

# Social Monitoring Report

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Project No: 53067-004  
Semi-Annual Report (October 2025 – March 2026)  
Apr 2026

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

### Output 2 (TNIFMC)

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Prepared by the Tamil Nadu Infrastructure Fund Management Corporation (TNIFMC) for the Asian Development Bank (ADB).

# Environment Social and Governance Management System Semi-annual Monitoring Report

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Reporting Period: October 2025 to March 2026

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

Prepared by the Tamil Nadu Infrastructure Fund Management Corporation (TNIFMC) for the Asian Development Bank.

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## LIST OF ABBREVIATIONS

ADB	Asian Development Bank
BDO	Block Development Officer
CMD	Chief Managing Director
EHS	Environment, Health, and Safety
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
E&S	Environment and Social
ESG	Environment, Social and Governance
ESGMS	Environmental Social and Governance Management System
ESDD	Environmental Social Due Diligences
EWS	Economically Weaker Section
GRM	Grievance Redressal Mechanism
GOI	Government of India
IEE	Initial Environment Examination
LIG	Lower Income Group
MIG	Middle Income Group
NOC	No Objection Certificate
SEBI	Securities and Exchange Board of India
TNIFMC	Tamil Nadu Infrastructure Fund Management Corporation
TNEB	Tamil Nadu Electricity Board
TNSF	Tamil Nadu Shelter Fund

## EXECUTIVE SUMMARY

Financial intermediary agency	Tamil Nadu Infrastructure Fund Management Corporation Ltd (TNIFMC)
Description of financial intermediary	TNIFMC is an asset management company promoted by the Govt of Tamil Nadu. The Tamil Nadu Shelter Fund (TNSF) is a Category I- Alternative Investment Fund managed by TNIFMC. The fund aims to create positive social impact and reduce the environmental footprint of development by investing in sustainable affordable housing infrastructure. It is a unique platform for various types of investors to help increase the supply of sustainable affordable housing while potentially receiving risk-adjusted returns.
How is the fund meeting the target of affordable housing schemes in India?	<ul style="list-style-type: none"> <li>• The fund is currently investing in-to Affordable Housing Projects on both ownership and rental basis.</li> <li>• The fund aims at creating social impact by investing into commercially viable affordable housing projects which are environmentally sustainable, and which adopt measures like new technologies to reduce cost and time, water usage reduction and wastewater treatment, rainwater harvesting, solar power generation, solid waste management, etc.</li> <li>• The projects currently being evaluated for investment include affordable housing complexes, working women's hostels, industrial workers housing and senior living.</li> </ul>
ESDDs conducted. (No. of Due Diligences and Environment and Social Categories)	<ul style="list-style-type: none"> <li>• No new ESDDs were conducted during the reporting period as no new investments were undertaken.</li> </ul>
No. of ADB approved projects under monitoring	<ol style="list-style-type: none"> <li>a. Affordable Housing Project – 1 (Ambur Properties Private Limited)</li> <li>b. Industrial Housing (IH) – 7 (Siruseri, Cheyyar, Shoolagiri, Irungattukottai, Gangaikondan, SIPCOT-Vallam Vadagal and Vidiyal Residency Private Limited)</li> <li>c. Working Women's Hostel – 3 (Phase 1, Phase 2 and Phase 3)</li> <li>d. Senior Living Project – 1 (Kaivalyam Ecolife Private Limited- Pollachi)</li> <li>e. Affordable Housing - Nebula Infraspace LLP is on hold due to the land distribution dispute between landowner and developer</li> </ol>
ESG safeguards categorization of TNIFMC	<p><b>ESGMS Categorization</b></p> <p><b>A</b> – Project has adverse environmental, social and governance risks and are not recommended for investment</p> <p><b>B</b>- Project has moderate environmental, social and governance risks which are site-specific and reversible.</p> <p><b>C</b>- Project will have minimal environmental, social and governance risks.</p>
Unanticipated impacts in projects including change of scope or design	None
Number of site inspections and audits undertaken by safeguards staff from TNIFMC	33
Corrective action required in sub-projects	0

