# Environment and Social Safeguards Monitoring Report

May 2016 Environment and Social Safeguards Audit Sheets 2014

# INDIA: Accelerating Infrastructure Investment Facility in India

Prepared by India Infrastructure Finance Company Limited for the India Infrastructure Finance Company Limited and the Asian Development Bank

This environment and social safeguards monitoring report is a document of the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff, and may be preliminary in nature.

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

# ANNEX E-17: PERIODIC ENVIRONMENTAL AND SOCIAL PERFORMANCE REPORT FOR SUBPROJECTS APPROVED UNDER ADB'S LINE OF CREDIT, AIIFI (PRR-I)

Please provide responses to the questions below. Please include additional sheets or attachments as required to provide details on questions that have been answered Yes. IIFCL is required to submit the periodic performance report to DFIs (see footnote below)<sup>1</sup>. This format is only for guidance and could be improved.

Name of Organization	India Infrastructure Finance Co	ompany Limited (IIFCL)			
Name of Sub-project  Name of Sub-project Developer	Development, maintenance and management of the State Highway No.05A including four laning from Ch.0.000 to Ch. 64.000 & from Ch. 97.000 to Ch. 115.000 and six laning from Ch. 64.000 to Ch. 97.000 of Varanasi - Shaktinagar section of NH-05A in the state of Uttar Pradesh through Public Private Partnership (the PPP) on Design, Build, Finance, Operate and Transfer (DBFOT) basis.  ACP Tollways Private Limited				
Reporting Period	From January - 2014 to Dece	mber - 2014			
Audit Activity	Name & Designation	Signature			
Prepared by	Mr. Krupasindhu Guru Assistant General Manager (Social Safeguard Specialist)  Dr. Rashmi Kadian Assistant General Manager (Environment Specialist)	Kompayinethe Ca Racheri Kadian			
Reviewed By	Dr S. S. Garg General Manager				
Approved by & Senior Staff with overall responsibility for ESMS implementation	Mr. Sanjeev Ghai Chief General Manager	J jeuni			

#### A. Environmental and Social Management System (ESMS)

	Policies & Processes	Yes/ No	
1.	Has your organization developed and implemented an ESMS?	Yes	ESSF was adopted by IIFCL in October 2008 which was subsequently revised in November 2010 and July 2013 and Addendum to the ESSF for the World Bank financed subprojects was issued in the year 2014. The latest revised ESSF of July 2013 and addendum are available on IIFCL's website (http:// http://www.iifcl.org/Content/ESMU.aspx)  (If yes, please attach a copy of the ESMS to this report. Please indicate the
			date that the ESMS was established.)
2.	If there is an ESMS already in place, have there been any updates to the ESMS or policy and procedures adopted by your organization during the reporting	Yes	During reporting period (January, 2014 to December, 2014) an Addendum was issued to the ESSF in the year 2014. The weblink of the detailed document is provided above. The purpose of the Addendum was to summarise the process of poposed due diligence process at IIFCL for determining the

<sup>1</sup> Reporting requirements outlined here pertained to ADB. Other DFIs also have similar requirements.

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	period?			lity of sub-proje Bank's line of c	ects for the World credit.	Bank financin	ig under
			(If yes, the sam		copy of the updates incl	uding dates and r	easons for
3.	Has senior management signed off on the updated policy/ procedure?	Yes	The I	ESSF 2013 w mber 2013.	as approved by	IIFCL Board	on 22 <sup>nd</sup>
	'		(If yes, same.)	please provide th	ne date and internal co	ommunication indi	icating the
4.	Has your organization appointed staff tasked to implement the ESMS?	Yes	(ESMI enviro	U) has been	Social Safeguard set up at IIFCL cial safeguard co	in 2010 to	fulfil the
			time s specia addition environ social	staff of IIFCL with allists and one on to this the inmental safeguards specification.	is headed/ coordinate th two full-time enviolation full-time social sate department is also juards specialist ( pecialist (Consultant st December 2014 a	rironmental sat feguards spec so supported Consultant) a it). The detail	feguards sialist. In by one and one s of the
			S. No	Name of Employee	Designation	Qualificati on	Expe rienc e in relev ant field
			1.	Dr. S. S. Garg	General Manager (GM)	Doctorate in Environme ntal Sciences, Diploma in Industrial Safety, Lead Auditor for ISO 14001 and OHSAS180 01	20 yrs
			2.	Dr. Ruchi Malik	Assistant General Manger (AGM)- Environment Specialist	Doctorate in Environme ntal Sciences	13 yrs
			3.	Dr. Rashmi Kadian	Assistant General Manger (AGM)- Environment Specialist	Doctorate in Environme ntal Sciences	12 yrs
			4.	Mr. Krupasindhu Guru	Assistant General Manger (AGM)- Social Specialist	Masters in Economics, Masters in Journalism, and LLB	13 yrs
			5.	Dr. Bhavesh Kumar Singh	Environmental Safeguards Specialist- Consultant	Doctorate in Environme ntal	18 yrs

# **ACP Tollways Private Limited**

						Sciences	
			6.	Rumita Chowdhury	Social Safeguards Specialist- Consultant	Masters in Sociology	11 yrs
			(experie	ence and education	information on numbe backgroud) to implment	t the ESMS.)	
5.	Please give details of any transactions rejected due to environmetnal and/or social concerns.	No		ctions were reje	period (January - ected due to enviro		
6.	Please state any difficulties and/or constraints related to the implementation of the ESMS.		Asian under enviro an en social	ateral/bilateral Development line of credit nmental and so abling mechan safeguard requ	financial institution Bank and Europe is the evaluation ocial issues. The Eism to IIFCL to mairements associate.	ean Investmer of the subpro SSF of IIFCL eet environme d with sub-proj	nt Bank) jects on provides ntal and ects.
			80% c minor	of the lead bank partner in the as the other len	IIFCL finances upto share whichever is consortium. IIFC ding partners do no	s lower, thus, II CL follows the	FCL is a ESSF,
			infrast data / compl require	ructure project / information / iance monitorin ements. Extract	requires screening statutory approvaling reports etc. as pointing this information access and is a challenger.	g of vast quants / permits / er National sate	ntum of periodic feguards
				e of social saf ed by the Conc	feguards, IIFCL rel essionaire.	ies on the info	ormation
7.	Please describe how you ensure that your clients and their investments are operated in compliance with the national laws and regulations and applicable		IIFCL, conce	certain cove ssionaire's liabi	n Agreement for e enants are alway lity to comply with a t implementation.	s put up r	eflecting
	DFI's safeguard requirements.		during of the projec	the due diliger project by the ts to review	oliance status of the property	ject. After the acts annual audects are ope	approval
			reports monitor manag reports borrow	s on implemen oring of enviro gement, periodi s are generally vers also enga	nce with DFIs saftation of EMP at ponmental parametric LIE reports and solve shared by develoe safety officers/elenvironment related	project site, re ers, status o six monthly cor loper with IIF engineers to lo	ports on f safety mpliance CL. The
8.	Please give details of any material social and environmental issues associated with clients during the reporting period in particular.		infrast data /	ructure project information /	nd social safegua requires screenin statutory approval g reports etc. as p	g of vast quals / permits /	ntum of periodic

			requirements. Extracting this information from the developer is a time consuming process and is a challenging task.
			In case of social safeguards, IIFCL relies on the information provided by the Concessionaire.
9.	In case the existing ESMS is not fully functional, what are the action plan beining implemented by your organization?		Presently, existing ESMU is functional. Please refer to Section A for details. Head ESMU was recruited in October 2014 and one full time Environmental Specialist was recruited in November 2014. The position of Social Safeguard Specialist was advertised but not filled due lack of suitable candidate. This will be filled up shortly.  (Please provide information or cite recommendation made by DFI's review mission to improve the ESMS and its implementation.)
	Capacity	Yes/ No	
10.	Please provide the name and contact information of the senior staff who has the overall responsibility for the implementation of ESMS.	Yes	Mr Sanjeev Ghai, Chief General Manager has the overall resposibility for the implementation of ESSF. His contact information are provided below:  Telphone: +91 11 23450263, 23450261 (Direct); Email: sanjeevghai@iifcl.org
			(Please describe the training or learning activities the Environmental/Social Officer or Coordinator attended during the year.)
11.	Please provide current staffing of other core ESMS persons in the organization involved with ESMS implementation.	Yes	Please refer Section A, point no. 4 for details of ESMU persons of IIFCL.  Please find attached details of Training programmes attended by ESMS Staff during reporting period of January 2014 to December 2014 as <b>Annexure-I</b> .
			(Please describe the training provided to the ESMS persons and other team members during the year.)
12.	What was the budget allocated to the ESMS and its implementation during the year?	Yes	ESMU is the core team of IIFCL and requisite budgetory provision is a part of IIFCL's overall budget.  (Please provide budget details including staff costs and training as well as any
	Monitoring		actual costs.)
13.	Do you receive environmental and social monitoring reports from Lead Banks/Borrowers?	Yes	The project is monitored through Lenders Engineer's reporting. The Lender's Independent Engineer is appointed by the Lead Bank of the Lender's Consortium to monitor the physical, financial progress and the compliance of various regulatory requirements. LIE reports are provided by the Lead Bank to the IIFCL. The LIE reports generally covers areas related to statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc. statutory permitting status, institutional arrangement, accident/incident data etc.
			From Borrowers, IIFCL receives reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management and six monthly compliance reports.
			(If yes, please describe and provide supporting documents including any social and environmental considerations if applicable.)

