 3 discusses the project’s compliance requirements to environment, occupational health and safety, and labour and working conditions. The project’s compliance to IFC performance standards and ADB safeguards has also been assessed.

Chapter 4 of this report includes the mitigation action plan including an E&S action plan and an ESAP for IFC performance standards.

Chapter 5 of this report includes the conclusion section which concludes that the project will not cause any significant adverse environmental and social impacts during construction, or operation of the project. The risks to the project at this stage based on the risk rating tool are “medium-high” however, most of the associated impacts are site specific and manageable. They are expected to be limited to the construction phase and will therefore be temporary in nature. Adequate mitigation actions will be undertaken in line with management and monitoring of the set of recommended mitigation measures. No physical and/or economic displacement of people shall not be required for project implementation.

1 Introduction

1.1 Background and Scope

1. The Tamil Nadu Infrastructure Fund Management Corporation (hereafter referred to as TNIFMC), is an Asset Management Company (AMC) promoted by the Government of Tamil Nadu (GoTN) for the purpose of raising and managing alternative investment funds focused on sectors like infrastructure, affordable housing etc. TNIFMC is managing Tamil Nadu Shelter Fund (TNSF) which is registered as a Category I (Social Venture) Alternative Investment Fund, with a mandate to invest in affordable housing projects in Tamil Nadu.

The primary focus of TNSF is:

- Affordable housing – with focus on housing for the Economically Weaker Sections (EWS) and Low-Income Groups (LIG),
- Hostels - for Working Women from all sections of the society.
- Industrial Housing for workers in and around Industrial Complexes/ Parks/ Clusters
- Senior and Assisted Living
- Others – Rental housing for students, co-living spaces etc.

2. Tamil Nadu Industrial Housing Pvt Ltd (“TNIHPL” or “Company”) is developing an industrial housing project in Shoolagiri, Krishnagiri district, Tamil Nadu. TNSF is planning to invest in the proposed project and is committed to integrate ESG principles into this project. As per the TNSF ESG screening tool, this project has been categorized as a B¹. The Environmental Management Centre (EMC) Pvt. Ltd was appointed by TNIFMC to conduct the ESG Due Diligence (ESGDD) assessment for the project.

3. This document presents the findings of the ESGDD assessment and necessary remedial Environmental and Social (E&S) Action Plan (ESAP) providing relevant mitigation measures.

1.1.1 Objectives of Assignment

4. The objectives of conducting the ESGDD are to assess and rate the ESG risks associated with the proposed project and recommend suitable mitigation measures against the identified risks. This shall help Tamil Nadu Shelter Fund (TNSF) to make an objective decision on the proposed investment/target.

1.1.2 Scope of Work

5. Assessment of environmental, social and governance aspects of the project owner and proposed project against the applicable standards. The consultant has used the TNIFMC ESG policy, Asian Development Bank (ADB), World Bank and International Finance Corporation’s (IFC) performance standards. The assessment includes, but is not limited to, the following aspects:

I. Background check of project owner/promoter/sponsor on corporate governance including policies and incidents related to anti bribery and corruption, fraud, whistle-blower, diversity and inclusiveness, prevention of sexual harassment, child labour, forced labour, environment health and safety policies, governance structure, regulatory compliances, incidents against Key Management Personnel of the project owner/promoter/sponsor, etc.

¹ The project may result in specific environment and social impacts, that are site specific for which mitigation measures need to be developed.

II. On-site investigation with respect to:

- Past and current land use of the site and land records review
- Whether there are any disputes/claims/arbitration in any court of law pertaining to the land and its potential impacts
- Whether there is any expected loss of agriculture or productive land due to this project
- Surrounding land use
- Area geology, and potential soil and ground water contamination due to construction
- Loss of biodiversity due to land clearing, waste disposal
- Sources and availability of water (ground/surface)
- Impact of construction and project on water availability in the locality
- Potential impact on soil and water bodies nearby
- Effluents – type and quantity of effluent generated, are there any hazardous effluents generation, is there an effluent treatment plant, effluents (quality and quantity) and pollution prevention measures in line with local laws, standards, and regulations.
- Proximity to sensitive areas such as environmental, cultural and heritage site
- Adverse impact of air, water, aesthetic pollution on the environmental, cultural and heritage sites due to project activity
- Loss of accessibility to the local community
- Past track record of the company – have there been any serious environmental or social incidents in the past.
- Liabilities - Is the project exposed to potentially significant environmental liabilities, such as those arising from land or ground water contamination, related to the company's past or ongoing operations? Is the company exposed to potentially significant health and safety liabilities, such as those from ongoing or future claims from negatively affected workers and / or communities?

III. On-site consultations with relevant stakeholders such as local community, key regulatory authorities, etc.

IV. Review with respect to the site on these mandatory topics:

- Past legal non compliances/ incidents of violation of laws
- Adverse media articles
- Any voluntary or involuntary resettlement (physical and economic) scenarios due to the project
- To assess whether designs are certified by licenses structural engineers for their structural stability and safety including against seismic and wind forces.
- Project related regulatory documents – consents/ permits/ licenses obtained so far against those applicable for the project.
- Assess the capacity of the project owner/ to deal with the environmental and social risks and impacts and implement appropriate training and capacity building measures for safeguards compliance.
- Due Diligence will also be conducted if the project has any “associated facilities” that are not funded as part of the project (funding may be provided separately by the borrower or by third parties) if those facilities viability and existence depend exclusively on the project and whose goods or services are essential for successful operation of the project.
- As per ADB safeguard requirements 1 available in ADB's website: environment (Appendix 1, page 30, para 4) - At an early stage of project preparation, it is required to identify potential direct, indirect, cumulative, and induced environmental impacts on and risks to physical, biological, socioeconomic, and physical cultural resources and determine their significance and scope, in consultation with stakeholders, including affected people and concerned NGOs. The project owner / promoter / sponsor shall assess cumulative and

induced impacts due to further development of similar projects or other projects in the area, as appropriate.

- Review of any established baseline for common natural resources, livelihoods, social interactions, support systems, other social and cultural characteristics by the project owner/promoter/sponsor
- Review of metrics or indicators to gauge the effectiveness of stakeholder engagement process defined by the project owner.
- Review of metrics or indicators to gauge the effectiveness of grievance redressal process defined by the project owner

1.2 Approach and Methodology of ESG-DD

6. The approach and methodology adopted for the ESG-DD is presented in the subsequent subsections.



7. The reference framework for the ESDD included:

- TNSF's EGSMS
- Applicable national, state, and local environmental and social legislation.
- International Finance Corporation's Environmental and Social (E&S) Performance Standards (2012)
- World Bank Group's General Environmental, Health and Safety (WB-EHS) Guidelines (2007)
- ADB Safeguards Policy Statement (2009)

Inception Call:

8. A call was conducted with team members from TNIFMC on 10th May 2024 – including Mr. Krishna Kumar – Investment Analyst , Mr. Sathanbabu, Mr. V Balamurugan- ESG Consultant and Mr. Nilesh Kumar – Environment Officer (Asian Development Bank) with the following objectives:

- Obtain an overview of the project and current status.
- Explain the approach and methodology to be adopted for the ESG-DD.

Information Review:

9. EMC prepared a **Preliminary Information Checklist** for obtaining information about the project and its management. A detailed list of **documents and records** required for review and aligned to the reference framework was shared with TNIFMC in the sheet. The information received from the "Project" were reviewed for scoping the project site visit and team interactions.

Desk Review: Project's Reputation in Public Domain on E&S aspects:

10. A review of publicly available media sources through web search was conducted to identify any past issues of the Company on aspects related to environment, occupational health and safety, labour welfare and community welfare and safety. The review also included search for any ongoing or past NGO attention/campaigns, or items that may lead to reputational risks to the Company and/or Investors.

The review did not bring forward any significant issues on aspects related to environment, occupational health and safety, labour welfare and community welfare and safety.

Site Team Interactions:

11. The site team interaction was conducted to corroborate project details received through documents with the management and site team. Assessment of the project details was conducted through discussions with stakeholders of the project.

12. The stakeholders interviewed include Mr. V Venkatachalam (Executive Engineer) on the following topics:

- **Current land status**
- Soil strengthening and testing.
- **Access points** to site and the **adjoining properties** on all sides of project site
- Current environmental conditions at the project location including rainfall, existing drainage, etc.
- **Waste management**
- **Worker accommodation** conditions

1.3 Project Details

13. The 'Industrial Housing Project, Shoolagiri' project is an industrial housing project to be developed by TNIHPL, Tamil Nadu.

14. The project involves construction of 2 towers of G+7 (for women) and G+8 (for men) floor structures with a designated area of 2.4 acres over a total land area of 5.05 acres. The total built-up area proposed (FSI + non-FSI) is 1,59,000 sq. ft (14,771.5 sq.m). The overall project shall comprise of nearly 1495 beds for workers employed in nearby industries.

15. The land parcel with Survey No.s 275/1 (P+), 275/2(P+), 275/3(P+), 275/4A(P+), 275/4B(P+), 277/1(P+), 277/2(P+) and 281/6 (P+) has been classified as wet land as per the survey records. The land parcel of 5.05 acres is owned by SIPCOT, Shoolagiri. TNIHPL has submitted the layout for obtaining planning permission from the Directorate of Town and Country Planning (DTCP) to the Town Planning Section, Krishnagiri.

1.3.1 Current Status of Project

16. The construction will commence once the necessary approvals have been obtained and requisite soil strength through test results have been conformed.

1.3.2 Project Description

17. The project is located in Nallaganakothapalli Village, Shoolagiri, Krishnagiri District, Tamil Nadu.

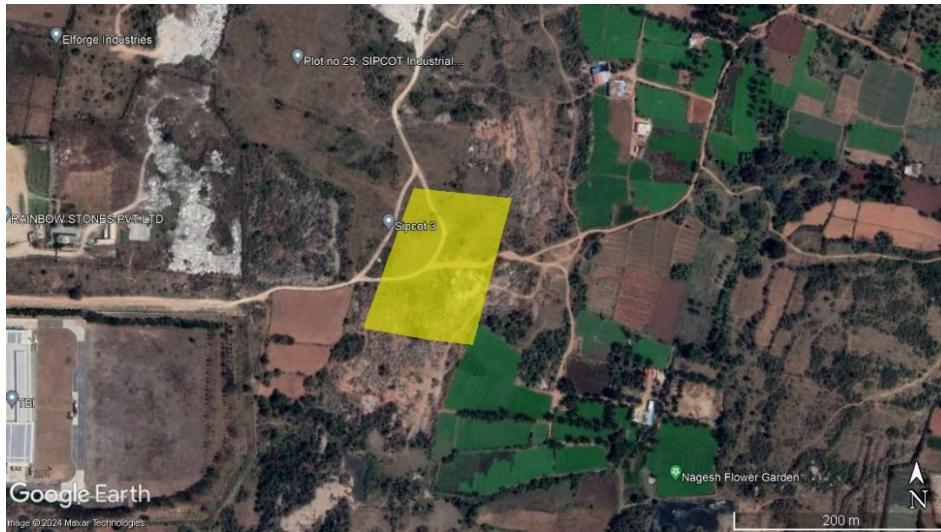


Figure 1: Map showing the project location

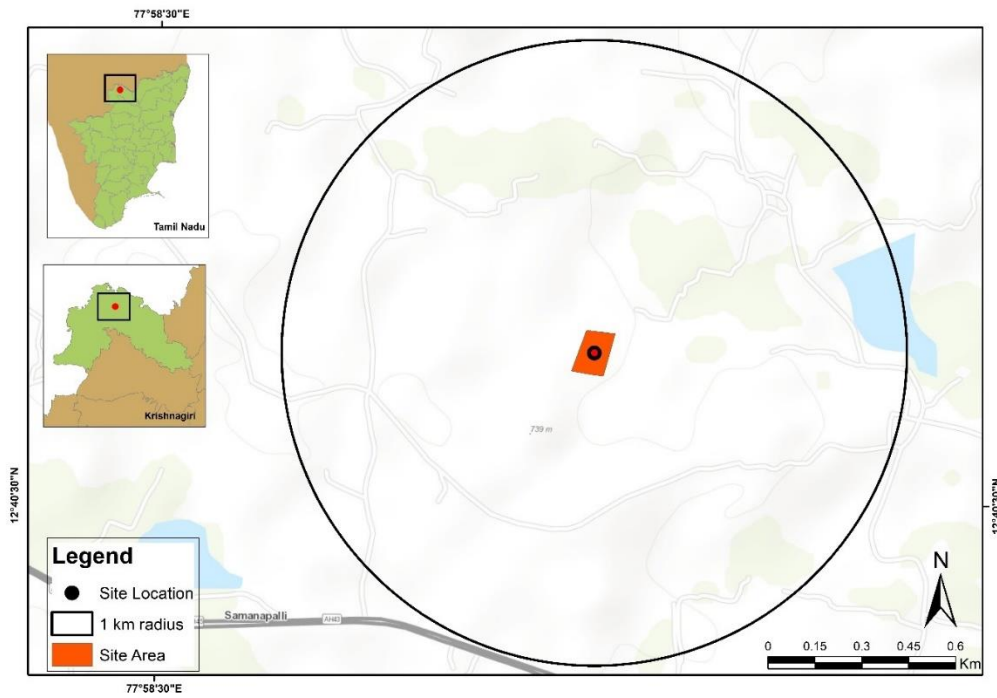


Figure 2: Project map with the surroundings

Location: (<https://goo.gl/maps/c4JsDHXUd3ZMPbKz6>)

18. For further investigation of the site a 5 km buffer around the site was created. All the aspects covered in the due diligence have been checked within the 5 km buffer zone. Refer to *Figure 3*.