Outstanding corrective action in sub-projects	0
Non-compliances recorded in sub-projects	0
Is GRM functional	Yes
Number of unresolved grievances	0
Number of grievances received	0
Number of grievances resolved	0
Number of grievances still outstanding	0

## ESGMS REPORT

Financial Intermediary Name:	Tamil Nadu Infrastructure Fund Management Corporation (TNIFMC)/Tamil Nadu Shelter Fund		
Fund employment (Apr 2025 – Sep 2025)	Male: Professional 3	Administrative: Nil	Female: Professional 1
Completed by (Name):	TNIFMC		
Position and Contact Information:	Investment Consultant		
Report Period:	From: October 2025	To: March 2026	
Reporting Date:	Apr 2026		

### Environmental and Social Management System

#### 1. Introduction / overall information on the project

The project will promote access to inclusive, resilient, and sustainable housing and urban development in Tamil Nadu by supporting the state in mobilizing private sector financing to construct affordable housing units for urban poor households, migrant workers from the economically weaker section (EWS) and lower-income group (LIG) and other populations that are underserved by the housing market, which will be implemented following an approach similar to a financial intermediation loan.

The project is aligned with the following impact: permanent shelter with appropriate housing infrastructures and services provided for every affected household. The project will have the following outcome: access to inclusive, safe, and affordable housing infrastructure and services for vulnerable and disadvantaged communities in Tamil Nadu increased.

The project aims to achieve the following output:

**Output 2: Affordable housing for urban poor and migrant workers increased.** ADB financing for this output will be deployed as GOTN's equity into the Tamil Nadu Shelter Fund (TNSF), which in turn will be leveraged to catalyse private sector investment in TNSF. Utilizing such financing, TNSF will provide risk capital, such as in the form of equity or participating instrument's investment, to specific special purpose vehicles or other entities undertaking affordable housing subprojects that benefit populations underserved by the housing market. Examples of such subprojects include industrial housing and working women's hostels for low-income and migrant workers, resulting in an anticipated additional 500 beds for working women and 5,000 beds for industrial workers. To be eligible for financing, subprojects must be financially and economically viable affordable housing projects that increase the supply of housing for households within EWS and LIG segments and other segments of the population that are currently underserved by the housing market.

#### 2. ESGMS Implementation Process

The Environmental, Social and Governance Management System (ESGMS) framework<sup>1</sup>

<sup>1</sup> [Inclusive, Resilient, and Sustainable Housing for Urban Poor Sector Project in Tamil Nadu: Financial Intermediary - Environmental and Social Management System Arrangement \(adb.org\)](#)

is being applied for evaluating and monitoring all the investments of the Tamil Nadu Shelter Fund (TNSF). The ESGMS is also applied for monitoring the investments made by the fund.

With respect to application of ESGMS for evaluating the proposals, based on the experience gathered from evaluation and monitoring of projects, the risk rating tool shall be reviewed, updated, and simplified periodically.

We are currently applying the ESGMS to monitoring the investments and are streamlining the same through standardization of monitorable indicators for projects in the O&M phase. We are currently in the process of seeking inputs on the same and internally updating the framework.

### 3. ESMS Capacity/ Institutional arrangements for social Safeguards/Trainings Attended

#### Institutional Arrangements as per PAM

PAM Requirements	Status
ESG Analyst (Full Time)	An ESG resource has been onboarded. Ms. Claribel is currently engaged in a part-time capacity. Meanwhile, the process to identify and appoint a full-time ESG Analyst is underway.
Environment Expert (Part-Time)	Environment Expert appointed by ADB on a part-time basis.
Senior Social Expert (Full Time)	Will be considered based on the workload in future. Presently, ESG analysts can handle the same.
Governance Expert (Part Time)	The in-house expertise (TNSF) consisting of the General Counsel provides support on governance aspects. Based on the need, external agencies are engaged for conducting detailed due diligence.