14.	Do you check for ongoing compliance of your clients with national regulation and any other requirements?	Yes	During the environmental and social due diligence study and subsequent audit, the compliance of the project with the applicable regulation is checked with available documentation. The site visit is carried out by ESMU for field verification.  (If yes, please describe the process including any social and environmental considerations if applicable.)
15.	Please describe how you monitor the clients and their invesetments' social and environmental performance.		The social and environmental performances are checked during the preparation of Environmental and Social Due Diligence Report and annual audit. Each approved project is evaluated for its environmental safeguard compliance performance against the applicable safeguard requirements at the time of audit. The compliance status is also assessed through the LIE report which genrally covers the statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc; reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, six monthly compliance reports and through site visits.
			Out of the 8 sub-projects approved under AIIFI, site visit was conducetd for 4 sub-projects in the year 2014 for the purpose of ESDDR preparation. For other three sub-projects, whose site visit was done for ESDDR purpose during the year 2013, these sub-projects were visited in early 2015 for audit purpose.
			The 8 <sup>th</sup> sub-project,i.e. MEP Infrastructure Project was visited by safeguards staff during May 2013 as part of ESDDR preparation and has been approved under Takeout Finance Scheme by ADB. The project scope of work involves Securitization of Five Mumbai Entry Points along with maintenance of Flyovers and allied structures in and around Mumbai Region. The Project Facility is being operated and maintained by Concessionaire or through sub- Contractors if required, and major work involves Toll collection, Minor road repairing work, routine/periodic maintainence activities including plantation/beautification work & safety management. Considering this scope of work, site visit was not considered necessary for audit purposes.  (Please describe and provide supporting documents such as environmental and social monitoring reports and please provide information on the number of subprojects where a field visit was conducted by staff to review aspects
16.	Please provide details of any		including social and environmental issues.)  The project specific details are provided in Section 'C'.
	accidents/litigation/complaints /regulatory notices and fines: - Any incidents of non- compliance with the applicable Environmental and Social Requirements - Covenants/conditionalities imposed by IIFCL to the client as a result of any non- compliance  Reporting		
17.	Is there an internal process to	Yes	The ESDDR (one time document) and Audit sheets are
	report on social and environmental issues to Senior management?		approved by the Senior Management.
			The ESDDR is a detailed report on environmental and social safeguards and annual audit sheet is reported in the present format.

			(If yes, please explain the process, reporting format and frequency and actions taken if any.)
18.	Do you prepare any social and environmental reports: - For other multilateral agencies - Other stakeholders - E&S reporting in the Annual Report - Sustainability reports	Yes	ESMU prepares Environment and Social Due Dilgence report for the projects which are posed to other DFIs to draw down, under their line of credit. IIFCL's annual report also reports on the ESSF since the year 2008-09 and ESMU since its inception in the year 2009-10.  The Annual Reports are uploaded on IIFCL website and weblink for the same is http://www.iifcl.org/Content/report.aspx?mid=17&bid=2&cid=1  (If yes, please provide copies of these reports.)

B. Act	B. Activities on DFI's Prohibited Investment Activities List					
1.	If any, please indicate the dollar percentage of loans or investments out of your total outstanding exposure provided to clients who are substantially involved in DFI's Prohibited Investment Activities List (Refer to Annexure V of SPS 2009).	Not applicable, since, IIFCL does not involve in the prohibited investment activities.				
2.	If the percentage is not zero, please explain these exposures and any steps having been taken to reduce such exposure.	Not applicable				

### C. Subprojects Using DFI Funds

1.	Name of Subproject:	Sub-project Developer: ACP Tollways Private Limited
		Sub-project: Development, maintenance and management of the State Highway No.05A including four laning from Ch.0.000 to Ch. 64.000 & from Ch. 97.000 to Ch. 115.000 and six laning from Ch. 64.000 to Ch. 97.000 of Varanasi - Shaktinagar section of NH-05A in the state of Uttar Pradesh through Public Private Partnership (the PPP) on Design, Build, Finance, Operate and Transfer (DBFOT) basis.
2.	Location:	Varanasi-Shaktinagar road up to Hathinala (SH-5A) in the State of Uttar Pradesh
3.	Sector:	Highways and Roads
4.	Total loan from IIFCL/DFI (US\$ MN):	\$ 26,731,052.79
5.	Safeguard category: (Annex E-3)	Category B
6.	Were any environmental and social due diligence undertaken by your organization?	Environmental & Social Due-Diligence for ACP Tollways Pvt. Ltd. was undertaken by ESMU for which desk review of safeguards related documents was carried out along with field verification done during site visit conducted on 13th to 14th of August, 2013 by ESMU team.
		Review of safeguard related information was also done for the period

		January – December 2014 for annual audit purpose.
		Site visit was conducted for safeguards compliance check by ESMU during 28-29 <sup>th</sup> May 2015.
		(If yes, provide information on due diligence activities, such as desk review of safeguard documents, and field visit, and by whom.)
7.	Any environmental	Environmental Safeguard:
	assessment report (including environmental management plan), involuntary resettlement plan, or indigenous peoples plan, or audit reports reviewed by your organization?	The Environmental Safeguard Due-Diligence study was carried out for the sub-project on the basis of site visit observations and understanding project scope based on information and documents provided by the Concessionaire. As per observation of State Level Environment Impact Assessment Authority, Uttar Pradesh State, this sub-project does not come under the purview of EIA Notifications, 2006, as amended in April 2011. Therefore, no EIA was prepared for the sub-project. However, an EMP was prepared and implemented at the sub-project.
		The following documents were referred/reviewed in order to prepare Environmental Safeguards Due-Diligence Report:  Environmental Management Plan  Project Statutory consent/ approvals and permits  Project HSE Documents  EPC Contract Documents  Concession Agreement  Project Information Memorandum  Lenders Independent Engineer reports
		Social Safeguard
		<ul> <li>As informed by the developer,no tribal families are getting affected due to the sub project so no Tribal Development Plan has been prepared for this project;</li> <li>Since no project specific Involuntary resettlement plan has been prepared for this project, however, to ensure the safeguard compliace, following documents were reviewed by ESMU:</li> <li>Concession Agreement;</li> <li>Engineering Procurement and Construction Agreement;</li> <li>Lender's Independent Engineer's report, December 2014;</li> <li>Gazette Notification for land acquisition</li> <li>(If yes, please provide the names of documents reviewed.)</li> </ul>
8.	What were the main environmental, involuntary resettlement and indigenous peoples issues associated with this subproject that were identified through due diligence conducted by your organization, and how were the issues dealt with (i.e., outcome of due diligence)?	Environmental Safeguard  During environmental due-diligence the formal Forest Clearance was pending for the sub-project. Forest Clearance for 129.251 hectare of forest land diverted for the sub-project has been granted by MOEF vide letter dated 14th November 2013, which was shared by the Concessionaire with IIFCL.  The following documents were referred for the purpose of annual audit of the sub-project:  • The environmental monitoring reports for air, water and noise at the construction sites of the sub-project for the period March & July 2014  • The LIE reports for the sub-project for the February, March and

December 2014, the LIE for the sub-project covers:

- o environment, social, health, safety and traffic issues;
- sanitation and hygiene at labour camps and site offices;
- o protection plan of the project;
- o status of utility shifting;
- tree cutting status;
- o financial, physical progress;
- o land acquisition and
- o status of various regulatory requirements.
- Environmental Management Plan implementation
- Compliance to NOC/Consents from State Pollution Control Board.

During the annual compliance monitoring review, ESMU visited the project site during 28-29<sup>th</sup> May 2015. Following is the observations / outcome of the review of documents / information for annual audit and site visit conducted:

- Environmental Quality Monitoring is being done at the site and parameters are within prescribed limits of regulatory norms. Based on the site visit it can be deduced that the monotoring is adequate.
- Sprinkler system is arranged at crushers to avoid dust pollution in plant area.
- Sanitation and hygiene is maintained at the site.
- Till December 2014, median plantation on 109.60 km has been done. Tree Plantation carried out in Ahraura, Chopan Base camp and crusher site Chiraiya and Dala.
- Dedicated team of Manager Safety and 2-Safety Officer along with 1 supervisor, 2 Road markers and 24 labors are maintaining safety at site.
- Safety Barricading and safety delineators are provided on construction zones and diversions.
- Personnel Protective Equipment like helmets, reflective jackets, masks, safety shoes are being used by all staff in construction site.
- The EMP implementation, safety measures and institutional arrangement for the same is adequate at the sub-project.

#### **Social Safeguard**

- Land acquisition has been carried out by Uttar Pradesh State Highway Authority (UPSHA) after the Gazette notification were published;
- No tribal families are getting affected due to the sub project;
- UPSHA has prepared this project for its own funding requirement and not in anticipation to ADB's operation, and the compensation has been paid for loss of properties as determined by the Competent Authority;
- Based on the available skill and qualification requirements, employment preference have been given to local labourers in the construction activity.

9. Did you discuss with the No, as IIFCL is a late entrant in project development.

### **ACP Tollways Private Limited**

	Lead Bank the applicable environmental and social safeguard requirements and their implementation?	
10.	For category A subproject, were safeguards related documents such as EIA, RP and IPP, or audit reports made publicly available, in addition to posting on ADB's website?	ACP Tollways Pvt. Ltd. does not fall under category A as per ADB's safeguard requirements.  (If yes, please provide website link and the date the documents were uploaded.)
11.	Were any conditions or covenants related to environmental and social issues made along with the investment?	The compliance to the applicable laws of land is included as a covenant in the loan agreement signed by the lead bank and other consortium members with the Concessionaire.  (If yes, please briefly describe.)
12.	Does the investment comply with applicable government requirements?	Yes
13.	Does the investment comply with applicable DFI safeguard requirements?	Yes

# ANNEX E-17: PERIODIC ENVIRONMENTAL AND SOCIAL PERFORMANCE REPORT FOR SUBPROJECTS APPROVED UNDER ADB'S LINE OF CREDIT, AIIFI (PFR-1)

Please provide responses to the questions below. Please include additional sheets or attachments as required to provide details on questions that have been answered Yes. IIFCL is required to submit the periodic performance report to DFIs (see footnote below)<sup>1</sup>. This format is only for guidance and could be improved.