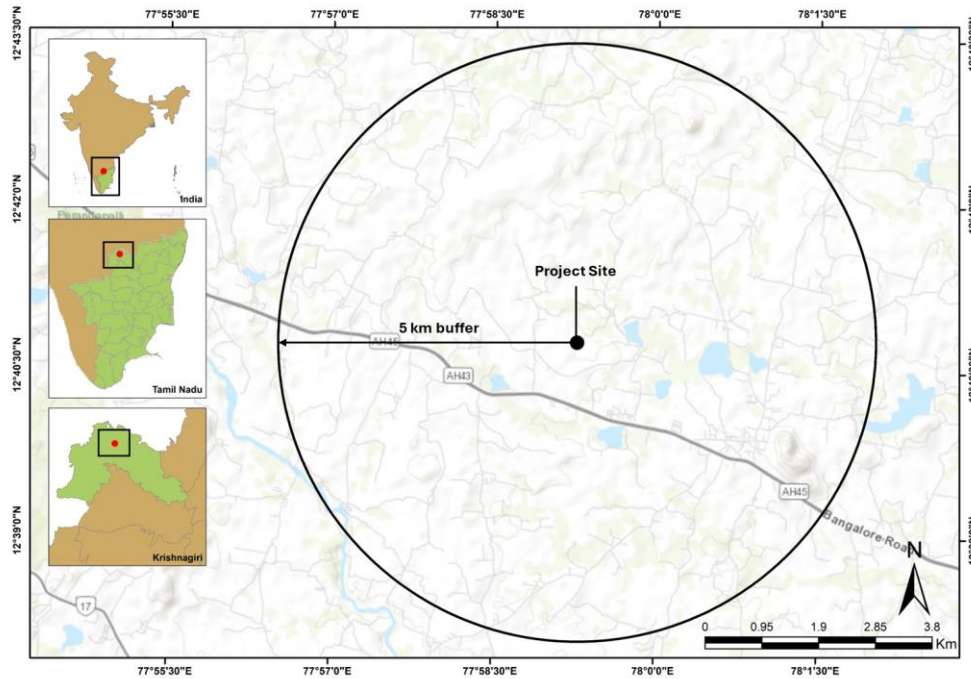


Figure 3: 5km buffer around the site

1.3.3 Land

19. Land Status- The land to the total extent of 5.05 acre is currently registered under the name of SPCOT, Shoolagiri and the project will be taken up for development by TNIHPL. The land is classified as wet land as per the survey records. The due diligence confirms that land will not have any voluntary/involuntary resettlement or displacement or any current or expected loss of agriculture or any disputes/claims/arbitration in any court of law. Prior to the project proposal, the land was a vacant property and was uninhabited, and unused. The diligence also confirmed that the property did not have any prior encroachments or any sort of informal activities.

1.3.4 Site connectivity

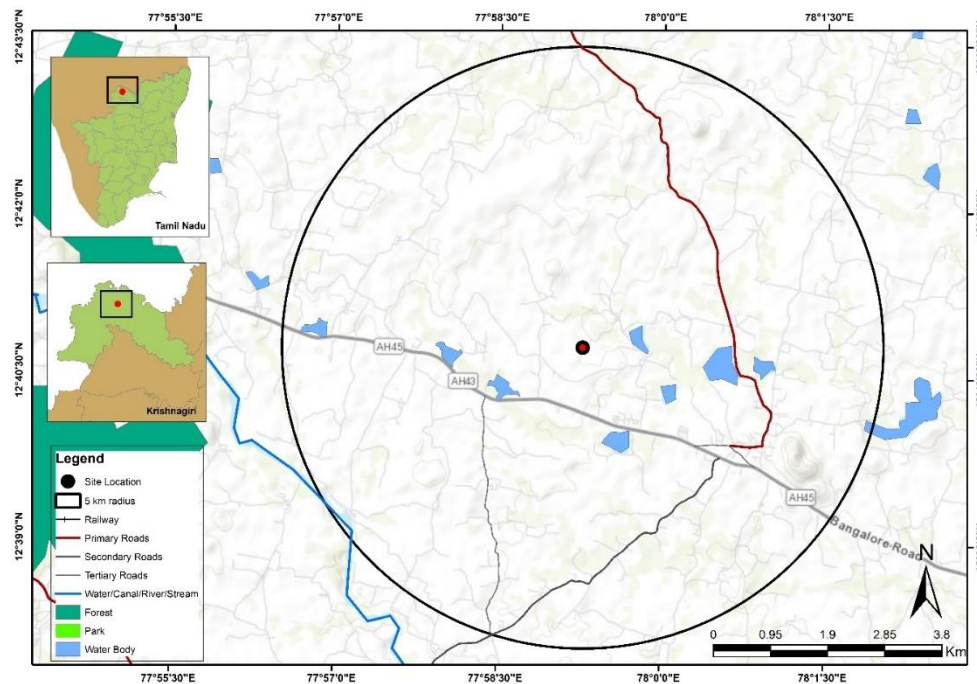


Figure 4: Connectivity of the Site

20. The site is at a distance of 1 km from NH-48 and is connected to the National highway through a six-lane approach road constructed by SIPCOT. The nearest railway station is Hosur Railway Station at an aerial distance of approx. 18.4 km in the west direction. The nearest airport is Kempegowda International Airport that at a distance of approximately 64 km from the project site in the north-west direction.

Project immediate surroundings	The project site is located in Shoolagiri, surrounded by mostly open barren land and few agricultural patches. The project has approach road towards the west and mixed land use development towards south and east of the project site. The plot adjacent to project site in the north is undergoing construction work.
Highways	The project site is well connected to the Bangalore-Chennai highway (NH-48) , towards the south of project site by a 36-metre wide, six-lane approach road constructed by SIPCOT.
Railway Stations	The nearest railway station from the project location is Hosur Railway Station located at an aerial distance of approximately 18.4 km in west direction.
Bus Stations	The nearest bus station from the project location is Hosur Bus Station located at an aerial distance of approximately 2.77 km in west direction.
Airport	The nearest airport is Kempegowda International Airport which is at a distance of approximately 64 km from the project site in the north-west direction

1.3.5 Social Infrastructure

Hospitals	Krishna Super Specialty Hospital is the nearest specialty hospital to the project site. It is approximately 5 km from the project site. Other medical
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	facilities within 5 km are Vijay Hospital, Sri Saravan Hospital, Gowri Hospital and Sri Lakshmi Hospital.
Schools and Colleges	Schools and colleges located within 5 km radius of the project site include Eternal light Public School, St Mary’s English School, John Marie Memorial Matric High, NTR International School and Shoolagiri Boys School, Er. Perumal Manimekalai College of Engineering, PMC Tech, Annai Madhammal Institute of Vocational Science Rayakottai.
Police Station	The nearest police station is Shoolagiri Police Station located at an aerial distance of approximately 3 km south-east from the project site.

1.3.6 Land use

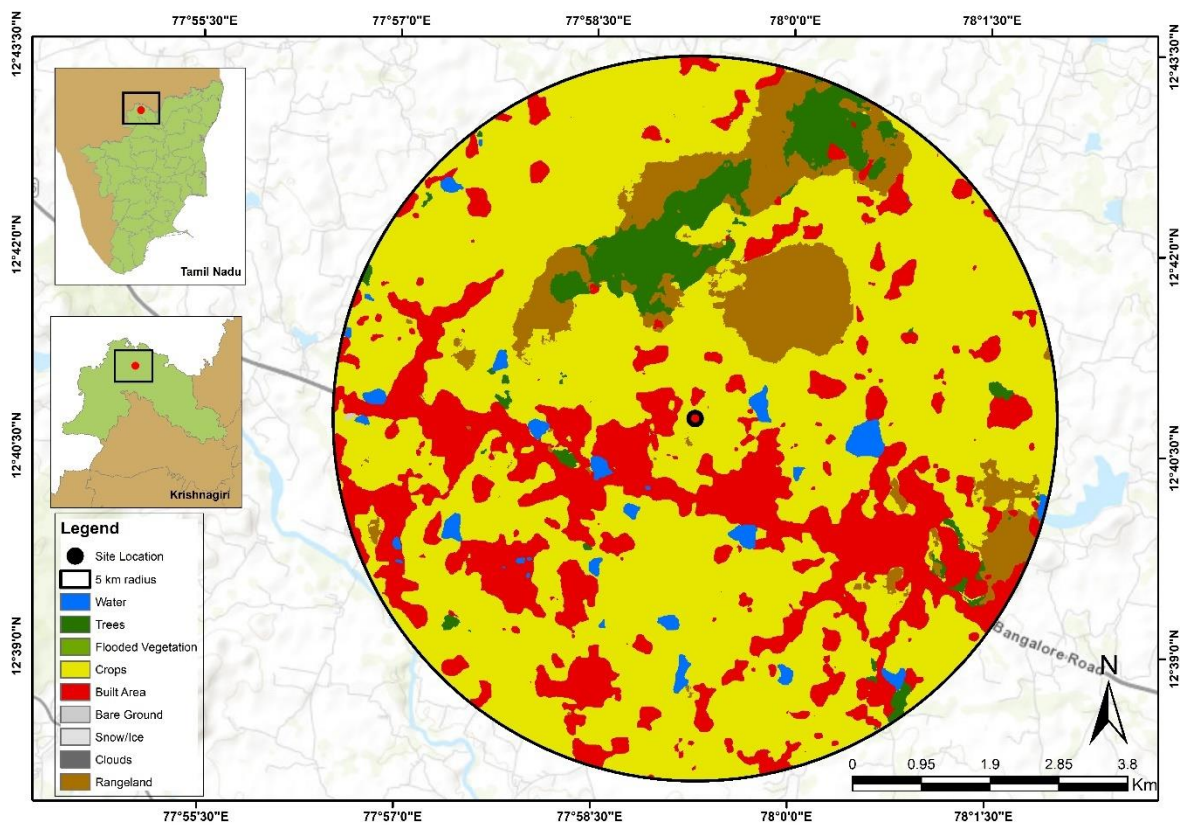


Figure 5: Map showing land use land cover map around Site

21. The map in **Error! Reference source not found.** shows land use and land cover map of the area around site. The maximum area around the site is occupied by crops accounting for 63%, followed by built area accounting for 22%. The lowest area percentages have been recorded for water bodies and trees, constituting of 2% and 5% respectively. The rangeland (consisting of very sparse vegetation, mainly grasses) around the site account for 9% of the area.