### 4. ESMS Changes during the Reporting Period

An internal review of ESGMS was conducted during the reporting period. No changes were made to the tool's rating.

### 5. ESMS Monitoring

a) For large projects which require environmental impact assessment (EIA), as per GOI guidelines, a separate EIA report is prepared, and clearance obtained. For other projects which require environmental clearance without EIA and for projects which do not require environmental clearance, an Environment Management Plan (EMP) for the construction phase is developed and is followed during construction. The EMP identifies key risks with respect to the environment indicators and risk mitigants are proposed for the risks identified.

b) Development of a stakeholder engagement plan is mandated for every project and

semi-annual status on the engagement with stakeholders is closely monitored.

c) A grievance redressal committee is set up for every project and grievances recorded are addressed on a fortnightly basis at the project level/fund level and reviewed by TNSF on a quarterly basis.

During the reporting period, no accidents/litigations/complaints/regulatory notices and fines have been imposed/recorded with for the portfolio companies and the fund.

## 6. Grievance Redress Mechanism

A Grievance Redress Mechanism has been established for Tamil Nadu Infrastructure Fund Management Corporation (TNIFMC). No grievances were reported in the ADB approved projects during the reporting period.

## 7. ESMS Reporting Mechanism

ESG reporting is done on an annual basis to the Investment Committee, board of TNIFMC and investors of the fund.

## 8. Environmental and Social Due Diligence (ESDD) Conducted

No ESDD reports were conducted during the period October 2025 to March 2026.

## 9. Status of contract award and Social Safeguards Documents

Four contracts were awarded during the reporting period. The ESG Due Diligence reports which are already reviewed and approved are disclosed on the ADB website.<sup>2</sup> Additionally, as per the PAM requirements, all the reports are published on TNIFMC's website<sup>3</sup>.

## 10. Stakeholder Consultations conducted.

TNSF ESGMS mandates the preparation of a stakeholder identification and engagement plan by portfolio companies. Stakeholder engagement for the following sites has been conducted. (Appendix 1). Of these sites, stakeholder consultations involved ~60 men and ~35 women.

1. Working Women's Hostel Phase 1 (Tambaram)
2. Working Women's Hostel Phase 2 (St Thomas Mount)
3. Industrial Housing Phase 1 – Siruseri
4. Industrial Housing Phase 2 – Cheyyar
5. Affordable Housing Project – Ambur
6. Senior Living Project – Pollachi
7. Industrial Housing-SIPCOT Vallam Vadagal

## 11. Civil Work Progress

The following table indicates the level of construction progress across different sites.

Project	Location	Construction Status	% of completion
IH Phase 1	Siruseri	Finishing work in progress	85%
IH Phase 2	Gangaikondan	Finishing work in progress	90%
IH Phase 2	Irungattukottai	RCC work in progress	50%

<sup>2</sup> <https://www.adb.org/projects/documents/ind-53067-004-sddr>

<sup>3</sup> <https://tnifmc.com/esg-due-diligence-reports/>

Project	Location	Construction Status	% of completion
IH Phase 2	Cheyyar	Finishing work in progress	90%
IH Phase 2	Shoolagiri	RCC work in progress	50%
WWH-Phase 3	Chepauk	RCC work in progress	50%
WWH-Phase 3	Taramani	RCC work in progress	50%
WWH-Phase 3	Madurai-	RCC work in progress	95%
WWH-Phase 3	Coimbatore	RCC work in progress	70%
WWH-Phase 3	Erode	RCC work in progress	70%
WWH-Phase 3	Kanchipuram (Sriperumbudur)	RCC work in progress	45%
WWH-Phase 3	Cuddalore	RCC work in progress	95%
WWH-Phase 3	Dharmapuri	RCC work in progress	95%
WWH-Phase 3	Nagapattinam	RCC work in progress	70%
WWH-Phase 3	Theni	RCC work in progress	95%
WWH-Phase 3	Sivagangai	RCC work in progress	95%
WWH-Phase 3	Karur	RCC work in progress	80%
WWH-Phase 3	Ranipet	RCC work in progress	95%
Affordable Housing	Ambur	RCC work in progress	60%
Senior Living Project	Pollachi	RCC work in progress	75%