Name of Organization	India Infrastructure Finance Co	ompany Limited (IIFCL)		
Name of Sub-project	Four Laning of Chattisgarh/ Orissa Border – Aurang Section-from km 88.000 to km 239.000 of NH- 6 (53) in the State Chattisgarh to be executed as BOT (Toll) on Design, Built, Operate and Transfer (DBFOT) basis.			
Name of Sub-project Developer	BSCPL Aurang Tollways Ltd.			
Reporting Period	From January - 2014 to Dece	ember - 2014		
Audit Activity	Name & Designation	Signature		
Prepared by	Mr. Krupasindhu Guru Assistant General Manager (Social Safeguard Specialist)	Knapcay'nethe Ca		
	Dr. Rashmi Kadian Assistant General Manager (Environment Specialist)			
Reviewed By	Dr S. S. Garg General Manager	Sarah		
Approved by & Senior Staff with overall responsibility for ESMS implementation	Mr. Sanjeev Ghai Chief General Manager	J jeuni		

#### A. Environmental and Social Management System (ESMS)

	Policies & Processes	Yes/No	
1.	Has your organization developed and implemented an ESMS?	Yes	ESSF was adopted by IIFCL in October 2008 which was subsequently revised in November, 2010 and July 2013 and Addendum to the ESSF for World Bank financed projects was issued in year 2014. The latest revised ESSF of July 2013 and Addendum are available on IIFCL's website ( <a href="http://www.iifcl.org/Content/ESMU.aspx">http://www.iifcl.org/Content/ESMU.aspx</a> )  (If yes, please attach a copy of the ESMS to this report. Please indicate the date that the ESMS was established.)
2.	If there is an ESMS already in place, have there been any updates to the ESMS or policy and procedures adopted by your organization during the reporting period?	Yes	During reporting period (January, 2014 to December, 2014) an Addendum was issued to the ESSF. The weblink of the detailed document is provided above. The purpose of the Addendum was to summarise the process of poposed due diligence process at IIFCL for determining the eligibility of sub-projects for the World Bank financing under World Bank's line of credit.

<sup>&</sup>lt;sup>1</sup> Reporting requirements outlined here pertained to ADB. Other DFIs also have similar requirements.

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			for the s	same.)		ates including dates															
3.	Has senior management signed off on the updated policy/ procedure?	Yes	The E Septe	SSF 2013 ha mber 2013.		red by IIFCL Boa															
4.	·	Yes	(ESMI enviro	J) has beer	n set up at II	guards Manage FCL in 2010 to d commitments	o fulfil the														
			staff of safego special also s (Cons (Cons	of IIFCL and uards special alist are engal upported by ultant) and ultant). The	d currently tw lists and one ged. In additio one environmone one socia		ironmental safeguards partment is s specialist specialist														
			SI. No	Name of Employee	Designation	Qualification	Experien ce in relevant field														
		2.         3.         4.         5.	1.	Dr. S. S. Garg	General Manager (GM)	Doctorate in Environment al Sciences, Diploma in Industrial Safety, Lead Auditor for ISO 14001 and OHSAS1800	20 yrs														
			2.	Dr. Ruchi Malik	Assistant General Manger (AGM)- Environme nt Specialist	Doctorate in Environment al Sciences	13 yrs														
																	3.	Dr. Rashmi Kadian	Assistant General Manger (AGM)- Environme nt Specialist	Doctorate in Environment al Sciences	12 yrs
				Mr. Krupasin dhu Guru	Assistant General Manger (AGM)- Social Specialist	Masters in Economics, Masters in Journalism, and LLB	13 yrs														
			5.	Dr. Bhavesh Kumar Singh	Environme ntal Safeguards Specialist- Consultant	Doctorate in Environment al Sciences	18 yrs														
			6.	Rumita	Social	Masters in	11 yrs														

			Chowdhu Safeguards Sociology ry Specialist-Consultant
5.	Please give details of any transactions rejected due to environmetnal and/or social	No	(IF yes, please provide information on number of staff and qualification (experience and education backgroud) to implment the ESMS.)  During the reporting period (January – December 2014) no transactions were rejected due to environmental and / or social concerns.
6.	concerns.  Please state any difficulties and/or constraints related to the implementation of the ESMS.		One of the pre requisites for getting funding (multilateral/bilateral financial institutions like World Bank, Asian Development Bank, and European Investment Bank) under line of credit is the evaluation of the subprojects on environmental and social issues. The ESSF of IIFCL provides an enabling mechanism to IIFCL to meet environmental and social safeguard requirements associated with sub-projects.  As per the mandate, IIFCL finances upto 20% of project cost or 80% of the lead bank share whichever is lower, thus, IIFCL is a minor partner in the consortium. IIFCL follows the ESSF, whereas the other lending partners do not have such safeguard framework.  The environmental and social safeguard requirement of any infrastructure project requires screening of vast quantum of data / information / statutory approvals / permits / periodic
7.	Please describe how you		compliance monitoring reports etc. as per National safeguards requirements. Extracting this information from the developer is a time consuming process and is a challenging task.  In case of social safeguards, IIFCL relies on the information provided by the Concessionaire.  In the Common Loan Agreement for each project funded by
7.	ensure that your clients and their investments are operated in compliance with the national laws and regulations and applicable DFI's safeguard requirements.		IIFCL, certain covenants are always put up reflecting concessionaire's liability to comply with applicable laws of land as required for project implementation.  The safeguard compliance status of the project is examined during the due diligence study of the project. And after the approval of the project by the DFIs, ESMU conducts annual audit of the projects to review whether the projects are operated in compliance with the applicable laws and regulations.
			To ensure compliance with DFIs safeguards requirements reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, LIE reports and six monthly compliance reports are generally shared by developer with IIFCL. The borrowers also engage safety officers/engineers to look after the safety, health and environment related aspects.
8.	Please give details of any material social and environmental issues		The environmental and social safeguard requirement of any infrastructure project requires screening of vast quantum of data / information / statutory approvals / permits / periodic

			,
	associated with clients during the reporting period in particular.		compliance monitoring reports etc. as per National safeguards requirements. Extracting this information from the developer is a time consuming process and is a challenging task.
			In case of social safeguards, IIFCL relies on the information provided by the Concessionaire.
9.	In case the existing ESMS is not fully functional, what are the action plan being implemented by your organization?		Presently, existing ESMU is functional. Head ESMU was recruited in October 2014 and one full time Environmental Specialist was recruited in November 2014. The position of Social Safeguard Specialist was advertised but not filled due lack of suitable candidate. This will be filled up shortly.
			(Please provide information or cite recommendation made by DFI's review mission to improve the ESMS and its implementation.)
	Capacity	Yes/No	
10.	Please provide the name and contact information of the senior staff who has the overall responsibility for the	Yes	Mr Sanjeev Ghai, Chief General Manager has the overall resposibility for the implementation of ESSF. His contact information are provided below:
	implementation of ESMS.		Telphone: +91 11 23450263, 23450261 (Direct); Email: sanjeevghai@iifcl.org
			(Please describe the training or learning activities the Environmental/Social Officer or Coordinator attended during the year.)
11.	Please provide current staffing of other core ESMS persons in the organization	Yes	Please refer Section A, point no. 4 for details of ESMU persons of IIFCL.
	involved with ESMS implementation.		Please find attached details of Training programmes attended by ESMS Staff during reporting period of January 2014 to December 2014 as <b>Annexure-I</b> .
			(Please describe the training provided to the ESMS persons and other team members during the year.)
12.	What was the budget allocated to the ESMS and its implementation during	Yes	ESMU is the core team of IIFCL and requisite budgetory provision is a part of IIFCL's budget.
	the year?		(Please provide budget details including staff costs and training as well as any actual costs.)
	Monitoring		
13.	Do you receive environmental and social monitoring reports from Lead Banks/Borrowers?	Yes	The project is monitored through Lenders Engineer's reporting. The Lender's Independent Engineer is appointed by the Lead Bank of the Lender's Consortium to monitor the physical, financial progress and the compliance of various regulatory requirements. Periodic LIE reports are provided by the Lead Bank to the IIFCL. The LIE reports generally cover areas related to statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc.
			From Borrowers, IIFCL receives reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management and six monthly compliance reports.
			(If yes, please describe and provide supporting documents including any social and environmental considerations if applicable.)
14.	Do you check for ongoing compliance of your clients with national regulation and any other requirements?	Yes	During the environmental and social due diligence study and subsequent audit, the compliance of the project with the applicable regulation is checked with available documentation. The site visit is carried out by ESMU for

			field verification.
			(If yes, please describe the process including any social and
			environmental considerations if applicable.)
15.	Please describe how you monitor the clients and their invesetments' social and environmental performance.		The social and environmental performances are checked during the preparation of Environmental and Social Due Diligence Report and annual audit. Each approved project is evaluated for its environmental safeguard compliance performance against the applicable safeguard requirements at the time of audit. The compliance status is also assessed through the LE report which covers the statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc; reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, six monthly compliance reports and through site visits.
			Out of the 8 sub-projects approved under AIIFI, site visit was conducted for 4 sub-projects in the year 2014 for the purpose of ESDDR preparation. For other Three sub-projects, whose site visit for ESDDR purpose was done during year 2013, these sub-projects were visited in early 2015 for audit purposes.
			The 8 <sup>th</sup> sub-project,i.e. MEP Infrastructure Project was visited by safeguards staff during May 2013 as part of ESDDR preparation and has been approved under Takeout Finance Scheme by ADB. The project scope of work involves Securitization of Five Mumbai Entry Points along with maintenance of Flyovers and allied structures in and around Mumbai Region. The Project Facility is being operated and maintained by Concessionaire or through sub- Contractors if required, and major work involves Toll collection, Minor road repairing work, routine/periodic maintainence activities including plantation/beautification work & safety management. Considering this scope of work, site visit was not considered necessary for audit purposes.  (Please describe and provide supporting documents such as environmental and social monitoring reports and please provide information on the number of subprojects where a field visit was conducted by staff to review aspects including social and environmental issues.)
16.	Please provide details of any accidents/litigation/complai nts /regulatory notices and fines:  - Any incidents of noncompliance with the applicable Environmental and Social Requirements - Covenants/conditionalities imposed by IIFCL to the client as a result of any non-compliance		The project specific details are provided in Section 'C'.
17.	Reporting Is there an internal process	Yes	The ESDDR (one time document) and Audit sheets are
.,.	to report on social and	103	approved by the Senior Management.

environmental issues to Senior management?		The ESDDR is a detailed report on environmental safeguards and annual audit sheet is reported in the present format.  (If yes, please explain the process, reporting format and frequency and actions taken if any.)
Do you prepare any social and environmental reports:  - For other multilateral agencies  - Other stakeholders  - E&S reporting in the Annual Report  - Sustainability reports	Yes	ESMU prepares Environment and Social Due Diligence report for the projects which are posed to other DFIs to draw down, under their line of credit. IIFCL's annual report also reports on the ESSF since the year 2008-09 and ESMU since its inception in the year 2009-10.  The Annual Reports are uploaded on IIFCL website and weblink for the same is http://www.iifcl.org/Content/report.aspx?mid=17&bid=2&cid=1  (If yes, please provide copies of these reports.)