22. As per the survey records of the project site, the land has been classified as a wet land.

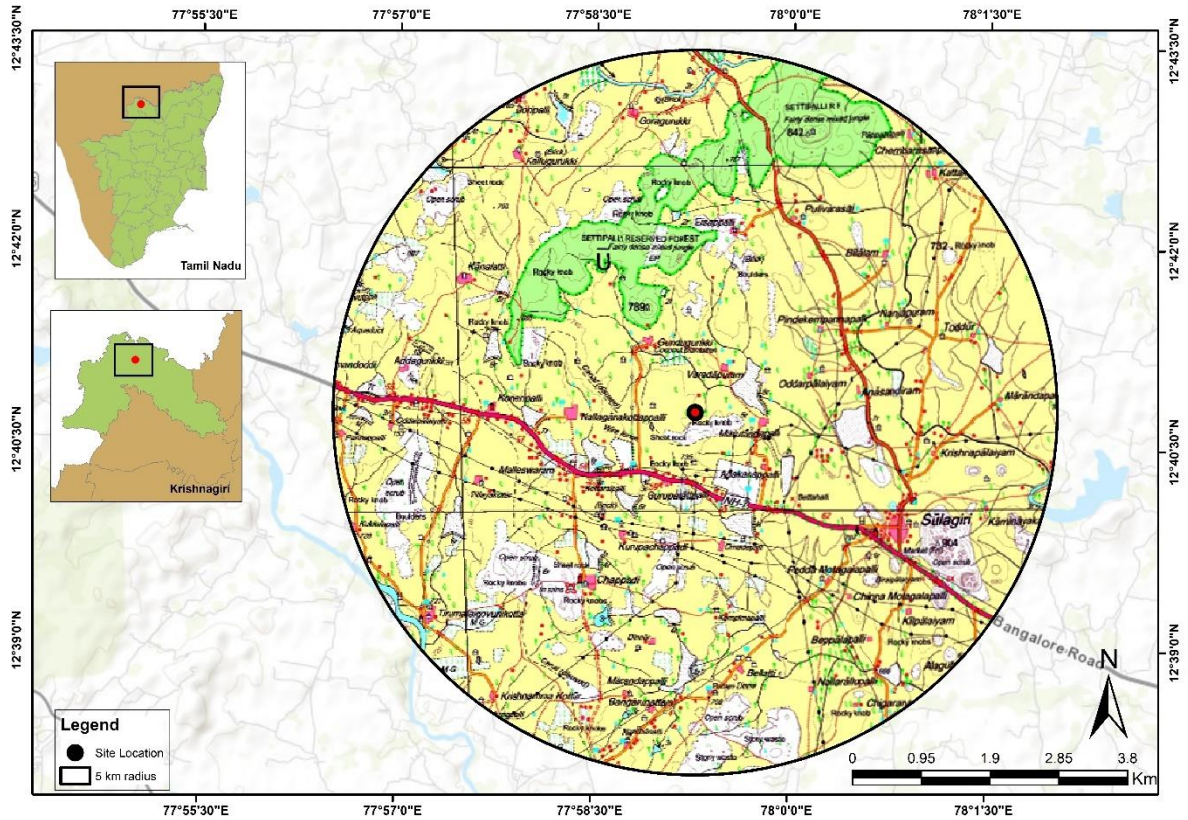



Figure 6 Map Showing SOI toposheet data around the site area

23. As per the analysis of the Survey of India (SOI) topographic sheet, it is observed that Settipalli reserved forest (1.3 km) falls within the 5 km buffer from the site location and may be affected by the project activities. For instance, the construction activities could generate noise pollution, air emissions, and discharges, which might cause harm to the ecosystem of the surrounding areas. Therefore, the company needs to conduct periodic environmental tests such as noise monitoring, ambient air quality monitoring, etc. (Refer to Chapter 4 for requirements).

2 ESG Risk Rating Tool - Key findings

ESG Risk Rating Tool - TNSF (Version 1.0)			
Project Details			
Name of the Project	SIPCOT's Industrial Housing Facility for Men & Women	Start of Evaluation Date	22/5/2024
Site Location / Alternatives under consideration	Shoologiri, Krishnagiri district, Tamil Nadu	Project Developer	M/s Tamil Nadu Industrial Housing Private Limited
Total Project Cost (in INR Million)		TNSF Investment (in INR Million)	
		Investment Period	

Dimension	No. of Observations
List of ESG Issues	14
Environment	7
Social	4
Governance	3
Material ESG Risks	11
Environment	4
Social	4
Governance	3

Project Risk Rating					
	<table border="1"> <thead> <tr> <th>Risk Level (%)</th> <th>ESG Risk Rating</th> </tr> </thead> <tbody> <tr> <td>38.6905</td> <td>Med-High</td> </tr> </tbody> </table>	Risk Level (%)	ESG Risk Rating	38.6905	Med-High
Risk Level (%)	ESG Risk Rating				
38.6905	Med-High				

Scale	Risk Level
Low	0-15%
Medium	16-30%
Med-High	31-45%
High	46-60%
Very High	>60%

Sl. No.	Dimension	Risk Score
1	Environment	25.00
2	Social	21.00
3	Governance	19.00

TNSF has developed as ESG risk rating tool under its ESG management system, to identify and evaluate material ESG risks related to the project activities. Based on the site visit, stakeholders' consultation and documents review, issues have been identified and evaluated for its "likelihood of occurrence" and "severity of potential impact" for this project.

The issues identified are based on the current project status and may evolve during the course of construction and operational phase. The overall risk rating is 38.69% which falls on "medium-high" risk on project risk rating scale. The separate scores for environment, social and governance are discussed below:

Environmental	25.00
Social	21.00
Governance	19.00

3 Compliance to E&S Legal Requirements, IFC Performance Standards and ADB Safeguards

3.1 Applicable EHSS Regulations

The local, national, and state level (Tamil Nadu) EHS regulations applicable to the project are listed in the following table.

Applicable Regulations	Statement on Applicability	Reason for Application
Environmental		
1. EIA Notification 2006 and subsequent amendments	NA	The area of the project is less than 20,000 sqm.
2. Water (Prevention and Control of Pollution) Act, 1974 and amendments thereof	✓	The project shall generate wastewater and is required to obtain Consent to Operate from the SPCB.
3. Noise Pollution (Regulation and Control) Rules, 2000	✓	The project construction shall result in noise pollution.
4. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules 2016	✓	The project construction may result in generation of hazardous waste.
5. Construction and Demolition Waste Management Rules, 2016	✓	The project construction shall generate C&D waste.
6. Solid Waste Management Rules, 2016	✓	The project shall generate solid waste in the labour camps post commencement of construction.
7. Central Ground Water Authority Guidelines to regulate and control Ground Water Extraction in India dated 1 June 2019 Tamil Nadu Groundwater (Development and Management) Act, 2003	NA	The project will require water in construction and operation phase. However, the project will not use groundwater at any stage, hence permissions under these acts are not required.
8. Environmental Protection Second Amendment Rules 2002 (DG Set) and 2004	✓	The project will require DG sets for power generation.
Occupational Health and Safety		

9. The Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Central Rules, 1998	✓	The project under assessment shall enter the construction phase. Further the regulation provides requirements on Occupational, Health and Safety measures pertaining to construction activities.
10. Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010	✓	The project will use electricity for various activities at the project site.
11. Central Motor Vehicle Act 1988 and Rules 1989 (amended 2016)	✓	The project may lease vehicles from third party vendors used for transportation and construction.
Labour and Working Condition		
12. Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act 1996 and Rules 1998	✓	The Company will employ more than ten building workers in building or other construction work on daily basis.
13. The Contract Labour (Regulation and Abolition) Act, 1970; and Contract Labour (Regulation and Abolition) Central Rules, 1971	✓	The Company shall appoint contractors who may have appointed sub-contractors for various project activities.
14. Minimum Wages Act 1948	✓	The Company, through its sub-contractors will engage unskilled, semi-skilled and skilled personnel in the project.
15. Employee Compensation Act 1923 and Amendment Act 2009	✓	The Company may employ workers directly and through Contractors whose remuneration is more than INR 21,000/- per month and are not covered under ESI.
16. Employees' State Insurance Act (ESI), 1948	✓	The Company through its contractors may engage personnel whose remuneration will be less than INR 21,000/-
17. Employees' Provident Funds (EPF) and Miscellaneous Provisions Act, 1952 amended upto 1996	✓	The Company, if itself and through its contractors employs more than 20 persons at the project, shall be considered for compliance under this Act.
18. Inter-State Migrant Workers Act 1979	✓	The project may employ migrant construction labourers.
19. The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 amended in 2016	✓	The Company, through its sub-contractors may engage unskilled, semi-skilled and skilled personnel in the project.

20. Private Security Agencies (Regulation) Act, 2005	✓	If the company may employ a private security agency to provide security at the project.
21. The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013	✓	The project may employ female workers at site during construction phase.

3.2 Method of Assessing Compliance

24. The compliance status of the project on applicable Environment Health and Safety (EHS) legal regulations will be presented in this section. The method of reading the tables is as follows:

- The regulations and their applicable requirements will be listed in the first and second columns, respectively.
- The compliance of the project with legal requirements will be indicated based on the legend given below.

C Regulation and its requirement are applicable to the project.
The project is **COMPLIANT** to the requirement.

PC Regulation and its requirement are applicable to the project.
The project is **PARTIALLY COMPLIANT** to the requirement.

NC Regulation and its requirement are applicable to the project.
The project is **NON-COMPLIANT** to the requirement.

NA Regulation and its requirements are **NOT APPLICABLE** to the project

Imp Regulation and its requirement are applicable to the project.
TO BE IMPLEMENTED, currently not applicable.

- The last column will provide remarks on the status of compliance. Text in bold will describe the nature of non-compliance.

3.3 Legal Compliance - Environment

#	Regulation	Reason for Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
1.	EIA Notification, 2006 and subsequent amendments	The project falls under building and construction project category of the EIA Notification, 2006	Apply for and obtain Environment Clearance (EC) from MoEFCC	NA	<ul style="list-style-type: none"> The project area is less than 20,000 sqm (14,771.5 sq.m), hence the project does not require EC.
2.	Water (Prevention and Control of Pollution) Act, 1974; and Rules 1975	The project shall generate wastewater and air emissions and is required to obtain Consent to Operate from the SPCB.	Consent to Establish and Consent to Operate from SPCB u/s 25 Water Act and u/s 21 of the Air Act. The CTE and CTO shall also be obtained separately for the batching plant, if planned to be used on site.	Imp	<ul style="list-style-type: none"> A valid Consent to Establish (CTE) shall be obtained before commencing the operations from SPCB. In case the contractor plans to use the batching plant during the construction phase, valid CTE and CTO shall be obtained. If the project proposes to have a DG set installed on the site, a valid CTO shall be obtained by the contractor. The project will have to comply to the stipulated conditions in the CTE and CTO.
	Comply with conditions of Consent to Establish and Consent to Operate.				
3.	Noise Pollution (Regulation and Control) Rules, 2000	The project construction shall result in noise pollution	<p>No horn shall be used in silence zones or during night-time in residential areas except during a public emergency.</p> <p>Sound emitting construction equipment shall not be used or</p>	Imp	<ul style="list-style-type: none"> The project has not conducted any noise monitoring yet, as the construction activities have not begun. The project should comply with the requirements and provisions in the CTE and CTO.

#	Regulation	Reason for Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
			operated during night-time in residential areas ² and silence zones		
4.	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules 2016	The project construction may result in generation of hazardous waste.	Occupier shall be responsible for safe and environmentally sound management of hazardous and other wastes. u/r 4(2)	Imp	<ul style="list-style-type: none"> The project involves filling in earth using machinery and manpower, which may generate some waste. A waste management plan can be developed to ensure that all waste generated during the construction phase is disposed of safely and in compliance with relevant regulations. The project should comply with all relevant regulations and requirements, including those outlined in CTE and CTO.
5.	Construction and Demolition Waste Management Rules, 2016	The project construction shall generate C&D waste.	Mode of disposal of C&D waste. u/r 4	Imp	<ul style="list-style-type: none"> It was reported that if needed, the project site will be filled with earth from other construction activities within SIPCOT. A waste management plan for construction phase can be developed, to ensure proper disposal of construction and demolition waste. The project should comply with the requirements and provisions in CTE and CTO.

² Ambient Air Quality Standards in respect of Noise for Residential area:

Day Time (6.00 a.m. to 10.00 p.m.) = 55 Db(A) Leq*; Nighttime (10.00 p.m. to 6.00 a.m.) = 45 Db(A) Leq*

* dB(A) Leq denotes the time weighted average of the level of sound in decibels on scale A which is relatable to human hearing

#	Regulation	Reason for Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
6.	Solid Waste Management Rules, 2016	The project generates solid waste in the marketing office and shall also generate it in the labour camps post commencement of construction.	Every waste generator shall segregate and store the waste generated by them in three streams, namely, bio-degradable, non-bio-degradable and domestic hazardous wastes in suitable bins and handover segregated wastes to authorized waste pickers or waste collector as per the direction or notification by the local authorities from time to time. u/r 4(a)	Imp	<ul style="list-style-type: none"> The project currently does not generate any solid waste because the construction has not started. Waste management for the entire site can be taken care of by the contractor and TNIHPL with the current waste collection management system of the SIPCOT estate. The project should comply with the requirements and provisions in the CTE and CTO.
7.	Central Ground Water Authority Guidelines to regulate and control Ground Water Extraction in India dated 1 June 2019 Tamil Nadu Groundwater (Development and Management) Act, 2003	The project will require water in construction and operation phase	Registration of existing bore wells/ NOC for new bore wells Installation of digital water flow meter (conforming to BIS standard) in the abstraction structure(s)	NA	<ul style="list-style-type: none"> The site has no borewell or open well for ground water abstraction. Water will be provided by SIPCOT sourced from Kelavarapalli Dam both in construction and operation phases. Testing of water should be done before construction.
8.	Environmental Protection Second Amendment Rules	The project uses DG sets for power generation.	a) Stack Height of DG set should be as per the regulations.	Imp	<ul style="list-style-type: none"> The project currently does not have any DG sets on site as the construction work has not started.

#	Regulation	Reason for Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
	2002 (DG Set) and 2004		b) The DG set should be housed in an acoustic enclosure		<ul style="list-style-type: none"> If TNIHPL do plan to utilize DG sets during the construction and the operation phase, the stack height of the sets must be regulated along with housing the set in an acoustic enclosure for safety of the workers.