## 12. Compliance with Social Safeguards Covenants

Loan Covenants	Status of Compliance
Screening, Categorization and Environment and Social Assessment and Planning	<p>ESGMS is being used to screen and categorize projects based on the significance of the environmental and social impacts associated with the project.</p> <p>Pursuant to the SPS, an Environment and Social Management Plan is prepared for each subproject</p> <p>All Environmental Assessment Plans and Social Assessment Due Diligence reports are shared with ADB and all the projects are classified as "B" for environmental safeguards and C for social safeguards.</p>
Environment Safeguards	<p>Every subproject is compliant with</p> <p>a) All applicable laws and regulations of the borrower and state</p> <p>b) All Environment Safeguards</p> <p>c) ESGMS and ESGMS action plan</p> <p>d) All measures and requirements set forth in the sub project environmental assessment and EMP</p>
Land Acquisition and Involuntary Resettlement	<p>None of the sub-projects approved by TNIFMC have any affected persons and there is no physical or economic displacement. No land acquisition was carried out in anticipation of any of the sub-projects.</p>
Indigenous People	<p>No indigenous people impact was assessed in any of the approved sub-projects.</p>

Human and Financial Resources to implement Safeguards Requirements	At present, there is a part time ESG consultant at TNIFMC who oversees the ESGMS assessments and implementation, and a part-time Environment Expert appointed by ADB to support the ESG Consultant .
Safeguards Monitoring and Reporting	Semi-annual Safeguards monitoring reports are submitted to ADB. Any unanticipated environmental/social impacts arising during sub-project implementation are promptly informed to ADB along with detailed description of the event and proposed corrective action plan as set forth in the ESGMS.

### 13. Summary and Conclusions

The Fund continues to comply with the social safeguard covenants outlined in the loan agreement. No grievances have been recorded for any ADB-approved projects during the current reporting period. No Resettlement Plans (RPs) are applicable to TNSF-funded projects.

The consultation process will be further strengthened in subsequent SSMRs by including:

- (i) Attendance sheets from consultation meetings, and
- (ii) A structured summary of key issues and concerns raised by the community.

### 14. Updates on the Pending Actions (under Way Forward) in the previous SSMR (October 2025-Mar 2026)

- Initial Environmental Examination (IEE) and Environmental and Social Due Diligence (ESDD) reports have been uploaded to the company's website and are now compliant with ADB PAM disclosure requirements.
- As part of continuous improvement, the consultation documentation framework is being enhanced to include include attendance records and a structured summary of key issues and concerns raised by the community.

**Appendix 1: Public Engagement in various locations during the reporting period**

<p style="text-align: center;"><b>IH-Siruseri</b></p> 	<p style="text-align: center;"><b>WWH-Phase 2-St thomas Mount</b></p> 
<p style="text-align: center;"><b>Affordable Housing-Ambur Project</b></p> 	<p style="text-align: center;"><b>IH – Phase 2-Cheyar</b></p> 
<p style="text-align: center;"><b>TNWWHCL -Phase 1</b></p> 	<p style="text-align: center;"><b>Kaivalyam-Senior Living</b></p> 



## Appendix 2: Stakeholder Consultation Discussions

### TNWWHCL -Phase 1 & 2

As part of the operational phase of the Working Women's Hostel at Tambaram (Phase 1) and St Thomas Mount (Phase 2), stakeholder meetings were conducted with residents, staff, and vendors to ensure smooth functioning and effective service delivery. Attendance sheets for all meetings have been maintained and enclosed as Annexures.