B. <i>A</i>	B. Activities on DFI's Prohibited Investment Activities List				
1.	If any, please indicate the dollar percentage of loans or investments out of your total outstanding exposure provided to clients who are substantially involved in DFI's Prohibited Investment Activities List (Refer to SPS Annexure V).	Not applicable, since, IIFCL does not involve in the prohibited investment activities.			
2.	If the percentage is not zero, please explain these exposures and any steps having been taken to reduce such exposure.	Not applicable			

### C. Subprojects Using DFI Funds

1.	Name of Sub-project:	Sub-project Developer: <b>BSCPL Aurang Tollways</b> Ltd.
		Sub-project: Four Laning of Chattisgarh/ Orissa Border – Aurang Section-from km 88.000 to km 239.000 of NH- 6 (53) in the State Chattisgarh to be executed as BOT (Toll) on Design, Built, Operate and Transfer (DBFOT) basis.
2.	Location:	Chattisgarh/ Orissa Border – Aurang Section from km 88.000 to km 239.000 of NH- 6 (53) in the State Chattisgarh.
3.	Sector:	Highways and Roads
4.	Total loan from IIFCL/DFI (US\$ MN):	\$ 16,040,282.42
5.	Safeguard category: (Annex E-3)	Category B
6.	Were any environmental and social due diligence undertaken and by your organization?	Environmental & Social Due-Diligence for BSCPL Aurang Tollways Pvt. Ltd. was undertaken by ESMU for which desk review of safeguard related documents was carried out along with facts verification done during site visit conducted on 6 <sup>th</sup> – 7 <sup>th</sup> August, 2013 by ESMU team.
		Review of safeguard related information was also done for the period January – December 2014 for

annual audit purpose. Site visit was also conducted for safeguards compliance check during 13<sup>th</sup>-14<sup>th</sup> April. 2015. (If yes, provide information on due diligence activities, such as desk review of safeguard documents, and field visit, and by whom.) 7. **Environmental Safeguard:** Anv environmental assessment report (including environmental management plan). involuntary resettlement plan, or indigenous The Environmental Safeguard Due-Diligence study peoples plan, or audit reports reviewed by was carried out for the sub-project on the basis of site visit observations and understanding project vour organization? scope based on information and documents provided by the Concessionaire. **Environmental Safeguard:** The following documents were referred/reviewed in order to prepare Environmental Safeguards Due-Diligence Report: Environmental Impact Assessment Report; Environmental Management Plan its implementation; Project Statutory clearances/consent/ approvals and permits; · Feasibility Report; Project HSE Documents; · Concession Agreement: RoW hand over letter from NHAI: • EPC Contract Documents: • Lenders Independent Engineer reports • Project Information Memorandum; Social Safeguard • There are no Rehabilitation and Resettlement issues in the project affected area. Since, major portion of encroachments encumbrances has been avoided by re-aligning of about 14 Kms. of the existing road and providing seven new bypasses of 30 km; The sub-project has been prepared by NHAI as per its own funding requirement and not anticipation to ADB operation; • Land acquisition is being done by NHAI as per the applicable policy of NHAI Act-1956. The compensation for the loss of properties has been decided by competent authority. The payment of compensation is being paid through Cheque; Since no project specific Involuntary resettlement plan has been prepared for this project, however, to ensure the safeguard compliance, following documents were reviewed by ESMU; • Environment Impact Assessment Report (EIA); Feasibility Report; • RoW hand over letter from NHAI; · Notification for Public Hearings. Project Information Memorandum (PIM);

(If yes, please provide the names of documents reviewed.)

8 What were the environmental. main involuntary resettlement and indigenous issues associated with this subproject that were identified through due diligence conducted by your organization, and how were the issues dealt with (i.e., outcome of due diligence)?

#### **Environmental Safeguard**

BSCPL Aurang Tollways Pvt. Ltd. does not have any environmental issue associated with it.

Institutional arrangement is available at sub-project level for implementation and monitoring of environmental aspects.

The following documents were reviewed for the purpose of annual audit:

- Compliance Statement to conditions of Environmental Clearance (June 2014; Apr-Sept 2014; Oct 2014–Mar 2015;
- Half yearly reports on environmental aspects (Jan-Jun 2014; April – Sept 2014; Oct 2014 - Mar 2015);
- The LIE reports for the sub-project from January-December 2014;
- Environmental Statement for the financial year 2014-15
- Quarterly environmental (Air, water and noise) monitoring reports (May 2014; October 2014; March 2015);
- Independent Engineer's review of Quarterly Environmental Monitoring Report ending September 2014;
- Accident data for the year 2014;
- Report on borrow area rehabilitation.

Based on the documents received from the Concessionaire for the reporting period and site visit by ESMU during 13<sup>th</sup>-14<sup>th</sup> April, 2015, it can be stated that:

- The Concessionaire is submitting the six monthly compliance report to the conditions of Environmental Clearance on time and maintains reports implementation of EMP, which shows that the implementation of EMP is adequate at sub-project.
- The environmental monitoring is being done at sub-project on periodic basis, the monitoring frequency is found to be adequate and the monitoring results are within the prescribed limits of regulatory norms.
- Water sprinkling is being done on the haul road, base camp and plant area for dust control.
- For effective implementation of Environmental Management Plan, Concessionaire has established Environmental Cell headed by the Project Manager. The Environment Cell looks after day to day implementation of EMP, obtaining statutory clearances, conducting quarterly environmental monitoring and attending all MoEFCC/CGECB Compliance conditions as specified in Environmental

		<ul> <li>Clearance.</li> <li>During the Annual Compliance Monitoring Review, the ESMU team visited the subproject site during 13<sup>th</sup> – 14<sup>th</sup> April 2015. During site visit it was observed that certain health and safety related aspects like use of dust masks by labour, were not being enforced by the developer, which was communicated immediately to the developer for corrective action during site visit.</li> <li>Concessionaire has ensured that all site staff working will wear safety gear appropriate to the activity in progress.</li> </ul>
		Social Safeguard:
		<ul> <li>There are no Rehabilitation and Resettlement issues in the project affected area. Since, major portion of encroachments encumbrances has been avoided by re-aligning of about 14 Kms. of the existing road and providing seven new bypasses of 30 km;</li> <li>The sub-project has been prepared by NHAI as per its own funding requirement and not anticipation to ADB operation;</li> <li>Land acquisition is being done by NHAI as per the applicable policy of NHAI Act-1956. The compensation for the loss of properties has been decided by competent authority. The payment of compensation is being paid through Cheque;</li> <li>Based on the available skill and qualification requirements, employment preference have been given to local labourers in the construction activity;</li> <li>Development of pond;</li> <li>Supply of drinking water through tankers as required by villagers;</li> <li>Enhancement of village road.</li> </ul>
		• Enhancement of village road.
9.	Did you discuss with the Lead Bank the applicable environmental and social safeguard requirements and their implementation?	No, as IIFCL is a late entrant in project development.
10.	For category A subproject, were safeguards related documents such as EIA, RP and IPP, or audit reports made publicly available, in addition to posting on ADB's website?	BSCPL Aurang Tollways Pvt. Ltd. does not fall under category A as per ADB's safeguard requirement.  (If yes, please provide website link and the date the documents were uploaded.)
11.	Were any conditions or covenants related to environmental and social issues made along with the investment?	The compliance to the applicable laws of land is included as a covenant in the loan agreement signed by the Lead Bank and other consortium members with the Concessionaire.  (If yes, please briefly describe.)
12.	Does the investment comply with applicable	Yes
	government requirements?	

13.	Does the investment comply with applicable	Yes
	DFI safeguard requirements?	

# ANNEX E-17: PERIODIC ENVIRONMENTAL AND SOCIAL PERFORMANCE REPORT FOR SUBPROJECTS APPROVED UNDER ADB'S LINE OF CREDIT, AIIFI (PFR-1)

Please provide responses to the questions below. Please include additional sheets or attachments as required to provide details on questions that have been answered Yes. IIFCL is required to submit the periodic performance report to DFIs (see footnote below)<sup>1</sup>. This format is only for guidance and could be improved.