3.4 Legal Compliance - Occupational Health and Safety

#	Regulation	Reason for Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
1.	The Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Central Rules, 1998	The project under assessment shall enter the construction phase. Further the regulation provides requirements on Occupational, Health and Safety measures pertaining to construction activities.	<p>a) Safety and Health – General Provisions (Chapter IV) – physical hazards, PPE, electrical hazards, vehicular traffic</p> <p>b) Fire Protection (u/s 35 and u/r 62)</p> <p>c) Stability of structures (u/s 49 and u/r 76)</p> <p>d) Lifting appliances and gear (Chapter VII) – testing, safe load indicators, ropes,</p>	Imp	<ul style="list-style-type: none"> The project construction has not started, hence cannot be ascertained. The contractor shall be applying for the BOCW registration for employing the construction workers at project site. The contractor shall abide by the international best practices on occupational health and safety such as those in Section 4.2 of World Bank EHS Guidelines on Construction and Decommissioning Activities³ which shall be incorporated into the project-specific occupational health and safety plan to be developed for the project.

³ IFC World Bank Group. 2007. Environmental, Health, and Safety (EHS) Guidelines – General EHS Guidelines: Construction and Decommissioning https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/ehs-guidelines

#	Regulation	Reason for Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
			e) Reporting of Accidents (u/r 237)		
			f) Medical examination – crane operators, exposure to special occupational hazard (u/r 250)		
2.	Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010	The project uses electricity for various activities at the project site.	<p>a) General safety requirements for:</p> <ul style="list-style-type: none"> - Electric supply lines and apparatus safety - Cut-out - Earthed terminal - Dangerous Notice - Flexible Cables 	Imp	<ul style="list-style-type: none"> • The total power requirement for the project shall be sourced from TNEB. • Currently, the estate's electricity needs are being met by the Power Grid Corporation of India, located approximately 1 km from the project site. As reported, a substation for the Estate will be developed in future, which will supply electricity to the project site both in construction and operation phase.
			b) Fire buckets filled with clean dry sand and ready for immediate use for extinguishing fires, in addition to fire extinguishers suitable for dealing with electric fires shall be kept at site	Imp	<ul style="list-style-type: none"> • The project site is located ~20 km from the nearest fire station. • The firefighting equipment has not been provided on the site yet as the construction has not begun. However, the same shall be taken care by contractor during the construction phase.
3.	Fire NOC from Municipal Corporation under	The project classifies as high-rise buildings and needs approval for more than 17.25 m in height.	a) Obtaining Fire NOC from the Municipal Corporation	Imp	<ul style="list-style-type: none"> • The project construction has not started. • However, the same will be taken care by contractor during the construction phase given that the buildings (G+7 and G+8) being proposed are higher than 17.5m.

#	Regulation	Reason for Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
	the Development Control Regulations				
4.	Central Motor Vehicle Act 1988 and Rules 1989 (amended 2016)	The project may lease vehicles from third party vendors used for transportation and construction.	a) Driver to obtain a driving license authorizing him to drive/operate the vehicle b) Owner to obtain Certificate of Registration for the vehicle c) For valid registration, a transport vehicle should have a Certificate of Fitness d) Owner to obtain insurance policy for the vehicle	Imp	<ul style="list-style-type: none"> During the construction stage, if the project plans to lease any motor vehicles for transportation and construction purposes, the contractor shall ensure to implement the legal requirements as per the rules and act of Central Motor Vehicle.

3.5 Legal Compliance - Labour and Working Conditions

#	Regulation	Reason of Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
1.	Building and Other Construction Workers (Regulation of Employment and Conditions of	The Company will employ more than ten building workers in building or other construction work on daily basis.	a. Registration of establishment and workers under the Building and Other Construction Workers (BOCW) Act 1996 and Rules 1998	Imp	<ul style="list-style-type: none"> The project construction has not started, hence cannot be ascertained. However, the same shall be taken care by contractor during the construction phase. The contractor will be applying for the BOCW registration for employing the construction workers at project site.

#	Regulation	Reason of Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
	Service) Act 1996 and Rules 1998		<p>b. Hours of work, rest intervals and weekly off (Chapter XXVI)</p> <p>c. Welfare of Building workers (Chapter XXVIII) – latrine, urinal, canteens</p>	Imp	<ul style="list-style-type: none"> The construction has currently not started for the project on site. The same needs to be taken care by the contractor as part of EMP in the construction stage.
2.	The Contract Labour (Regulation and Abolition) Act, 1970; and Contract Labour (Regulation and Abolition) Central Rules, 1971	The Company shall appoint contractors who may have appointed sub-contractors for various project activities	<p>a. Registration of principal employer</p> <p>b. Contractor’s license for workers more than 50.</p>	Imp	<ul style="list-style-type: none"> The project has not yet appointed any contract labour. If the project requires contract labour in the future, the contractor will be required to obtain a license if they are employing 50 or more workmen on any day of the preceding twelve months as contract labour.
3.	Minimum Wages Act 1948	The Company, through its sub-contractors will engage unskilled, semi-skilled and skilled personnel in the project	<p>a. Payment of minimum wages as per latest circular. u/s 5 and 12</p> <p>b. Copy of minimum wages abstract issued by the respective state</p>	Imp	<ul style="list-style-type: none"> The workforce has not been employed for the construction work yet. Provisions of the requirement will be applicable in future.
4.	Employee Compensation Act 1923 and Amendment Act 2009	The Company may employ workers directly and through Contractors whose remuneration is more than INR 21,000/- per month and are not covered under ESI	Payment of compensation to employee. Obtaining insurance policy for the same. u/s 4(2)	Imp	<ul style="list-style-type: none"> The workforce has not been employed for the construction work yet. Provisions of the requirement will be applicable in future.

#	Regulation	Reason of Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
5.	Employees' State Insurance Act (ESI), 1948	The Company through its contractors engages personnel whose remuneration is less than INR 21,000/-	Deduction of employee contribution and deposit of employee and employer contribution with the ESI Corporation. u/s 40(1)	Imp	<ul style="list-style-type: none"> The workforce has not been employed for the construction work yet. Provisions of the requirement will be applicable in future.
6.	Employees' Provident Funds (EPF) and Miscellaneous Provisions Act, 1952 amended upto 1996's	The Company, if itself and through its contractors employs more than 20 persons at the project, shall be considered for compliance under this Act.	Deduction of employee contribution and deposit of employee and employer contribution with the authority. u/s 6		
7.	Inter-State Migrant Workers Act 1979	The project may employ migrant construction labourers	<ul style="list-style-type: none"> a. Registration of Establishment as principal employer (u/s 4) b. Contractor's license for engaging migrant workers (u/s 8) 	Imp	<ul style="list-style-type: none"> The workforce has not been employed for the construction work, though migrant labourers are expected. Provisions of labour camp have been arranged as the management team is planning to lease land for their accommodation. Therefore, contractor's license and RoE requirement will be applicable in future.
8.	The Child and Adolescent Labour (Prohibition and Regulation) Act,	The Company, through its sub-contractors may engage unskilled, semi-skilled and skilled personnel in the project	Prohibit the engagement of children in all occupations and to prohibit the engagement of adolescents in hazardous occupations and processes	Imp	<ul style="list-style-type: none"> The workforce has not been employed for the construction work yet. Provisions of the requirement will be applicable in future. The contractor should develop a mechanism to ensure that no child labour is

#	Regulation	Reason of Application	Legal Requirements	Compliance Status	Details of Compliance/ Non-Compliance
	1986 amended in 2016				engaged during the entire construction phase.
9.	Private Security Agencies (Regulation) Act, 2005	If the company employs a private security agency to provide security at the project.	a. Private Security Agency to obtain a license. u/s 4	Imp	<ul style="list-style-type: none"> No private security agency has been hired for the project yet. Therefore, provisions of the requirement will be applicable in future.
10.	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013	The project employs female employees at site and may employ female workers at site during construction phase.	a. Constitution of Internal Complaints Committee (ICC). u/s 4 b. Receive complaints of sexual harassment. u/s 9 c. Conduct enquiry on receipt of complaint. u/s 11	Imp	<ul style="list-style-type: none"> The workforce has not been employed for the construction work yet. The contractor should develop a policy on POSH to prevent the sexual harassment of women workers at the project site. Provisions of the policy will be applicable in future.

3.6 Applicability of IFC Performance Standards

25. There is a total of eight (8) Environmental and Social Performance Standards under IFC's Sustainability Framework of 2012, the applicability of which is assessed in **Table 3-1**.

Table 3-1: Establishing Applicability of IFC Performance Standards

Performance Standard	How the Performance Standard is applicable?	Statement on Applicability
Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts	The project activities may have the potential to cause environmental and social impacts.	Applicable
Performance Standard 2: Labor and Working Conditions	The project may employ skilled, semi-skilled and unskilled personnel for various operations.	Applicable
Performance Standard 3: Resource Efficiency and Pollution Prevention	The project will consume resources (water, energy) and generate effluent and waste (solid, e-waste, hazardous waste, construction, and demolition).	Applicable
Performance Standard 4: Community Health, Safety, and Security	The project may potentially impact the community health, safety, and security.	Applicable
Performance Standard 5: Land Acquisition and Involuntary Resettlement	The project does not involve land acquisition of any kind.	Not Applicable
Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	The project does not interact with forests or biodiversity rich areas.	Not Applicable
Performance Standard 7: Indigenous Peoples	The project has not been developed on Scheduled Areas or tribal lands.	Not Applicable
Performance Standard 8: Cultural Heritage	The project is not located in proximity to any place of cultural importance.	Not Applicable

3.6.1 World Bank Group's EHS Guidelines

26. The IFC Performance Standard 3: Resource Efficiency and Pollution Prevention refers to World Bank Group's EHS Guidelines. The **EHS General Guidelines** is applicable to the company. For ease of reference, the general guidelines have been integrated with the IFC Performance Standards as applicable.

3.6.2 Method of Assessing Compliance and Gaps

27. The assessment of projects with requirements of IFC Performance Standards 1, 2, 3, and 4 and WB-General EHS guidelines is presented in the subsequent sub-sections.

3.6.3 Method of Assessment

The method of reading the tables under these sections is as follows:

- The requirements of the IFC-PS and WB-EHS guidelines are listed in the first column.
- The level of alignment of the projects with the IFC-PS and WB-EHS guideline requirements has been determined and assessed based on the legend given below.

Aligned	Requirement is applicable to the project. The project is in alignment with the intended outcome of the requirement.
Partially Aligned	Requirement is applicable to the project. The project partially fulfils or partially aligns with the intended outcome of the requirement.
Not Aligned	Requirement is applicable to the project. The project does not fulfill or align with the intended outcome of the requirement.
To be implemented	Requirements are applicable to the project and to be implemented.
NA	Not Applicable

- The last column provides remarks on the status of alignment. Text in **bold** describes the nature of non-alignment.

3.7 Performance Standard 1 - Assessment and Management of Environmental and Social Risks and Impacts

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
1.	Environmental and Social (E&S) Policy	To be implemented	<ul style="list-style-type: none"> • The project construction has not yet started. • TNIHPL has submitted the layout plan to DTCP, Krishnagiri for commencing the construction work.
2.	Process for identifying the environmental and social risks and impacts	To be implemented	<ul style="list-style-type: none"> • Recommend the contractor to be hired for the construction to have an ESMS in place or have a process for identifying environmental impacts, OH&S risks, social risks, and impacts. • Provisions of the requirement should be incorporated by the contractor as a part of the EMP in the construction stage.
3.	Management programs for performance improvement measures and actions for identified environmental and social risks	To be implemented	
4.	Organization structure that defines roles, responsibilities,	To be implemented	<ul style="list-style-type: none"> • At present the contractor for this project has not been identified.

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
	and authority to implement the ESMS		<ul style="list-style-type: none"> Provisions of the requirement should be incorporated by TNIHPL and the contractor as a part of the EMP in the construction stage.
5.	Emergency preparedness and response (EPR) system	To be implemented	<ul style="list-style-type: none"> The project construction has not started. TNIHPL shall have a project specific EPR protocol in place to ensure smooth functioning.
6.	Procedures to monitor and measure the effectiveness of the management program, as well as compliance with any related legal and/or contractual obligation	To be implemented	<ul style="list-style-type: none"> The project construction has not started. A preliminary checklist/ tracker to monitor legal requirements and other contractual obligations can be developed.
7.	Stakeholder Engagement for information disclosure and grievance mechanism Procedure for external communications receipt, analysis, response and action plan Ongoing Reporting to Affected Communities	To be implemented	<ul style="list-style-type: none"> TNIHPL representative would be responsible for redressing the grievances from stakeholders. A Stakeholder Engagement Plan for the Project shall be developed. A stakeholder engagement plan discussing opportunities for local businesses and organizations to participate, impact on local traffic and services, safety measures during construction, collaboration with community groups will be discussed with current and potential residents, housing authorities, nonprofit organizations focused on housing, universities or research organizations focused on urban studies and housing every quarter.