#### Summary of Key Issues:

- Feedback on food quality and need for menu variation.
- Housekeeping frequency and cleanliness in common areas.
- Timeliness of maintenance services.
- Temporary challenges in LPG cylinder availability due to global supply disruptions.
- Cleaning and maintenance of terrace solar panels to ensure optimal performance.
- Awareness and accessibility of the Grievance Redressal Mechanism (GRM).
- Review of safety and security arrangements.

#### Action Taken:

- Menu adjustments implemented based on resident feedback.
- Housekeeping schedules streamlined and monitored.
- Maintenance response timelines improved through vendor coordination.
- Alternate arrangements implemented to manage LPG supply and ensure uninterrupted kitchen operations.
- Regular cleaning schedule established for terrace solar panels to maintain efficiency.
- GRM awareness reinforced among residents, with clear communication on escalation channels.
- Regular management reviews to ensure overall service standards.

**Attendance Sheet-Tambaram Hostel:**

Project Name: Working Women's Hostel  
 Location: Tambaram sanatorium, Chennai  
 Date: 26/3/26  
 Engagement Type: Operational Phase Consultation  
 Stakeholder Category: (Staff / Residents / Vendors / Facility Management / Security)  
 Purpose: ESG Stakeholder Engagement & Feedback

SL No	Stakeholder Type	Name	Role / Designation	Phone Number	Key Concern / Feedback	Signature
1	Staff	Arthika A	Warden		Safe and secure place	A. Arni
2	Staff	Arulmani	Housekeeping		Good environments.	Arulmani
3	Resident	Hema Rubina M	Occupant		Food is good Nice infrastructure	M. Praveen
4	Resident	Sathya Keerthi	Occupant		Safety good water supply	R. Sathya
5	Resident	Ruthra P	Occupant		Nice environment & safety	Ruthra P
6	Resident	Sandhya K	Occupant		Safe and good water supply.	Sandhya K
7	Resident	Rushabhree	Occupant		Overall good environment & clean stay	Rushabhree
8	Resident	Hephzibah	Occupant		It's going good actually keep it up	Hephzibah

**Attendance Sheet-St Thomas Mount Hostel:**

**Project Name:** Working Women's Hostel

**Location:** St Thomas Mount, Chennai

**Date:** 26/3/26

**Engagement Type:** Operational Phase Consultation

**Stakeholder Category:** (Staff / Residents / Vendors / Facility Management / Security)

**Purpose:** ESG Stakeholder Engagement & Feedback

SL. No	Stakeholder Type	Name	Role / Designation	Phone Number	Key Concern / Feedback	Signature
1	Staff	Aswini Ravikumar	Warden		Good to work	R. Aswini
2	Staff	Rejina	House keeping		Good	K. Rejina
3	Resident	Rashmi	Occupant		Safe stay	Rashmi
4	Resident	Thamizh kavi	Occupant		Secure place	Thamizh kavi
5	Resident	Vaishnavi	Occupant		clean & Neat Enviro	Vaishnavi
6	Resident	Terny Udyan	Occupant		Excellent Ideology.	Terny Udyan
7	Resident	Uma	Occupant		Safe stay	UMA
8	Resident	Sadhana	Occupant		Appreciatable	Sadhana

## **Affordable Housing Ambur**

As part of the ongoing construction of the affordable housing project in Ambur, a safety meeting was conducted with site labour, along with interaction with neighbouring stakeholders to improve coordination and site management. Attendance records for the meeting have been maintained and enclosed as Annexures.

### **Summary of Key Issues:**


- Reinforcement of labour health and safety practices across work areas.
- Monitoring and improving PPE usage and compliance levels.
- Review of first aid availability and incident tracking mechanisms.
- Site housekeeping, including debris clearance and waste management.
- Construction-related aspects such as dust control and vehicle movement.
- Awareness and accessibility of the Grievance Redressal Mechanism (GRM) among workers and nearby stakeholders.