Name of Organization		India Infrastructure Finance Company Limited (IIFCL),New Delhi			
Name of Sub-project		Development and Operation of NH- 79 on Chittorgarh - Neemach (MP Border) Section (Km183.000 to Km 221.400) by Four Laning and Nimbahera - Partapgarh Section (Km 5.400 to Km 80.000) of NH-113 by Two Laning in the State of Rajasthan through Public-Private Partnership on Design, Build, Finance, Operate and Transfer (DBFOT) basis Under NHDP-IVB			
Name of Sub-project Develo	per	Chetak Tollways Lim	nited		
Reporting Period		January 2014 to Dec	cember 2014		
1		Audit Team & Designation	Signature		
Prepared by:	Mr. Krupasindhu Guru Assistant General Manager (Social Safeguards Specialist) ESMU ,IIFCL  Dr. Bhavesh K Singh Environmental Safeguards Specialist-Consultant ESMU ,IIFCL		Kupanine Mr Can.		
Reviewed by:	Dr. S.S. Garg, General Manager, ESMU, IIFCL		See See		
Approved by Senior Staff with Overall responsibility for ESMS Implementation	_	eev Ghai, neral Manager, IFCL	& iu-		

#### A. Environmental and Social Management System (ESMS)

	Policies & Processes	Yes/ No	
1.	Has your organization developed and implemented an ESMS?	Yes	ESSF was adopted by IIFCL in October 2008 which was subsequently revised in November 2010 and July 2013 and Addendum to the ESSF for the World Bank financed projects was issued in the year 2014. The latest revised ESSF of July 2013 and

<sup>&</sup>lt;sup>1</sup> Reporting requirements outlined here pertained to ADB. Other DFIs also have similar requirements.

# Chetak Tollways Limited

				ndum are			vebsite (http://		
				_	<u>Content/ESML</u>	<del></del> -			
				, please attach a e ESMS was esta		IS to this report. Plea	se indicate the date		
2.	If there is an ESMS already in place, have there been any updates to the ESMS or policy and procedures adopted by your organization during the reporting period?	Yes	During reporting period (January, 2014 to December, 2014) an Addendum was issued to the ESSF in the year 2014. The weblink of the detailed document is provided above. The purpose of the Addendum was to summarise the process of poposed due diligence process at IIFCL for determining the eligibility of subprojects for the World Bank financing under World Bank's line of credit.  (If yes, please provide a copy of the updates including dates and reasons for the						
3.	Has senior management signed off on the updated policy/procedure?	Yes			has been app	proved by IIFCL	Board on 22 <sup>nd</sup>		
	policy/procedure?		(If yes, please provide the date and internal communication indicating the same.)						
4.	Has your organization appointed staff tasked to implement the ESMS?	Yes	Environmental and Social Safeguards Management Unit (ESMU) has been set up at IIFCL in 2010 to fulfil the environmental & social safeguard commitments based on ESSF guidelines.						
			The ESMU currently is headed/ coordinated by a qualified full-time staff of IIFCL with two full-time environmental safeguards specialists and one full-time social safeguards specialist. In addition to this the department is also supported by one environmental safeguards specialist (Consultant) and one social safeguards specialist (Consultant). The details of the ESMU team as on 31 <sup>st</sup> December 2014 are given below:						
			SI.	Name of	Designation	Qualification	Experience in relevant field		
			No Employee  1. Dr. S. S. General Manager (GM)  Carg (GM)  Doctorate in Environmental Sciences, Diploma in Industrial Safety, Lead Auditor for ISO 14001 and						
			2. Dr. Ruchi Assistant General Manger (AGM)-Environme nt Specialist						
			3.	Dr. Rashmi Kadian	Assistant General Manger (AGM)- Environme nt Specialist	Doctorate in Environmental Sciences	12 yrs		
			4.	Mr. Krupasind hu Guru	Assistant General Manger (AGM)-	Masters in Economics, Masters in Journalism,	13 yrs		

					Social Specialist	andLLB	
			5.	Dr. Bhavesh Kumar Singh	Environme ntal Safeguards Specialist- Consultant	Doctorate in Environmental Sciences	18 yrs
			6.	Rumita Chowdhur y	Social Safeguards Specialist- Consultant	Masters in Sociology	11 yrs
					information on nu	mber of staff and qua	lification (experience
5.	Please give details of any transactions rejected due to environmetnal and/or social concerns.	No	Durin	g the report actions were	ing period (J	anuary – Decei to environmental	
6.	Please state any difficulties and/or constraints related to the implementation of the ESMS.		finance and evaluate the last several with s	cial institution European In lation of the sesser of IIFC environments sub-projects er the manda of the lead by partner in the ther lending penvironments structure project at the manda of the lead by partner in the structure project at the manda of the lending penvironments structure project at the sesser of social as end is a classer of social second in the sesser of social second in the s	is like World vestment Bar ubprojects on L provides an al and social sate. IIFCL finar ank share white consortium, artners do not let requires sort tory approvals etc. as per Normation from the hallenging task	tting funding (mu Bank, Asian Devalk) under line of environmental arenabling mechanafeguard requirem aces upto 20% of chever is lower, IIFCL follows the have such safeguard requirements / permits / permits / permits / permits / permits ational safeguard ne developer is a liffCL relies on	velopment Bank of credit is the and social issues. In the list of
7.	Please describe how you ensure that your clients and their investments are operated in compliance with the national laws and regulations and applicable DFI's safeguard requirements.		certa liabilii proje The sthe do proje revie applie To er on imparar and devel office	in covenants ty to comply ct implementa safeguard con lue diligence ct by the DFIs w whether the cable laws an insure complia inplementation meters, status six monthly loper with	are always p with applicable ation.  Inpliance status study of the p study of the p study of the p study exprojects are diregulations.  Ince with DFIs of EMP, reports of safety make the compliance of the projects. The state of the projects of the project	for each project for ut up reflecting of the project is coroject. After the acts annual audit of operated in comparated in compa	examined during approval of the projects to pliance with the direments reports of environmental odic LIE reports rally shared by engage safety

8.	Please give details of any material social and environmental issues associated with clients during the reporting period in particular.		The environmental and social safeguard requirement of any infrastructure project requires screening of vast quantum of data / information / statutory approvals / permits / periodic compliance monitoring reports etc. as per National safeguards requirements. Extracting this information from the developer is a time consuming process and is a challenging task.  In case of social safeguards, IIFCL relies on the information provided by the Concessionaire.
9.	In case the existing ESMS is not fully functional, what are the action plan beining implemented by your organization?		Presently, existing ESMU is functional. Head ESMU was recruited in October 2014 and one full time Environmental Specialist was recruited in November 2014. The position of Social Safeguard Specialist was advertised but not filled due lack of suitable candidate. This will be filled up shortly.  (Please provide information or cite recommendation made by DFI's review mission to improve the ESMS and its implementation.)
	Capacity	Yes/	
10.	Please provide the name and contact information of the senior staff who has the overall responsibility for the implementation of ESMS.	No Yes	Mr Sanjeev Ghai, Chief General Manager has the overall resposibilty for the implementation of ESSF. His contact information are provided below:  Telphone: +91 11 23450263, 23450261 (Direct); Email: sanjeevghai@iifcl.org  (Please describe the training or learning activities the Environmental/Social Officer or Coordinator attended during the year.)
11.	Please provide current staffing of other core ESMS persons in the organization involved with ESMS implementation.	Yes	Please refer Section A, point no. 4 for details of ESMU persons of IIFCL.  Please find attached details of Training programmes attended by ESMS Staff during reporting period of January 2014 to December 2014 as <b>Annexure-I</b> .  (Please describe the training provided to the ESMS persons and other team members during the year.)
12.	What was the budget allocated to the ESMS and its implementation during the year?	Yes	ESMU is the core team of IIFCL and requisite budgetory provision is a part of IIFCL's overall budget  (Please provide budget details including staff costs and training as well as any actual costs.)
	Monitoring		
13.	Do you receive environmental and social monitoring reports from Lead Banks/Borrowers?	Yes	The project is monitored through Lenders Engineer's reporting. The Lender's Independent Engineer is appointed by the Lead Bank of the Lender's Consortium to monitor the physical, financial progress and the compliance of various regulatory requirements. LIE reports are provided by the Lead Bank to the IIFCL. The LIE reports cover areas related to statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc.  From Borrowers, IIFCL receives reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, accident incident data, six monthly compliance reports etc.  (If yes, please describe and provide supporting documents including any social and environmental considerations if applicable.)

14.	Do you check for ongoing compliance of your clients with national regulation and any other requirements?	Yes	During the environmental and social due diligence study and subsequent audit, the compliance of the project with the applicable regulation is checked with available documentation. The site visit is carried out by ESMU for field verification.  (If yes, please describe the process including any social and environmental considerations if applicable.)
15.	Please describe how you monitor the clients and their invesetments' social and environmental performance.		The social and environmental performances are checked during the preparation of Environmental and Social Due Diligence Report and annual audit. Each approved project is evaluated for its environmental safeguard compliance performance against the applicable safeguard requirements at the time of audit. The compliance status is also assessed through the LIE report which covers the statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc; reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, six monthly compliance reports and through site visits.
			Out of the 8 sub-projects approved under AIIFI, site visit was conducetd for 4 sub-projects in the year 2014 for the purpose of ESDDR preparation. For other three sub-projects, whose site visit was done for ESDDR purpose during the year 2013, these sub-projects were visited in early 2015 for audit purpose.
			The 8 <sup>th</sup> sub-project,i.e. MEP Infrastructure Project was visited by safeguards staff during May 2013 as part of ESDDR preparation and has been approved under Takeout Finance Scheme by ADB. The project scope of work involves Securitization of Five Mumbai Entry Points along with maintenance of Flyovers and allied structures in and around Mumbai Region. The Project Facility is being operated and maintained by Concessionaire or through sub-Contractors if required, and major work involves Toll collection, Minor road repairing work, routine/periodic maintainence activities including plantation/beautification work & safety management. Considering this scope of work, site visit was not considered necessary for audit purposes.
			(Please describe and provide supporting documents such as environmental and social monitoring reports and please provide information on the number of subprojects where a field visit was conducted by staff to review aspects including social and environmental issues.)
16.	Please provide details of any accidents/litigation/complaints /regulatory notices and fines:		The project specific details are provided in Section 'C'.
	<ul> <li>Any incidents of non-compliance with the applicable         Environmental and Social Requirements</li> <li>Covenants/conditiona lities imposed by IIFCL to the client as a result of any non-compliance</li> </ul>		

	Reporting		
17	Is there an internal process to report on social and environmental issues to Senior management?	Yes	The ESDDR (one time document) and Audit sheets are approved by the Senior Management.  The ESDDR is a detailed report on environmental and social safeguards and annual audit sheet is reported in the present format.  (If yes, please explain the process, reporting format and frequency and actions taken if any.)
18.	Do you prepare any social and environmental reports: - For other multilateral agencies Other stakeholders - E&S reporting in the Annual Report - Sustainability reports	Yes	ESMU prepares Environment and Social Due Dilgence report for the projects which are posed to other DFIs to draw down, under their line of credit. IIFCL's annual report also reports on the ESSF since the year 2008-09 and ESMU since its inception in the year 2009-10.  The Annual Reports are uploaded on IIFCL website and weblink for the same is http://www.iifcl.org/Content/report.aspx?mid=17&bid=2&cid=1  (If yes, please provide copies of these reports.)