3.8 Performance Standard 2 - Labor and Working Conditions

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
1.	Adopt and implement human resources policies and procedures	To be implemented	<ul style="list-style-type: none"> The project construction has not started, and no labour has been hired yet at the site.

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
			<ul style="list-style-type: none"> The contractor should have HR policy and procedures that shall be applicable to the project.
2.	Provide workers with documented information regarding their rights under national labour and employment law	To be implemented	<ul style="list-style-type: none"> The project construction has not started, and no labourers have been hired yet at the site. Alignment to this IFC PS requirement cannot be ascertained at the current stage. Provisions of the requirement shall be incorporated by the contractor.
3.	Respect collective bargaining agreement with workers' organization	To be implemented	<ul style="list-style-type: none"> The project construction has not started, and no labourers have been hired yet at the site. Alignment to this IFC PS requirement cannot be ascertained at the current stage. Provisions of the requirement shall be incorporated by the contractor.
4.	Not discourage workers from electing worker representatives, forming or joining workers' organizations for collective bargaining. Will not discriminate against workers joining such organizations.		
5.	Provision of accommodation and basic services for migrant workers	To be implemented	<ul style="list-style-type: none"> The project plans to hire labourers for the project including migrant labourers. The migrant labour shall be provided with labour camp facilities and other basic amenities.
6.	Base the employment relationship on the principle of equal opportunity and fair treatment	To be implemented	<ul style="list-style-type: none"> TNIHPL has not yet finalized any Contractor for construction work. Alignment to this IFC PS requirement cannot be ascertained at the current stage.
7.	Take measures to prevent and address harassment, intimidation, and/or exploitation, especially regarding women	To be implemented	<ul style="list-style-type: none"> The contractor shall develop a POSH policy and a grievance redressal mechanism to address the issues such as harassment, intimidation, etc., especially related to women.
8.	Procedure for addressing collective dismissals/ retrenchment	To be implemented	<ul style="list-style-type: none"> The project construction has not started, and no labourers have been hired yet at the site. The contractor can draft retrenchment procedures which shall be applicable to

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
			the employees and workers employed at the project site.
9.	Provide a grievance mechanism for workers (and their organizations, where they exist) to raise workplace concerns.	To be implemented	<ul style="list-style-type: none"> The project construction has not started, and no labourers have been hired yet. TNIHPL has not yet finalized any contractor for construction work. The contractor can develop a grievance redressal mechanism for the employees and workers. Alignment to this IFC PS requirement includes having a proper grievance redressal channel.
10.	Not employ children in any manner that is economically exploitative, or is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development	To be implemented	<ul style="list-style-type: none"> The project construction has not started, and no labourers have been hired yet, hence alignment to this IFC PS requirement cannot be ascertained at the current stage. The developer shall develop a Child labor policy/ mechanism for the project. The contractor shall not employ child labour in any of its construction and operation activity.
11.	Not employ forced labour, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty	To be implemented	<ul style="list-style-type: none"> The project construction has not started, and no labourers have been hired yet. The contractor shall develop a forced labor policy/ mechanism for the project. TNIHPL has not yet finalized any contractor for construction work. Alignment to this IFC PS requirement cannot be ascertained at the current stage.
12.	Provide a safe and healthy work environment, considering inherent risks in its sector and hazards in work areas		
	a) Slips and Falls b) Struck by objects. c) Work at Height d) Overexertion	To be implemented	<ul style="list-style-type: none"> The project construction has not started, and no labourers have been hired yet.

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
			<ul style="list-style-type: none"> The contractor shall develop a forced safety and healthy work mechanism for the project. TNIHPL has not yet finalized any contractor for construction work.
	e) Confined spaces and excavations	To be implemented	<ul style="list-style-type: none"> The earth levelling and project construction has not started yet. The contractor shall be alert and proactive regarding workers' safety especially in confined spaces and excavations. The contractor shall ensure that the manpower during the earth levelling is wearing safety gears and equipment.
	f) Moving machinery	To be implemented	<ul style="list-style-type: none"> The project construction has not started yet. Provisions of safety requirement including proper verification of license shall be incorporated by the contractor
	g) Dust	To be implemented	<ul style="list-style-type: none"> The project construction has not started yet, hence alignment to this IFC PS requirement cannot be ascertained at the current stage. Provisions of the requirement shall be incorporated by the contractor
	h) Exposure to dust, chemicals, hazardous or flammable materials, and wastes in a combination of liquid, solid, or gaseous forms	To be implemented	<ul style="list-style-type: none"> The project construction has not started. The contractor shall have provisions to reduce and avoid exposure to dust, chemicals, hazardous or flammable materials, and waste.
	i) Fire precautions	To be implemented	<ul style="list-style-type: none"> The project construction has not started. The contractor shall have fire extinguishers; and fire buckets filled with clean dry sand and ready for immediate use for extinguishing fires.
	j) Potable Water Supply	To be implemented	<ul style="list-style-type: none"> The project construction has not started. The contractor should have the provisions for portable water supply in the project site.

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
	k) First aid	To be implemented	<ul style="list-style-type: none"> The project construction has not started. TNIHPL has not finalized the contractor for the project yet. Provisions of the requirement shall be incorporated by the contractor.
	l) Labour camps	To be implemented	<ul style="list-style-type: none"> The project construction has not started yet. The safety and security of the migrant labour camp, if any shall be incorporated by the contractor.
	m) Communication and Training <ul style="list-style-type: none"> OHS Training New Task Employee and Contractor Training On-site first-aid training 	To be implemented	<ul style="list-style-type: none"> The project construction has not started. Provisions of the requirement shall be incorporated by the contractor.
13.	With respect to contracted workers, ascertain that the third parties who engage these workers are reputable and legitimate enterprises	To be implemented	<ul style="list-style-type: none"> TNIHPL has not finalized the contractor for construction work yet. Provisions of the requirement shall be incorporated by the contractor.
14.	Monitor primary supply chain on an ongoing basis to identify new risks or incidents of child and/or forced labour, and life-threatening situations	To be implemented	<ul style="list-style-type: none"> The project construction has not started. TNIHPL shall regularly monitor its primary supply chain to identify risks and incidents of child/forced labour.

3.9 Performance Standard 3: Resource Efficiency and Pollution Prevention

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
1.	Implement technically and financially feasible and cost-effective measures for improving efficiency in its consumption of energy, water, as well as other resources	To be implemented	<ul style="list-style-type: none"> The project construction has not started. TNIHPL along with the contractor shall implement measures for improving resource efficiency in its consumption of core activities.

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
	focusing on core business areas: a) Energy Conservation b) Water Conservation		
2.	Take measures to avoid and reduce release of pollutants to air, water, and land due to routine, non-routine, and accidental circumstances with the potential for local, regional, and trans-boundary impacts.	To be implemented	<ul style="list-style-type: none"> The project construction has not started. TNIHPL along with the contractor shall have provisions for avoiding and reducing the release of pollutants.
	a) Noise and Vibration	To be implemented	<ul style="list-style-type: none"> This is anticipated but will be temporary during construction phase and limited to the project site. The monitoring of the ambient noise levels should be performed regularly on the project site during the construction phase. Prior to any heavy equipment/machinery /piling works the contractor should inform surrounding areas as well and it should be prohibited at night.
	b) Soil erosion	To be implemented	<ul style="list-style-type: none"> Construction activities (including excavation and trenching works) shall be restricted during the monsoon season.
	c) Air quality	To be implemented	<ul style="list-style-type: none"> This is anticipated but will be temporary during the construction phase. The sources of air pollution will be from trucks transporting materials to the site, operation of diesel engine, and machinery use. In an interview with the owner of a nearby rose garden, it was noted that the recent construction of an approach road adversely affected the effectiveness of pesticides in the fields, leading to reduced production. This issue is likely to occur during the construction phase of the project as well. The project shall conduct regular ambient air quality monitoring tests

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
			and DG stack emission tests at the project site.
	d) Construction and Demolition Waste	To be implemented	<ul style="list-style-type: none"> It was informed by the project management team that excavated soil from local projects within 5 km radius will be reused to fill up and strengthen the soil in the project site. The waste generated shall be properly managed and reused in the construction activities, either as a fill material or otherwise, based on its suitability of reuse to the maximum extent possible. Safe disposal of the extraneous material should be ensured in the pre-identified disposal locations. In no case, any construction waste will be disposed around the project locations indiscriminately.
	e) Stockpiling of materials	To be implemented	<ul style="list-style-type: none"> Storage of construction material should be confined to work sites in a way to ensure that there is no obstruction to natural drainage pattern, efficient drainage is maintained. Stockpiles shall be covered to reduce dust generation. A Materials Management Plan (including warehouses / storage) is required to be drafted by the contractor. A contingency plan can be developed by the contractor to prevent the release of any hazardous material during the handling, storage, use or spillage as per Manufacture, Storage, and Import of Hazardous Chemical (Amendment) Rules.
	f) Wastewater discharges	To be implemented	<ul style="list-style-type: none"> The project construction has not started. Sewage Treatment Plant (STP) is planned for the project. The STP will ensure proper treatment of sewage generated by the housing units. The treated water can be reused to maximum extent for landscaping and

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
			flushing purposes. Whereas, remaining will be disposed through septic tank. <ul style="list-style-type: none"> Provisions of the requirement shall be incorporated by the contractor.
	g) Land and Vegetation management	To be implemented	<ul style="list-style-type: none"> There are trees of various species within the boundaries of the site. It has been decided to remove these trees as part of the project plan, considering the site's development requirements. The developer shall take appropriate permissions as per the Tamil Nadu Forest Department rules. The developer has proposed planting trees at a ratio of 1:10.

3.10 Performance Standard 4: Community Health, Safety, and Security

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
1.	Design, construct, operate, and decommission the structural elements or components considering risks to third parties	To be implemented	<ul style="list-style-type: none"> The project construction has not started yet. TNIHPL along with the contractor should align its design, construction, operation, and decommission considering third party risk.
2.	Avoid or minimize the potential for community exposure to hazardous materials ⁴ and substances that may be released by the project.	To be implemented	<ul style="list-style-type: none"> The project construction has not started. The contractor shall avoid or minimize potential exposure to hazardous substances and materials.
3.	Avoid or minimize the potential for community exposure to water-borne, water-based, water-related, and vector-borne diseases, and communicable diseases that could result from project activities	To be implemented	<ul style="list-style-type: none"> The project construction has not started. Provisions for minimizing community level exposure to water borne diseases during its construction activates shall be incorporated by the contractor.

⁴ "Hazardous waste" means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other waste or substances.

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
4.	Assess risks posed by its security arrangements to those within and outside the project site.	To be implemented	<ul style="list-style-type: none"> The project construction has not started. TNIHPL has not yet finalized the contractor for construction work.
5.	<p>Assist and collaborate with the affected Communities, local government agencies, and other relevant parties, in their preparations to respond effectively to emergency situations.</p> <ul style="list-style-type: none"> Emergency Preparedness and Response Life and Fire Safety 	To be implemented	<ul style="list-style-type: none"> The project construction has not started. Provisions of the requirements such as access to civic amenities, contact numbers of nearby hospitals and emergency services, and tie ups with the nearest hospitals shall be established.
6.	The project's direct impacts on priority ecosystem services may result in adverse health and safety risks and impacts to affected communities.	To be implemented	<ul style="list-style-type: none"> The project construction has not started yet. Provisions of the requirement shall be incorporated by the contractor.
7.	Traffic Safety	To be implemented	<ul style="list-style-type: none"> The project construction has not started yet. The project site is being connected to main road by a six-lane road constructed by SIPCOT which is partially complete. This would require provision for traffic safety and street lighting. Additionally, the road will improve connectivity for the nearby communities and industries.
8.	Restricting access to the site, through a combination of institutional and administrative controls	To be implemented	<ul style="list-style-type: none"> The project construction has not started yet. Provisions of the requirement shall be incorporated by the contractor.
9.	<p>Removing hazardous conditions on construction sites:</p> <ul style="list-style-type: none"> covering openings to small, confined spaces ensuring means of escape for larger openings such as trenches or excavations locked storage of hazardous materials 	To be implemented	<ul style="list-style-type: none"> The project construction has not started. The contractor shall have provisions to remove hazardous conditions from the construction site with respect to workers' safety.