### **Action Taken:**

- Safety briefings conducted, with emphasis on hazard awareness and safe work practices.
- PPE compliance reinforced through regular supervision and monitoring by safety officers.
- First aid facilities reviewed and strengthened; incident reporting protocols reiterated.
- Site housekeeping improved with regular debris clearance and waste disposal measures.
- Dust suppression measures implemented and vehicle movement regulated within the site.
- GRM awareness communicated to workers and stakeholders, with clear escalation channels established.

## Attendance Sheet:

A motivational talk aimed at reinforcing a positive safety culture and keeping workers engaged, Purpose is to Boost morale, encourage safe behavior, and emphasize a proactive safety mindset.(5-10 minutes)

Date	03/03/26	Site	Jarida Royal	
Time	From (9 AM), To (6 PM)	Location	Block-1	
Contractor Details: - <u>APP</u>				
Topic Discussed - <u>Safety Motivational talk about safety</u>				
Sl.No	Name	Blood Group	Designation	Signature
1.	Gradhdan	-	Mason	Gradhdan
2.	Bathoraj	-	Helper	Bathoraj
3.	Makudh padham	-	Helper	Makudh padham
4.	Saraj padham	-	Mason	Saraj padham
5.	Rahul Rana	-	Mason	Rahul Rana
6.	Asif Rana	-	Mason	Asif Rana
7.	Arjun	-	Helper	Arjun
8.	Chandhan	-	Helper	Chandhan
9.	Kumbi Kung	-	Helper	Kumbi Kung
10.	Ganesh Rana	-	Mason	Ganesh Rana
11.	SK. Tufan	-	Mason	SK. Tufan
12.	Rupa padham	-	Helper	Rupa padham
Remark :-				
Conducted by :- <u>S. Jagan</u>		 Signature		
Designation :- <u>SMES</u>				

## **IH – Phase 1**

Consultations were conducted with site teams and nearby stakeholders to review environmental, labour, and community-related aspects of the project. Attendance sheets for all consultations have been maintained and enclosed as Annexures.

### **Summary of Key Issues:**

- Monitoring and adherence to Environmental Management Plan (EMP) requirements.
- Labour camp conditions, including hygiene, basic amenities, and safety practices.
- Consistent usage of PPE and effectiveness of safety training programs.
- Review of incident reporting and near-miss tracking mechanisms.
- Site housekeeping, including material storage and waste management.
- Awareness and accessibility of the Grievance Redressal Mechanism (GRM) among workers and stakeholders.

### **Action Taken:**

- EMP compliance reinforced through regular monitoring and site-level reviews.
- Labour camp conditions maintained with focus on hygiene, safety, and welfare facilities.
- PPE usage and safety practices strengthened through continuous supervision and training.
- Incident reporting systems reviewed and corrective/preventive measures reinforced.
- Site housekeeping improved with better material management and waste disposal practices.
- GRM awareness communicated to workers and stakeholders, with clear escalation channels in place.

## Attendance Sheet:

Attendance Sheet for Stakeholder Consultation in IH Siruseri

S. No	Name	Stakeholder Title	Signature
1	Asim Sarkar.	Labour	Asim Sarkar
2	Anirban Sarkar.	Labour	Anirban Sarkar
3	Suresh Ram	Labour.	Suresh Ram
4	Ganesh Kumar	Labour.	Ganesh Kumar
5	Rajesh Hazra	fitter	Rajesh Hazra
6	Gopal gau	fitter	Gopal gau
7	Chandan gau	fitter	Chandan gau
8	Chaitu Nuniya	Mason	Chaitu Nuniya
9	Sowkat Ali	Mason	M. Sowkat Ali
10	Sujeet	Mason	Sujeet
11	Ajay	Mason	Ajay