B. Ac	ctivities on DFI's Prohibited Investment Activities List	
1.	If any, please indicate the dollar percentage of loans or investments out of your total outstanding exposure provided to clients who are substantially involved in DFI's Prohibited Investment Activities List (Refer to Annexure V of SPS 2009, ADB).	Not applicable, since, IIFCL does not involve in the prohibited investment activities.
2.	If the percentage is not zero, please explain these exposures and any steps having been taken to reduce such exposure.	Not applicable

### C. Subprojects Using DFI Funds

1.	Name of Subproject:	Subproject Developer: Chetak Tollways Ltd.
		Sub-project: Development and Operation of NH- 79 on Chittorgarh - Neemach (MP Border) Section (Km183.000 to Km 221.400) by Four Laning and Nimbahera - Partapgarh Section (Km 5.400 to Km 80.000) of NH-113 by Two Laning in the State of Rajasthan through Public-Private Partnership on Design, Build, Finance, Operate and Transfer (DBFOT) basis Under NHDP-IVB.
2.	Location:	Project Highway NH-79(four laning) from Chittorgarh to Neemuch (MP Border), starts from km 183+000 and ends at km 221+400 in the State of Rajasthan.
		Project Highway NH-113 (two laning) from Nimbahera to Pratapgarh Section starts from km 0+000 and ends at km 80+000 in the State of Rajasthan.
3.	Sector:	Highways and Roads

4.	Total loan from IIFCL/DFI (US\$ mn):	\$ 9,739,482.66				
5.	Safeguard category: (Annex E-3)	Category- B				
6.	Were any environmental and social due diligence undertaken by your organization?	Yes, Environmental and Social Due Diligence (ESDD) study was carried out by the ESMU team of IIFCL based on the review of information/Documents/NOCs/Consents/ Permissions and field verification during site visit (17 <sup>th</sup> -18 <sup>th</sup> July, 2014).				
		To see the environmental, health, safety and social compliance aspects including land acquisition status of the projects IIFCL team (Dr. S. S. Garg, Head and GM along with ADB Fact finding mission team) again visited the site during 17 <sup>th</sup> - 19 <sup>th</sup> June, 2015.				
		The sub-project has been approved by ADB in September, 2014.				
		Review of safeguard related information was also done for the period January – December 2014 for annual audit purpose				
		(If yes, provide information on due diligence activities, such as desk review of safeguard documents, and field visit, and by whom.)				
7.	Any environmental assessment report (including environmental management plan), involuntary resettlement plan, or indigenous peoples plan, or audit reports	was carried out for the sub-project on the basis of site visit observations and understanding project scope based on information and documents provided by the Concessionaire:				
	reviewed by your organization?	Environment Safeguards: The following documents were referred/reviewed in order to prepare Environmental Safeguards Due-Diligence Report:				
		<ul> <li>(i) EIA/EMP as prepared by Consulting Engineers Group Ltd.;</li> <li>(ii) Project's statutory clearances/consents/ approvals and permits</li> </ul>				
		<ul> <li>(iii) Environmental Parameters Monitoring reports</li> <li>(iv) Traffic Management Plan for Construction Scenarios</li> <li>(v) Lender Engineer Report</li> <li>(vi) Concession Agreement</li> <li>(vii) EPC Contract Documents;</li> </ul>				
		(vii) EPC Contract Documents;  Social Safeguards: To ensure the safeguard compliance,				
		following documents were reviewed by ESMU:				
		Feasibility Report of the Project;				
		EIA/EMP Report;				
		Details of Public Hearing;				
		Gazette Notifications regarding Land Acquisition;				
		Right of Way Hand over letter;				
		<ul> <li>Lender's Independent Engineer's report, March 2015;</li> <li>Information pertaining to justification of alignment selection;</li> </ul>				
		(If yes, please provide the names of documents reviewed.)				

What were the main environmental, involuntary resettlement and indigenous peoples issues associated with this subproject that were identified through due diligence conducted by your organization, and how were the issues dealt with (i.e., outcome of due diligence)?

#### **Environment Safeguards:**

During ESDDR preparation no environmental issues were identified for addressal for the project.

The following documents were reviewed for the purpose of annual audit:

- (i) EIA/EMP as prepared by Consulting Engineers Group Ltd.:
- (ii) Project's statutory clearances/consents/ approvals and permits;
- (iii) Environmental Parameters Monitoring reports(May and November, 2014);
- (iv) Six Monthly Compliance Report (1<sup>st</sup> Half), 2014;
- (v) Traffic Management Plan for Construction Scenarios;
- (vi) Lender Engineer Reports;.
- (vii) Concession Agreement;
- (viii) EPC Contract Documents;

Following are the observations / outcome of the review of documents / information for annual audit:

- Environmental monitoring for air, soil water and noise was carried out in May and November 2014. The concentrations/levels of monitored parameters are found well below the prescribed standards. It is also assessed that monitoring carried out was adequate for compliance status;
- Based on the documents review and site visit in July, 2014, it is concluded that HSE implementation status is adequate;
- In this project, there is proposal of 11.99 Ha of forest diversion and realignment for 3 km are held up for land availability;
- The project road passes through forest area from km 45/280 to 48/950 in Barol block (length 3.670 km) and Im 49/080 to 49/900 (length 0.82 km) in Kala Khat block. Stage-I clearance for forest land has been obtained under forest (Conservation) Act, 1980 from regional office (Lucknow) of MOEF, GOI and Stage II clearance is awaited. Project developer has confirmed that construction in forest stretch has not been carried out so far and work will commence only after the requisite forest clearance is obtained. IIFCL has asked the project developer to inform about status of Stage-II Forest Clearance as soon as it is received from MoEF.
- Realignment work has already been done as acquisition of non-available land is completed by govt. authority;
- There were two major impediments in the form of religious structures (Mazars) at Ch.189+000 and 227+000 NH-79 which has been relocated.;
- In the meantime, safety of religious structures has been ensured by suitable barricading and direction sign. Two carriageway of 3.5 m and 7.5 m width have been made duly black topped on either side of the structure;
- All applicable consents/NOCs/clearances were obtained and valid during the audit period;
- Good housekeeping and proper control measures are adopted in keeping the camp office clean.

**Social Safeguards:** During the due diligence study, it was noted that.

		<ul> <li>Land acquisition is being done by Public Works Department (PWD), Rajasthan, as per the applicable policy;</li> </ul>
		<ul> <li>Though no separate Resettlement Action Plan (RAP) has been prepared but a short RAP, a separate section has been prepared for this project which is a part of EIA/EMP report;</li> </ul>
		No Tribal People are affected due to the project;
		The subproject developer has saved few number of religious structures by slightly shifting road alignment;
		<ul> <li>The affected people are being compensated for loss of land and structures, according to the policies and procedures of Public Works Department (PWD), Rajasthan;</li> </ul>
		<ul> <li>The compensation for the loss of land has been paid by the competent authority considering the market value obtained from the Revenue Department of the state.</li> </ul>
		<ul> <li>The sub-project has been prepared by PWD as per its own funding requirement and not anticipation to ADB operation;</li> </ul>
		<ul> <li>Local labours are being engaged in the construction activities for skilled as well as unskilled activities;</li> </ul>
9.	Did you discuss with the Lead Bank the applicable environmental and social safeguard requirements and their implementation?	No, as IIFCL is a late entrant in project development
10.	For category A subproject, were safeguards related documents such as EIA, RP and IPP, or audit	Chetak Tollways Ltd. does not fall under category A as per ADB's safeguard requirements
	reports made publicly available, in addition to posting on ADB's website?	(If yes, please provide website link and the date the documents were uploaded.)
11.	Were any conditions or covenants related to environmental and social issues made along with the investment?	The compliance to the applicable laws of land is included as a covenant in the loan agreement signed by the Lead Bank and other consortium members with the Concessionaire.
12.	Does the investment comply with applicable government requirements?	Yes
13.	Does the investment comply with applicable DFI safeguard requirements?	Yes

# ANNEX E-17: PERIODIC ENVIRONMENTAL AND SOCIAL PERFORMANCE REPORT FOR SUBPROJECTS APPROVED UNDER ADB'S LINE OF CREDIT, AIIFI (PFR-1)

Please provide responses to the questions below. Please include additional sheets or attachments as required to provide details on questions that have been answered Yes. IIFCL is required to submit the periodic performance report to DFIs (see footnote below)<sup>1</sup>. This format is only for guidance and could be improved.