3.11 Performance Standard 5: Land Acquisition and Involuntary Resettlement

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
1	<p>Land Acquisition and Involuntary resettlement</p> <ul style="list-style-type: none"> Avoidance or at least minimization of involuntary resettlement by exploring alternative project designs balancing environmental Compensation and benefits for displaced persons if applicable Client will engage with affected communities through the process of stakeholder engagement described in PS 1 The client will establish a grievance mechanism consistent with PS 1 as early as possible in the project development phase Implementation of Resettlement Action Plan or Livelihood restoration Plan 	Not applicable	<ul style="list-style-type: none"> Based on the E&S due diligence, there are no instances of land acquisition and involuntary resettlement. Not required as there is no displacement of people. At present there are no affected communities due to the project site. At present there are no affected communities due to the project site. As there has been no instance of involuntary resettlement or acquisition, no plan facilitating the same is required. The land does not have past or outstanding ownership disputes/legacy issues.

3.12 Performance Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
1.	<p>Biodiversity Conservation and Sustainable Management of Living Resources</p> <ul style="list-style-type: none"> • Protection and conservation of biodiversity • Management of ecosystem services • Sustainable Management of Living Natural Resources 	Not applicable	<ul style="list-style-type: none"> • The project site does not fall under modified habitats, natural habitat, and critical habitat. • The project is not likely to have adverse impacts on ecosystem services. • The Client is not engaged in the production of living natural resources such as natural and plantation forestry, agriculture, animal husbandry, fisheries etc.

3.13 Performance Standard 7: Indigenous People

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
1.	<p>Assessment of Indigenous People</p> <ul style="list-style-type: none"> • Client to avoid adverse impacts on indigenous people and wherever unavoidable, the client will minimize, restore and/or compensate for these impacts in a culturally appropriate manner commensurate with the nature and scale of such impacts • The Client will undertake an engagement process with the Affected communities of Indigenous people as 	Not applicable	<ul style="list-style-type: none"> • The project site does not identify any indigenous people likely to be affected by the project activities • As there are no indigenous people identified hence, there is no need for an engagement process. Going forward it is recommended as a good practice that the Client must develop an engagement plan with affected communities of indigenous people

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
	required in PS 1. The engagement process includes stakeholder analysis and engagement planning, information disclosure, consultation, and participation in a culturally appropriate manner		

3.14 Performance Standard 8: Cultural Heritage

#	IFC PS Requirements 2012	Alignment Status	Details of Conformance/ Non-Conformance
1.	Cultural Heritage <ul style="list-style-type: none"> The project site should not cause adverse impacts to cultural heritage sites 	Not applicable	<ul style="list-style-type: none"> No cultural heritage site identified in the vicinity or the study area

3.15 Compliance to ADB Safeguards - Key findings

28. This section classifies the risk to the project from environmental stress/climate change as well as the risk to the environment and climate change due to project activities. The risk rating of 'LOW', 'MEDIUM' and 'HIGH' is given to each of the aspects given below. Further, an overall risk is given to the project due to climate / environmental impacts.

3.15.1 Impact of Environmental Stress and Climate Change on Project

Ground Water Development Status:

The project site is in Shoolagiri (Krishnagiri District) which is classified as 'Safe'⁵ in terms of Ground Water Development Status by the Central Ground Water Board (CGWB). The project will not abstract ground water in construction or operation phase. The stage of groundwater extraction in Krishnagiri District is 86.17% with 37.5% of the areas classified as 'Safe'.

⁵ Groundwater Categorization by Central Ground Water Board- 'Safe' where the stage of Ground water extraction is less than or equal to 70 %. National Compilation on dynamic groundwater resources of India 2023: <https://cgwb.gov.in/ground-water-resource-assessment-0#:~:text=Stage%20of%20ground%20water%20extraction,%2C%20Critical%20or%20Over%20exploited.>

	<p>Therefore, the risk to the project from depleting ground water levels is classified as 'Medium'</p>
<p><u>Vulnerability to natural and climate related disasters:</u></p>	<p>Seismology – The project lies in Zone II i.e., Low Damage Risk Zone (MSK VI or less) according to the Building Materials and Technology Promotion Council (BMTPC) Earthquake Hazard Map.</p> <p>Cyclones – According to the BMTPC Wind and Cyclone Hazard Map, the project falls under 'Low Damage Risk Zone'.</p> <p>Floods – The project is in the Low-risk Zone for floods according to the BMTPC Flood Hazard Map.</p> <p>The risk to the project from natural and climate related disasters is classified as 'LOW'. It is recommended to develop a project-level Disaster Management Plan.</p>
<p><u>Critically Polluted Area:</u></p>	<p>The project site is not located near (within 5 km distance) any Notified Polluted areas as per Revised CEPI Concept and directions issued in April 2016. The nearest critically polluted area to the project location is Peenya, Karnataka, which is located at an aerial distance of approximately 64 km from the project site.</p> <p>Thus, the risk to the project from polluted area is negligible.</p>
<p><u>Presence of Municipal Dump Site/ Hazardous Waste Landfills:</u></p>	<p>The nearest dumping yard at a distance of 4 km, which falls in the study area.</p> <p>Thus, risk of exposure to pollution from dump sites to the project is 'MEDIUM'.</p>
<p><u>Sources of pollution around the project location:</u></p>	<p>The project site is located within the SIPCOT Estate in Shoogiri, which is currently in its development phase and thus hosts very few industries. Some industries within a 5 km radius of the project site include Rainbow Stones Pvt Ltd, Toyota Boshoku Automotive India Pvt Ltd, Elforge Industries, and Pacific Granites India Pvt Ltd.</p> <p>Thus, risk of exposure to pollution from the nearby industries to the project is 'LOW'.</p>

The risk from environmental stress/climate change to the project is classified as 'MEDIUM'.

Necessary mitigation measures will be taken as a part of EMP to be developed for construction.

3.15.2 Impact of Project on Environment and Climate Change

Impacts on Protected Area:

The project site it is observed that Settipalli reserved forest (1.3 km) falls within the 5 km buffer from the site location and may be affected by the project activities. The construction activities could generate noise pollution, air emissions, and discharges, which might cause harm to the ecosystem of the protected areas.

Therefore, the risk from the project activities to the protected area is 'HIGH'

Impacts on Water:

The project site is in Shoolagiri, (Krishnagiri District) which is classified as 'Safe'⁶ in terms of Ground Water Development Status by the Central Ground Water Board (CGWB).

Ponnaiya River is at approximately 5 km West to the project site. Water will be provided by SIPCOT from the Kelavarapalli Dam.

It is envisaged that the wastewater generated will be treated using a STP in site. Further, at least 50% of the wastewater treated should be used for landscaping purposes and greywater recycling.

Therefore, the risk from the project activities to the water resources is classified as 'Medium'.

Impacts on Air/GHG Emissions:

The project during construction phase should use a low sulfur diesel, ensure regular air and noise emission and use acoustically enclosed temporary DG set with sufficient height.

The risk from the project activities to air resources is classified as 'LOW'.

The risk of the project activities on environment/climate change is classified as 'HIGH'.

Necessary mitigation measures will be taken as a part of EMP to be developed for construction phase.

An overall risk given to the project due to for Climate / Environmental Impacts is 'HIGH.'

[The highest category assigned to any of the above-mentioned aspect will be the risk category assigned to the project.]

⁶ Groundwater Categorization by Central Ground Water Board- 'Safe' where the stage of Ground water extraction is less than or equal to 70 %

3.15.3 Social Impact Assessment

29. This section classifies the risk to the project from social aspects. The risk rating of 'LOW', 'MEDIUM' and 'HIGH' is given to each of the aspects given below. Further, an overall risk is given to the project due to social impacts.

The land parcel of 5.05 acres is owned by SIPCOT, Shoolagiri. The plot sketch is given in Annexure 2. Land ownership record/document will be provided in the next SSMR or updated due diligence report. There are no non-titleholders present in the land. The site also does not have presence of indigenous people and is also not traditional land of any indigenous people. The project is not anticipated to have any direct or indirect impacts on the dignity, human rights, livelihood systems or territories, or natural or cultural resources that are used, owned, occupied, or claimed by indigenous peoples or their ancestral domain or assets. The project site is owned by SIPCOT and the land did not have any prior history of encroachment or illegal settlement. The land does not have past or outstanding ownership disputes/legacy issues. Hence, the project has been categorized as Category C for both Involuntary Resettlement and Indigenous People as confirmed in the Involuntary Resettlement (IR) and Indigenous Population (IP) checklist documented in Annexure 3 and 4.

- **Proximity to Cultural, Religious and Heritage Sites:** The area was screened to find the cultural and heritage sites.
- Manual screening of cultural and religious sites through *Google Earth* showed the below temples, churches, and mosques located in the periphery of the site.
- However, none of these sites are on the project site or have access through the project site. The nearest sites of cultural or religious importance are at a distance of around 2 km from the project site.

List of Religious Places		
Name	Aerial Distance (km)	Direction
Sri Mariyamman Temple	2.0	South-East
Sri Kasi Vishwanathar Temple	2.0	South-East
Our Lady of Velankanni Church	2.4	South-East
CSI Christ Church	2.9	South-East
Masjid E-Firoziya	2.9	South-East
Venkateshwara Temple	3.0	South-West
St. Peter's Lutheran Church	3.0	South-East
Masjid-E-Bilal	3.2	South-East
Jamia Masjid	4.7	South-West

The social safeguard risk to the project including screening of the cultural, religious and heritage sites is classified as 'LOW'.

- **Practices on Anti bribery and Anti-corruption:**

TNIHPL shall develop policies on Anti bribery and Anti-corruption which are to be adopted by the contractor at project or organisation level.

The risk to the project based on the practices on Anti bribery and Anti-corruption is classified as 'MEDIUM'.

- **Provision of welfare facilities for workers:**

The construction work has not yet started. The contractor shall ensure provisioning of welfare facilities for workers before commencing the construction.

The risk to the project based on provision of welfare facilities for workers is classified as 'LOW'.

- **Prevention of child/forced Labour:**

A prohibition of Child/Forced labour policy shall be adopted for the project.

The risk to the project based on practices related to prevention of child/forced labour is classified as 'LOW'.

- **Grievance mechanism for workers:**

TNIHPL shall develop a grievance redressal mechanism for the employees and workers of the project.

The risk to the project based on the current grievance mechanism for workers is classified as 'MEDIUM'

An overall risk given to the project due to Social Impacts is 'MEDIUM'.

[The highest category assigned to any of the above-mentioned aspect will be the risk category assigned to the project.]

3.15.4 Green Certification

30. The project is recommended to obtain a green building certification

3.15.5 Stakeholder Engagement

31. A stakeholder engagement plan shall be developed for the project prior to construction of the project. Consultations will be conducted with all key stakeholders, including representatives from the surrounding communities, and will be thoroughly documented.

3.15.6 Environment and Social Management System (ESMS)

32. The construction work has not yet started yet on the site. An EHS personnel shall be employed by TNIHPL on the site who shall be responsible for ensuring the health and safety and provisioning the welfare of the workers.

3.15.7 Chance Find Procedure

33. The chance find procedure defines the actions to be taken in case any previously unknown heritage resources, such as archaeological remains and objects, are discovered during the construction, excavation, or operation of a project.

34. The IFC performance standard 8 on Cultural Heritage includes some guidelines on the chance find procedures. According to the IFC PS-8 chance find procedure, the company is responsible for siting and designing a project to avoid significant damage to cultural heritage. When the proposed location of a project is in areas where cultural heritage is expected to be found, either during construction or operations, the company will implement chance find procedures established through the Social and Environmental Assessment.

35. The client will not disturb any chance finds further until an assessment by a competent specialist is made and actions consistent with the requirements of this Performance Standard are identified.

36. The general procedure for a Chance Find case occurring at project site has been described below.

1. **Discontinuation of work:** The work in progress shall be paused in the vicinity of the find until the concerned authorities are informed. The construction work shall resume only when the concerned authorities grant permission to do so.
2. **Informing higher authorities:** The site supervisor on duty shall be notified of the chance find, who shall then escalate the information further to higher authorities.
3. **Proper records:** The records of the find shall be well recorded with proper reporting and photos.

4. **Site isolation and security:** The site of location of the find and its vicinity shall be completely isolated and secured to prevent any damage to the find. Enough security shall be maintained surrounding the area till the concerned authorities take over.
 5. **Preliminary evaluation:** Once the archaeologists approach the site, the preliminary evaluation shall be performed through quick assessment for determining the value and importance of the find based on various parameters such as aesthetic, historic, scientific or research, social and economic values of the find.
 6. **Recording and reporting:** The sites with minor significance shall be recorded by the Archaeologist as soon as possible to prevent any delays in the work. This should then be further reported to higher authorities such as the Ministry or the concerned agencies. The sites with high significance, the Ministry, or the concerned Archaeological agency responsible for the protection of National Heritage shall be immediately informed without a delay. The archaeologist on site shall properly record the details and photos of the finding and share it with the concerned authorities for its identification and thorough assessment.
- 37. Investigation by Ministry:** The Ministry shall be responsible for investigating the matter at the earliest and submit a written response. This shall be followed by decisions on handling the find including its conservation, restoration, preservation, and salvage. In case the investigation is not performed in the earliest given time frame, the suspended construction works shall be authorized to resume without any further delay.

4 Mitigation Action Plan

4.1 Methodology of Action Plan

38. The E&S Action Plan (ESAP) for establishing compliance to EHS legal requirements guidelines will be provided.

The method of reading the E&S – Action Plan is as follows:

- a) The first column lists the non-compliance identified during the evaluation.
- b) The recommended actions for closing the non-compliance have been specified in the second column.
- c) The responsibility of implementation and required timeline is presented in the third and fourth columns.
- d) The fifth column assigns priority as High, Medium, Low, and Good Practice based on the nature of non-compliance identified.

The last column provides monitoring guidance (evidence to be checked on completion of the action).

4.2 Prioritization of Actions

39. The actions will be classified as 'High', 'Medium', 'Low' and 'Good Practice', to enable prioritization and planning of human and financial resources.

- **'High'** priority actions demand urgent attention. These actions if not implemented could lead to legal liabilities or emergency situations. These actions should be implemented at the earliest. These are mostly related to absence of consent/ permit/ approval from regulatory authorities that pose a threat to business continuity.
- **'Medium'** priority actions are those which are management program oriented. This also covers such actions, which if not implemented, can lead to potential legal liabilities. These actions would need time to create a systemic approach.
- **'Low'** priority actions are those which are management program oriented. The actions are more practice oriented.
- **'Good Practice'** are actions, which if implemented by the Company would add value to the system.

4.3 E&S Action Plan

#	Legal Compliances	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Budget
Environment							
1.	<ul style="list-style-type: none"> Consent to Establish/Operate from SPCB Consent to Establish/Operate for batching plant and DG sets. 	<ul style="list-style-type: none"> TNIHPL shall obtain a Consent to Establish (CTE) from SPCB post which a Consent to Operate (CTO) shall be obtained. Contractor shall obtain a CTE and CTO for the batching plant, if it is planned for use on site. TNIHPL shall obtain a CTO for the DG set. TNIHPL shall also comply with conditions stipulated in Consent to Establish/Operate at all times. 	TNIHPL and contractor	3 months to obtain CTE	High	CTE and CTO for project from SPCB	Management Time – Human Resources cost (Need for an Environmental officer to monitor conditions of CTO and CTE) - Part time Environmental Officer- INR 4,00,000/- per annum
2.	<ul style="list-style-type: none"> Noise Pollution (Regulation and Control) Rules, 2000 	<ul style="list-style-type: none"> TNIHPL shall conduct noise and vibration tests. 	TNIHPL	6-8 months (during construction period)	High	Noise and vibration test reports	
3.	<ul style="list-style-type: none"> Hazardous Waste Construction and Demolition Waste Solid Waste 	<ul style="list-style-type: none"> Development of a waste management plan to tackle all the different types of waste to be generated during the construction phase. 	TNIHPL	6-8 months	High	Waste disposal records (solid waste, hazardous	Management Time – Human Resources cost (Need for an Environmental officer to monitor and

#	Legal Compliances	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Budget
		<ul style="list-style-type: none"> Sound disposal of waste generated at the site to authorized vendors or authority shall be ensured by the TNIHPL. 				waste, construction and demolition waste, and others), challans, and manifests.	implement waste management practices)- Part time Environmental Officer- INR 4,00,000/- per annum
4.	<ul style="list-style-type: none"> Environmental protection rules (DG sets) 	<ul style="list-style-type: none"> TNIHPL shall ensure adequate fire safety around the DG set. TNIHPL shall conduct regular stack monitoring for the DG set. 	TNIHPL	3 months	High	Photographic evidence of fire safety equipment around DG set. DG Stack monitoring reports	Management Time – Human Resources cost (Need for an Environmental officer to monitor and implement waste management practices)- Parttime Environmental Officer- INR 4,00,000/- per annum)
Occupational Health and Safety							
1.	<ul style="list-style-type: none"> Building and Other Construction Work (BOCW) Rules Central Electricity Authority (CEA) Regulation 	<ul style="list-style-type: none"> TNIHPL shall ensure that the contractor appointed develops and implements an EHS Plan as per BOCW, CEA rules and CMV Rules. 	Contractor	3-6 months	High	Copy of EHS Plan developed	Management Time – Human Resources cost- HR Department (Existing Personnel or outsource liaison

#	Legal Compliances	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Budget
	<ul style="list-style-type: none"> Central Motor Vehicle (CMV) Rules 						officer 3 weeks- INR 75,000/-)
2.	<ul style="list-style-type: none"> Fire NOC 	<ul style="list-style-type: none"> TNIHPL shall ensure that the Fire NOC is obtained from the relevant authorities for the project. 	TNIHPL / Contractor	3-6 months	High	Copy of Fire NOC	Management Time – Human Resources cost (Existing Personnel or outsource liaison officer 3 weeks- INR 1,50,000/-)
Employee Welfare/ Social							
1.	<ul style="list-style-type: none"> BOCW Registration Contract Labour Registration/License Migrant Labour Registration/License Private Security Agency License 	<ul style="list-style-type: none"> TNIHPL must ensure that BOCW registration, registration and license under Contract Labour Act, registration and license under Inter-state Migrant Workers Act is obtained by Contractor/Company/Subcontractor. The Security agency appointed on site shall obtain PSARA license. 	TNIHPL/ Contractor	6 months	Medium	Copy of application of registration certificates and licenses	Management Time – Human Resources cost- HR manager Part time basis HR Manager- INR 3,50,000 per annum
2.	<ul style="list-style-type: none"> Minimum Wages EPF / ESIC Deductions 	<ul style="list-style-type: none"> The contractor must ensure that all workers on site are paid equal to or above minimum 	Contractor / TNIHPL	6 months	Medium	Copy of Wage register	Management Time – Human Resources

#	Legal Compliances	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Budget
	<ul style="list-style-type: none"> Employee Compensation Insurance Child and Forced Labour Prohibition POSH at workplace 	wages latest notification, contribution to EPF and ESIC is made, Employee Compensation Insurance is obtained, Child/forced labour is prohibited, and POSH policy and procedures are established.				EPF / ESIC Contribution Compensation Insurance Policies on POSH, Child/forced labour	cost- HR manager- Part Time basis HR Manager- INR 3,50,000 per annum

4.4 ESAP - IFC Performance Standards

#	IFC PS Requirement	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Actual Estimate
1.	<ul style="list-style-type: none"> E&S Policy Identification of E&S risk and impacts Management Programs Roles and Responsibilities Emergency preparedness and response (EPR) system 	<ul style="list-style-type: none"> TNIHPL / Contractor must develop an E&S Policy, identify potential risk and impacts arising out of project operations on which management programs are to be developed by assigning roles and responsibilities to individuals, develop and EPR 	TNIHPL / Contractor	6-8 months	Medium	E&S Policy HIRA and Aspect Impact Register Management programs	Management Time and Third-party consultant (3 Months- Professional Fees- INR 2,00,000)

#	IFC PS Requirement	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Actual Estimate
	<ul style="list-style-type: none"> Monitor Effectiveness of Management Programs, Legal and Contractual Compliance Stakeholder engagement 	<p>system which shall identify all the potential emergencies which may occur.</p> <ul style="list-style-type: none"> Monitor management programs periodically. Identify stakeholders, develop stakeholder engagement plan and record and resolve stakeholder grievances. 				<p>Roles and Responsibilities</p> <p>EPR Plan and mock drills</p> <p>Legal Register</p> <p>Grievance register</p>	
2.	<ul style="list-style-type: none"> HR Policies and Procedure Provide documented information to workers on their rights Respective collective bargaining Accommodation and basic service for migrant workers Equal Opportunity Retrenchment Worker Grievance redressal Discourage Child/Forced Labour Provide Safe and Healthy Workplace 	<ul style="list-style-type: none"> TNIHPL / Contractor must develop HR policies and procedures and provide documented information to workers on their rights. Workers shall not be discouraged from making their worker unions. Basic accommodation and welfare facilities shall be provided, especially to migrant workers. Equal opportunity shall be available for male and female workers, child/forced labour shall be prohibited, and a safe healthy workplace shall be provided. 	TNIHPL / Contractor	6-8 months	Medium	<p>HR Policy and Procedures</p> <p>Accommodation and welfare facilities</p> <p>Clean and safe workplace and practices</p>	<p>Management Time- HR Department</p> <p>Part time basis HR Manager- INR 3,50,000 per annum</p>

#	IFC PS Requirement	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Actual Estimate
	<ul style="list-style-type: none"> Confined spaces and excavations Fire precautions 	<ul style="list-style-type: none"> The excavated earth piled up on other sites will be reused for construction purposes. The construction area needs to be maintained and ensured for proper safety and precaution. TNIHPL shall ensure to provide fire prevention and firefighting services/ equipment on site at various key locations. Mock drills and fire safety trainings should also be conducted regularly. 					
3.	<ul style="list-style-type: none"> Resource Efficiency – Energy and Water Avoid and reduce the release of pollutants Air quality Construction and demolition waste Stockpiling of Materials 	<ul style="list-style-type: none"> TNIHPL / Contractor must adopt water and energy conservation practices and avoid/minimize the release of pollutants from its operations. Storage of construction material should be confined to work sites in a way to ensure that there is no obstruction to natural drainage pattern, efficient drainage is maintained. Construction site shall regularly be wetted by sprinkling of water during dusty conditions 	TNIHPL / Contractor/ sub-contractor	6-8 months	Medium	Water/Energy conservation practices Pollution prevention practices	Management Time Part time Environmental Officer- INR 4,00,000/- per annum

#	IFC PS Requirement	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Actual Estimate
	<ul style="list-style-type: none"> Land and Vegetation Management 	<p>especially during summer seasons and winds.</p> <ul style="list-style-type: none"> A contingency plan should be developed to prevent the release of any hazardous material during the handling, storage, use or spillage as per Manufacture, Storage and Import of Hazardous Chemical (Amendment) Rules. The solid waste burning on the project site shall be avoided. Periodic ambient air quality monitoring shall be performed. The waste generated should be properly managed and reused in the construction activities, either as a fill material or otherwise, based on its suitability of reuse to the maximum extent possible. Safe disposal of the extraneous material should be ensured in the pre-identified disposal locations. In no case, any construction waste will be disposed around the project locations indiscriminately. 					

#	IFC PS Requirement	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Actual Estimate
		<ul style="list-style-type: none"> • There are trees and vegetation present inside the project site. As reported by the project representatives, trees within the site would be cleared during the construction stage of the project. The developer shall take appropriate permissions as per the Tamil Nadu Forest Department rules. The developer has proposed planting trees at a 1:10 ratio. • Excavated excess earth/ soil (cut and filling), should be and reused in the construction activities, either as a fill material or otherwise disposed in an authorized/ identified landfill or disposal area. • All reasonable measures should be undertaken to ensure that no native fauna is harmed or placed at risk during the course of the clearing activities. 					
4.	<ul style="list-style-type: none"> • Consider, avoid, and minimize risk to third parties 	<ul style="list-style-type: none"> • TNIHPL / Contractor shall ensure that no negligible risk to 	TNIHPL / Contractor	6-8 months	Medium	Periodic monitoring records / management	Management Time-Hire Part time Safety Officer

#	IFC PS Requirement	Recommended Action	Responsibility	Timeline	Priority	Monitoring Mechanism	Actual Estimate
	<ul style="list-style-type: none"> Collaborate with affected communities. Traffic Safety Access restriction Remove hazardous conditions 	<p>third party shall be caused due to company operations.</p> <ul style="list-style-type: none"> Traffic safety measures shall be followed both within and outside the site. The site shall be barricaded from all sides to ensure access control, and all hazardous conditions shall be removed/resolved immediately. 				procedures developed as part of E&S management system.	INR 3,50,000/-

5 Conclusions and Recommendations

39. This ESDD report examined the project in a detailed manner and assessed the various existing environmental parameters in and around the project along with compliances against the applicable environmental, occupational health and safety, and legal regulations. The project site is in proximity to a sensitive ecosystem (Settipalli Reserved Forest -1.3 km). The project is not proximal to significant locations from a historical and cultural perspective. The project will not cause any significant adverse environmental and social impacts during construction, or operation of the project. The risks to the project at this stage have been classified as medium-high as per the rating risk tool. However, most of the associated impacts are site specific and manageable. They are expected to be limited to the construction phase and will therefore be temporary in nature. Adequate mitigation actions will be undertaken in line with management and monitoring of the set of recommended mitigation measures. No physical and/or economic displacement of people shall be required for project implementation.

40. A Mitigation Action Plan (MAP) has been suggested for any potential environmental, social and governance impacts that may arise from the project. The detailed review of the MAP needs to be undertaken by the promoter and any suitable modifications may be made by the project team in consultation with TNSF.