Name of Organization		India Infrastructure Finance Company Limited (IIFCL),New Delhi				
Name of Sub-project		Widening and Improvement of existing 4 lane to 6-lane from Etawah to Chakeri (km. 323.475 to km.483.687) section of NH-2 in the State of Uttar Pradesh under NHDP Phase-V through public, private partnership (PPP) on Design, Built, Finance, Operate and Transfer (DBFOT) Toll basis.				
Name of Sub-project Develop	per	Etawah Chakeri Kan	pur Highways Pvt. Ltd.			
Reporting Period		January 2014 to Dec	ember 2014			
Audit Activity		Audit Team & Designation	Signature			
Prepared by:	Assistant (Social S Specialis Dr. Bhav Environn	asindhu Guru t General Manager Safeguards st) ESMU ,IIFCL resh K Singh nental Safeguards st-Consultant	Kupanine Mr Com.			
Reviewed by:	Dr. S.S. General IIFCL	Garg, Manager, ESMU,	Section 1			
Approved by Senior Staff with Overall responsibility for ESMS Implementation	-	eev Ghai, eneral Manager, IFCL	8 in-			

#### A. Environmental and Social Management System (ESMS)

	Policies & Processes	Yes/ No	
1.	Has your organization developed and implemented an ESMS?	Yes	ESSF was adopted by IIFCL in October 2008 which was subsequently revised in November 2010 and July 2013 and Addendum to the ESSF for the World Bank financed projects was issued in the year 2014. The latest revised ESSF of July 2013 and addendum are available on IIFCL's website ( <a href="http://www.iifcl.org/Content/ESMU.aspx">http://www.iifcl.org/Content/ESMU.aspx</a> )

<sup>&</sup>lt;sup>1</sup> Reporting requirements outlined here pertained to ADB. Other DFIs also have similar requirements.

			1							
			(If yes, please attach a copy of the ESMS to this report. Please indicate the date that the ESMS was established.)							
2.	If there is an ESMS already in place, have there been any updates to the ESMS or policy and procedures adopted by your organization during the reporting period?	Yes	During reporting period (January, 2014 to December, 2014) an Addendum was issued to the ESSF in the year 2014. The weblink of the detailed document is provided above. The purpose of the Addendum was to summarise the process of poposed due diligence process at IIFCL for determining the eligibility of sub-projects for the World Bank financing under World Bank's line of credit.  (If yes, please provide a copy of the updates including dates and reasons for the same.)  The ESSF 2013 has been approved by IIFCL Board on 22 <sup>nd</sup> September 2013.  (If yes, please provide the date and internal communication indicating the same.)							
3.	Has senior management signed off on the updated policy/procedure?	Yes								
4.	Has your organization appointed staff tasked to implement the ESMS?	Yes	Environmental and Social Safeguards Management Unit (ESMU) has been set up at IIFCL in 2010 to fulfil the environmental & social safeguard commitments based on ESSF guidelines.  The ESMU currently is headed/ coordinated by a qualified full-time staff of IIFCL with two full-time environmental safeguards specialists and one full-time social safeguards specialist. In addition to this the department is also supported by one environmental safeguards specialist (Consultant) and one social safeguards specialist (Consultant). The details of the ESMU team as on 31st December 2014 are given below:							
			SI. No	Name of Employee	Designation	Qualification	Experie nce in relevant field			
			1.	Dr. S. S. Garg	Manager (GM)	Doctorate in Environment al Sciences, Diploma in Industrial Safety, Lead Auditor for ISO 14001 and OHSAS1800 1	20 yrs			
			2.	Dr. Ruchi Malik	Assistant General Manger (AGM)- Environme nt Specialist	Doctorate in Environment al Sciences	13 yrs			
			3.	Dr. Rashmi Kadian	Assistant General Manger (AGM)- Environme nt Specialist	Doctorate in Environment al Sciences	12 yrs			
			4.	Mr. Krupasindh u Guru	Assistant General Manger (AGM)- Social	Masters in Economics, Masters in Journalism, andLLB	13 yrs			

			Specialist	
			5. Dr. Environme Doctorate in 18 yrs  Bhavesh ntal Environment Kumar Safeguards al Sciences Singh Specialist- Consultant  6. Rumita Social Masters in 11 yrs Chowdhury Safeguards Sociology Specialist- Consultant  (IF yes, please provide information on number of staff and qualification (experience and education backgroud) to implment the ESMS.)	
5.	Please give details of any transactions rejected due to environmetnal and/or social concerns.	No	During the reporting period (January – December 2014) no transactions were rejected due to environmental and / or social concerns.	
6.	Please state any difficulties and/or constraints related to the implementation of the ESMS.		One of the pre requisites for getting funding (multilateral/bilateral financial institutions like World Bank, Asian Development Bank and European Investment Bank) under line of credit is the evaluation of the subprojects on environmental and social issues. The ESSF of IIFCL provides an enabling mechanism to IIFCL to meet environmental and social safeguard requirements associated with sub-projects  As per the mandate, IIFCL finances upto 20% of project cost or 80% of the lead bank share whichever is lower, thus, IIFCL is a minor partner in the consortium. IIFCL follows the ESSF, whereas the other lending partners do not have such safeguard framework.  The environmental and social safeguard requirement of any infrastructure project requires screening of vast quantum of data / information / statutory approvals / permits / periodic compliance monitoring reports etc. as per National safeguards requirements. Extracting this information from the developer is a time consuming process and is a challenging task.  In case of social safeguards, IIFCL relies on the information provided by the Concessionaire.	
7.	Please describe how you ensure that your clients and their investments are operated in compliance with the national laws and regulations and applicable DFI's safeguard requirements.		In the Common Loan Agreement for each project funded by IIFCL, certain covenants are always put up reflecting concessionaire's liability to comply with applicable laws of land as required for project implementation.  The safeguard compliance status of the project is examined during the due diligence study of the project. After the approval of the project by the DFIs, ESMU conducts annual audit of the projects to review whether the projects are operated in compliance with the applicable laws and regulations.  To ensure compliance with DFIs safeguards requirements reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, periodic LIE reports and six monthly compliance reports are generally shared by developer with IIFCL. The borrowers also engage safety officers/engineers to look after the safety, health and environment related aspects.	
8.	Please give details of any material social and environmental issues		The environmental and social safeguard requirement of any infrastructure project requires screening of vast quantum of data / information / statutory approvals / permits / periodic compliance	

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	associated with clients during the reporting period in particular.		monitoring reports etc. as per National safeguards requirements. Extracting this information from the developer is a time consuming process and is a challenging task.
			In case of social safeguards, IIFCL relies on the information provided by the Concessionaire.
9.	In case the existing ESMS is not fully functional, what are the action plan beining implemented by your organization?		Presently, existing ESMU is functional. Head ESMU was recruited in October 2014 and one full time Environmental Specialist was recruited in November 2014. The position of Social Safeguard Specialist was advertised but not filled due lack of suitable candidate. This will be filled up shortly.  (Please provide information or cite recommendation made by DFI's review mission to
	0	\//	improve the ESMS and its implementation.)
	Capacity	Yes/ No	
10.	Please provide the name and contact information of the senior staff who has the overall responsibility for the implementation of ESMS.	Yes	Mr Sanjeev Ghai, Chief General Manager has the overall resposibilty for the implementation of ESSF. His contact information are provided below:  Telphone : +91 11 23450263, 23450261 (Direct); Email : sanjeevghai@iifcl.org
			(Please describe the training or learning activities the Environmental/Social Officer or Coordinator attended during the year.)
11.	Please provide current staffing of other core ESMS persons in the organization involved with ESMS implementation.	Yes	Please refer Section A, point no. 4 for details of ESMU persons of IIFCL.  Please find attached details of Training programmes attended by ESMS Staff during reporting period of January 2014 to December 2014 as <b>Annexure-I</b> .  (Please describe the training provided to the ESMS persons and other team members during the year.)
12.	What was the budget allocated to the ESMS and its implementation during the year?	Yes	ESMU is the core team of IIFCL and requisite budgetory provision is a part of IIFCL's overall budget  (Please provide budget details including staff costs and training as well as any actual costs.)
	Monitoring		
13	Do you receive environmental and social monitoring reports from Lead Banks/Borrowers?	Yes	The project is monitored through Lenders Engineer's reporting. The Lender's Independent Engineer is appointed by the Lead Bank of the Lender's Consortium to monitor the physical, financial progress and the compliance of various regulatory requirements. LIE reports are provided by the Lead Bank to the IIFCL. The LIE reports cover areas related to statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc.  From Borrowers, IIFCL receives reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, accident incident data, six monthly compliance reports etc.  (If yes, please describe and provide supporting documents including any social and environmental considerations if applicable.)
14	Do you check for ongoing	Yes	During the environmental and social due diligence study and
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	compliance of your clients with national regulation and any other requirements?		subsequent audit, the compliance of the project with the applicable regulation is checked with available documentation. The site visit is carried out by ESMU for field verification.  (If yes, please describe the process including any social and environmental
			considerations if applicable.)
15	Please describe how you monitor the clients and their invesetments' social and environmental performance.		The social and environmental performances are checked during the preparation of Environmental and Social Due Diligence Report and annual audit. Each approved project is evaluated for its environmental safeguard compliance performance against the applicable safeguard requirements at the time of audit. The compliance status is also assessed through the LIE report which covers the statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc; reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, six monthly compliance reports and through site visits.
			Out of the 8 sub-projects approved under AIIFI, site visit was conducetd for 4 sub-projects in the year 2014 for the purpose of ESDDR preparation. For other three sub-projects, whose site visit was done for ESDDR purpose during the year 2013, these sub-projects were visited in early 2015 for audit purpose.
			The 8 <sup>th</sup> sub-project,i.e. MEP Infrastructure Project was visited by safeguards staff during May 2013 as part of ESDDR preparation and has been approved under Takeout Finance Scheme by ADB. The project scope of work involves Securitization of Five Mumbai Entry Points along with maintenance of Flyovers and allied structures in and around Mumbai Region. The Project Facility is being operated and maintained by Concessionaire or through sub- Contractors if required, and major work involves Toll collection, Minor road repairing work, routine/periodic maintainence activities including plantation/beautification work & safety management. Considering this scope of work, site visit was not considered necessary for audit purposes.
			(Please describe and provide supporting documents such as environmental and social monitoring reports and please provide information on the number of subprojects where a field visit was conducted by staff to review aspects including social and environmental issues.)
16	Please provide details of any accidents/litigation/complaints /regulatory notices and fines:		The project specific details are provided in Section 'C'.
	- Any incidents of non- compliance with the applicable Environmental and Social Requirements		
	- Covenants/conditiona lities imposed by IIFCL to the client as a result of any non- compliance		
17	Reporting	Yes	The ESDDR (one time document) and Audit chasts are approved by
17	Is there an internal process to report on social and environmental	res	The ESDDR (one time document) and Audit sheets are approved by the Senior Management.
	issues to Senior		The ESDDR is a detailed report on environmental and social