41. In order to manage the potential adverse environmental impacts, especially in the construction phase of the project, the recommendations provided in the MAP should be followed with due diligence. Some of important actions required are:

- Regular monitoring of the recommended measures shall be carried out during the construction phase of the project. The MAP should be revisited in case new impacts/non-compliances are identified.
- Obtaining all the listed necessary compliances as specified in the MAP.
- Training of staff on MAP-related issues.
- Activation of the Grievance Redress Committee and prompt response to public complaints.
- Develop a comprehensive stakeholder engagement and management plan for smooth disclosure of information.

Key findings of the study in connection to social issues are:

- The due diligence confirms that land was not acquired in anticipation of the project.
- Based on the site visit undertaken, it is observed that the site is vacant and unused.
- The project is not anticipated to have any major impacts on the dignity, human rights, livelihood systems or territories, or natural or cultural resources that are used, owned, occupied, or claimed by indigenous peoples or their ancestral domain or assets.
- There is no human habitation, or any other establishments on the proposed project site, as a result no dislocation, demolition of houses or structures will be required due to the construction activities
- No major potential negative impact has been identified for this project.

Way Forward:

- Consultations will be carried out with surrounding communities on the progress and impacts of the construction activities on the local community and the grievance redressal mechanism to be set up for the project and included in the updated Due Diligence Report
- Land ownership record/document will be provided in the next SSMR or updated due diligence report.

Annexure 1 - Photos



Consultant in conversation with a community member.



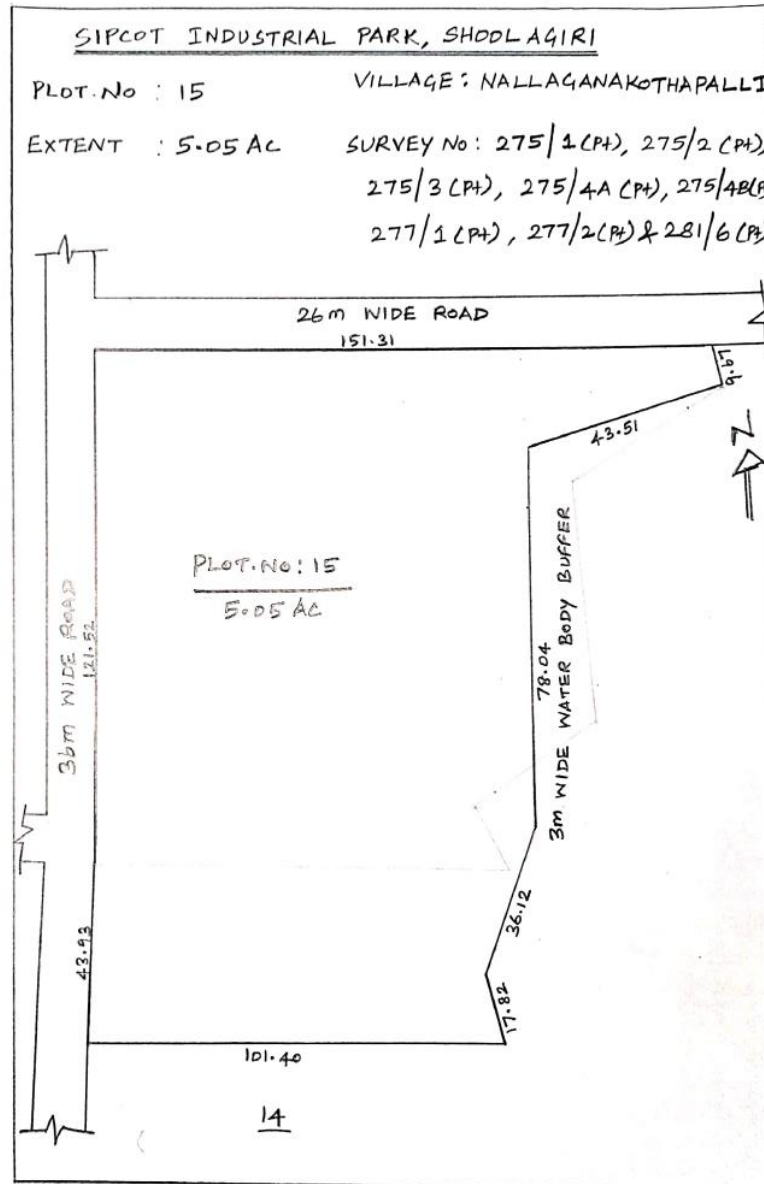
The six-lane, 36 metre approach road connecting the project site to NH-48



Presence of vegetation

Annexure 2 - List of documents reviewed

A. Plot Sketch



Annexure 3 - Involuntary Resettlement Impact Screening Checklist

A. Introduction

Each subsection/section needs to be screened for any involuntary resettlement impacts which will occur or have already occurred. This screening determines the necessary action to be taken by the project team.

B. Information on subsection/section:

- a. *District/administrative name:* Nallaganakothapalli Village, Shoolagiri, Krishnagiri district
- b. *Location (km):* 1 km from Chennai-Bengaluru National Highway- 48(in Krishnagiri District)
- c. *Civil work dates (proposed):* _____
- d. *Technical description:* The project involves the construction of housing facilities of 2 towers of ground+7 and ground+8 floors with an expected capacity of 1,495 beds located in Nallaganakothapalli Village, Shoolagiri, Krishnagiri district

C. Screening Questions for Involuntary Resettlement Impact

Below is the initial screening for involuntary resettlement impacts and due diligence exercise. Both permanent and temporary impacts must be considered and reported in the screening process.

Probable Involuntary Resettlement Effects	Yes	No	Not Known	Remarks
Involuntary Acquisition of Land				
1. Will there be land acquisition?		√		
2. Is the site for land acquisition known?				Not Applicable
3. Is the ownership status and current usage of land to be acquired known?				Not applicable, as there is no land acquisition. The land is currently registered with SIPCOT. The land does not have past or outstanding ownership disputes/legacy issues.
4. Will easement be utilized within an existing Right of Way (ROW)?	√			
5. Will there be loss of shelter and residential land due to land acquisition?				Not Applicable as there is no land acquisition. The land is uninhabited, vacant and unused. Prior to the project proposal, the land was a vacant property.
6. Will there be loss of agricultural and other productive assets due to land acquisition?				Not Applicable

7. Will there be losses of crops, trees, and fixed assets due to land acquisition?				Not applicable, as there is no land acquisition. There are trees of various species within the boundaries of the site. It has been decided to remove these trees as part of the project plan (but not due to land acquisition), considering the site's development requirements. The developer shall take appropriate permissions as per the Tamil Nadu Forest Department rules. The developer has proposed planting trees at a ratio of 1:10.
8. Will there be loss of businesses or enterprises due to land acquisition?				Not Applicable
9. Will there be loss of income sources and means of livelihoods due to land acquisition?				Not Applicable
Involuntary restrictions on land use or on access to legally designated parks and protected areas				
10. Will people lose access to natural resources, communal facilities, and services?		√		
11. If land use is changed, will it have an adverse impact on social and economic activities?		√		
12. Will access to land and resources owned communally or by the state be restricted?		√		
Information on Displaced Persons:				
Any estimate of the likely number of persons that will be displaced by the Project? <input type="checkbox"/> No <input type="checkbox"/> Yes [√] N/A If yes, approximately how many?				
Are any of them poor, female-heads of households, or vulnerable to poverty risks? <input type="checkbox"/> No <input type="checkbox"/> Yes [√] N/A				
Are any displaced persons from indigenous or ethnic minority groups? <input type="checkbox"/> No <input type="checkbox"/> Yes [√] N/A				

Annexure 4 - Indigenous People Impact Screening Checklist

1. Introduction

Each project/ subproject/component needs to be screened for any indigenous people impacts which will occur or have already occurred. This screening determines the necessary action to be taken by the project team.

2. Information on project/subproject/component:

- a. District/administrative name: Shoolagiri, Krishnagiri district
- b. Location (km): 1 km from Chennai-Bengaluru National Highway- 48(in Krishnagiri District)
- c. Civil work dates (proposed): _____

3. Screening Questions for Indigenous People Impact

KEY CONCERNS (Please provide elaborations in the Remarks column)	YES	NO	NOT KNOWN	Remarks
A. Indigenous People Identification				
1. Are there socio-cultural groups present in or using the project area who may be considered "tribes" (hill tribes, scheduled tribes, tribal people), "minorities" (ethnic or national minorities), or "indigenous communities" in the project?		v		The land is uninhabited. There is no presence of indigenous peoples in and around the project site.
2. Are there national or local laws or policies as well as anthropological research/studies that consider these groups present in or using the project area as belonging to "ethnic minorities," scheduled tribes, tribal people, national minorities, or cultural communities?				Not Applicable
3. Do such groups self-identify as being part of a distinct social and cultural group?				Not Applicable
4. Do such groups maintain collective attachments to distinct habitats or ancestral territories and/or to the natural resources in these habitats and territories?				Not Applicable
5. Do such groups maintain cultural, economic, social, and political institutions distinct from the dominant society and culture?				Not Applicable
6. Do such groups speak a distinct language or dialect?				Not Applicable
7. Have such groups been historically, socially, and economically marginalized, disempowered, excluded, and/or discriminated against?				Not Applicable

KEY CONCERNS (Please provide elaborations in the Remarks column)	YES	NO	NOT KNOWN	Remarks
8. Are such groups represented as "indigenous people," "ethnic minorities," "scheduled tribes," or "tribal populations" in any formal decision-making bodies at the national or local levels?				Not Applicable
B. Identification of Potential Impacts				
9. Will the project directly or indirectly benefit or target indigenous people?		√		
10. Will the project directly or indirectly affect indigenous people's traditional sociocultural and belief practices (e.g., child-rearing, health, education, arts, and governance)?		√		
11. Will the project affect the livelihood systems of indigenous people (e.g., food production system, natural resource management, crafts and trade, employment status)?		√		
12. Will the project be in an area (land or territory) occupied, owned, or used by indigenous people, and/or claimed as ancestral domain?		√		
C. Identification of Special Requirements Will the project activities include:				
13. Commercial development of the cultural resources and knowledge of indigenous people?		√		
14. Physical displacement from traditional or customary lands?		√		
15. Commercial development of natural resources (such as minerals, hydrocarbons, forests, water, hunting or fishing grounds) within customary lands under use that would impact the livelihoods or the cultural, ceremonial, and spiritual uses that define the identity and community of indigenous people?		√		
16. Establishing legal recognition of rights to lands and territories that are traditionally owned or customarily used, occupied, or claimed by indigenous people?		√		
17. Acquisition of lands that are traditionally owned or customarily used, occupied, or claimed by indigenous people?		√		

4. **Indigenous People Impact**

After reviewing the answers above, executing agency/ safeguard team confirms that the proposed subsection/ section/subproject/component (tick as appropriate):

has indigenous people (indigenous people) impact, so indigenous peoples plan (IPP), or specific indigenous peoples action plan is required.

has No indigenous peoples impact, so no IPP/specific action plan is required.

Annexure 5 - Consultations

Industrial Housing Project by Tamil Nadu Industrial Housing Private Limited

CONSULTATION INFORMATION

CONSULTATION SUMMARY							
S. No	Date / Time / Venue of Meetings	Stakeholders	No. of Participants			Issues discussed	Project responses
			Male	Female	Total		
1	17-05-2024 Project site	Community Person (Owner of a rose garden)	1	1	1	<ul style="list-style-type: none"> • Knowledge of project • Knowledge of Area and its recent development. • Water Availability • Traffic • Any expected disturbance to the nearby community 	<p>It was noted that the recent construction of an approach road adversely affected the effectiveness of pesticides in the fields. The dust from the construction covers the surface of the plant preventing the pesticide to adhere to plant surface and thus leading to reduced production. This issue is likely to occur during the construction phase of the project as well. The mitigation plan to reduce/avoid dust has already been recommended in the action plan.</p>

Annexure 6 - Sample Grievance Registration Form

(To be made available in Local Language- Tamil)

1. The Project welcomes complaints, suggestions, queries, and comments regarding program implementation. We encourage people with a grievance to provide their name and contact information to enable us to get in touch with you for clarification and feedback.
2. In case you want to include your personal details but want information to remain confidential, please type CONFIDENTIAL above your name.

Date	Place of registration	
Contact Information/Personal Details		
Name	Gender	Age
Home Address		
Village/ Town		
District		
Phone no		
Email		
Complaint/Suggestion/Comment/Question please provide the details (who, what, where and how) of your grievance below is if included as an attachment/ note/ letter, please mention here:		
How do you want us to reach you for feedback on your comment/grievance?		

For Official Use only

Registered by: (Name of Official registering grievance)			
Verified through	Letter	E-mail	Verbal/Telephonic
Reviewed by: (Name/Position of Official(s) reviewing grievance)			
Action taken:			
Whether Action Taken Disclosed:			
Means of Disclosure			