# Etawah-Chakeri Kanpur Highways Pvt. Ltd.

	management?		safeguards and annual audit sheet is reported in the present format.
			(If yes, please explain the process, reporting format and frequency and actions taken if any.)
18	Do you prepare any social and environmental reports: - For other multilateral agencies Other stakeholders	Yes	ESMU prepares Environment and Social Due Dilgence report for the projects which are posed to other DFIs to draw down, under their line of credit. IIFCL's annual report also reports on the ESSF since the year 2008-09 and ESMU since its inception in the year 2009-10.  The Annual Reports are uploaded on IIFCL website and weblink for
	E&S reporting in the     Annual Report     Sustainability reports		the same is http://www.iifcl.org/Content/report.aspx?mid=17&bid=2&cid=1  (If yes, please provide copies of these reports.)

B. Act	B. Activities on DFI's Prohibited Investment Activities List					
1.	If any, please indicate the dollar percentage of loans or investments out of your total outstanding exposure provided to clients who are substantially involved in DFI's Prohibited Investment Activities List (Refer to Annexure V of SPS 2009, ADB).	Not applicable, since, IIFCL does not involve in the prohibited investment activities.				
2.	If the percentage is not zero, please explain these exposures and any steps having been taken to reduce such exposure.	Not applicable				

# C. Subprojects Using DFI Funds

1.	Name of Subproject:	Subproject Developer: Etawah-Chakeri Kanpur Highways Pvt. Ltd.
		Sub-project: Widening and Improvement of existing 4 lane to 6-lane from Etawah to Chakeri (km. 323.475 to km.483.687) section of NH-2 in the State of Uttar Pradesh under NHDP Phase-V through public, private partnership (PPP) on Design, Built, Finance, Operate and Transfer (DBFOT) Toll basis.
2.	Location:	The Project Highway starts at Etawah bypass and ends near Chakeri, it passes through four districts i.e. Etawah, Auraiya, Ramabai Nagar and Kanpur in the State of Uttar Pradesh.
3.	Sector:	Highways and Roads
4.	Total loan from IIFCL/DFI (US\$ mn):	\$ 28,677,939.82
5.	Safeguard category: (Annex E-3)	Category- B
6.	Were any environmental and social due diligence undertaken by your organization?	Yes, Environmental and Social Due Diligence (ESDD) study was carried out by the ESMU of IIFCL based on the review of information/Documents/NOCs/Consents/Permissions and field verification during site visit (10 <sup>th</sup> -11 <sup>th</sup> July, 2014).
		The sub-project has been approved by ADB in September, 2014.
		Review of safeguard related information was also done for the period January – December 2014 for annual audit purpose
		(If yes, provide information on due diligence activities, such as desk review of safeguard documents, and field visit, and by whom.)

7.	Any environmental assessment report (including environmental management plan), involuntary resettlement plan, or indigenous peoples plan, or audit reports	The Environmental and Social Safeguard Due-Diligence study was carried out for the sub-project on the basis of site visit observations and understanding project scope based on information and documents provided by the Concessionaire:
	reviewed by your organization?	Environment Safeguards: The following documents were referred/reviewed in order to prepare Environmental Safeguards Due-Diligence Report:
		(i) EIA/EMP as prepared by Consulting Engineers Group Ltd.; (ii) Project Environmental Management Plan (iii) Project's statutory clearances/consents/ approvals and permits (iv) Environmental Parameters Monitoring reports (v) Project HSE documents (vi) Details of overall traffic and road safety measures being implemented in the sub project; (vii) Progress Review Reports prepared by Unihorn (India) Pvt. Ltd. (viii) Concession Agreement (ix) EPC Contract Documents; (x) Project Information Memorandum  Social Safeguards: To ensure the safeguard compliance, following documents were reviewed by ESMU:  (xi) Project information memorandum;  (xii) Feasibility Report as prepared by NHAI;  (xiii) Gazette Notification for Land Acquisition;  (xiv) Lender's Independent Engineer's report, November 2013;
		(xv) Information regarding formal public hearing;  (If yes, please provide the names of documents reviewed.)
8.	What were the main environmental, involuntary resettlement and indigenous peoples issues associated with this subproject that were identified through due diligence conducted by your organization, and how were the issues dealt with (i.e., outcome of due diligence)?	Environment Safeguards:  During ESDDR preparation no environmental issues were identified for addressal for the project.
		The following documents were reviewed for the purpose of annual audit:  (i) EIA/EMP as prepared by Consulting Engineers Group Ltd.;  (ii) Project Environmental Management Plan;  (iii) Project's statutory clearances/consents/ approvals and permits;  (iv) Environmental Parameters Monitoring reports(Feb-Mar, May, September and December, 2014);  (v) Project HSE documents including Monthly project safety reports and summary of accident/incident data (January to December, 2014);  (vi) Details of overall traffic and road safety measures being implemented in the sub project;

		<ul> <li>(viii) Progress Review Reports prepared by Unihorn (India) Pvt. Ltd. (Jan to Dec, 2014);</li> <li>(viii) Details of rehabilitation measures for quarry and borrow are management;</li> <li>(ix) Details of activities related to safety awareness programs</li> <li>Following are the observations / outcome of the review of documents / information for annual audit:</li> <li>Environmental monitoring for air, soil, water and noise was carried out seasonally (Feb-Mar, May, Sep and Dec 2014). The concentrations/levels of monitored parameters are found well below the prescribed standards. It is also assessed that monitoring carried out was adequate for compliance status;</li> <li>Accident/incident data analysed and appropriate measures are being taken by the developer to prevent the reoccurrence of the accident/incident. Based on the documents review and site visit in July, 2014, it is concluded that HSE implementation status is adequate;</li> <li>As per Progress Review Report (Dec, 2014), tree cutting is on progress. Out of 10799 trees 10137 trees were cut.</li> <li>All applicable consents/NOCs/clearances were obtained and valid during the audit period;</li> <li>Six monthly compliance reports were submitted for the year 2014.</li> <li>Good housekeeping and proper control measures are adopted in keeping the camp office neat and clean.</li> <li>Social Safeguards: During the due diligence study, it was noted that.</li> </ul>
		noted that.  • No outstanding grievance/issue with respect to the land
		<ul> <li>acquisition and compensation;</li> <li>Since the land was already available with the concessionaire, the construction work has been accommodated within the existing RoW and no additional land acquisition has been made in the built up area;</li> </ul>
		Borrow area have been developed as cultivable land;
		Local labours are being engaged in the construction activities for unskilled activities;
		The subproject is not affecting any Tribal people;
		The major portion of land acquisition was completed during the time of 4 laning of the project so no substantial resettlement impact of any private structures like; residential, commercial, residential cum commercial structures are being affected due to the 6 laning of the sub-project.
9.	Did you discuss with the Lead Bank the applicable environmental and social safeguard requirements and their implementation?	No, as IIFCL is a late entrant in project development
10.	For category A subproject, were safeguards related documents such as EIA, RP and IPP, or audit reports made publicly available, in	Etawah-Chakeri Kanpur Highways Pvt. Ltd. does not fall under category A as per ADB's safeguard requirements

# Etawah-Chakeri Kanpur Highways Pvt. Ltd.

	addition to posting on ADB's website?	(If yes, please provide website link and the date the documents were uploaded.)
11.	Were any conditions or covenants related to environmental and social issues made along with the investment?	The compliance to the applicable laws of land is included as a covenant in the loan agreement signed by the Lead Bank and other consortium members with the Concessionaire.
12.	Does the investment comply with applicable government requirements?	Yes
13.	Does the investment comply with applicable DFI safeguard requirements?	Yes

# ANNEX E-17: PERIODIC ENVIRONMENTAL AND SOCIAL PERFORMANCE REPORT FOR SUBPROJECTS APPROVED UNDER ADB'S LINE OF CREDIT, AIIFI (PFR-1)

Please provide responses to the questions below. Please include additional sheets or attachments as required to provide details on questions that have been answered Yes. IIFCL is required to submit the periodic performance report to DFIs (see footnote below)<sup>1</sup>. This format is only for guidance and could be improved.

Name of Organization		India Infrastructure Finance Company Limited (IIFCL),New Delhi				
Name of Sub-project			Securitization of five Mumbai Entry Points along with maintenance of flyovers and allied structures			
Name of Sub-project Develop	per	MEP Infrastructure P	rivate Limited			
Reporting Period		January 2014 to Dec	ember 2014			
Audit Activity		Audit Team  & Designation	Signature			
Prepared by:	Dr. Ruchi Malik Assistant General Manager (Environment Specialist) ESMU ,IIFCL  Ms. Rumita Chowdhury. Social Safeguard Specialist- Consultant ESMU ,IIFCL		Rueli Malik			
Reviewed by:	Dr. S.S. Garg, General Manager, ESMU, IIFCL		Section 1			
Approved by Senior Staff with Overall responsibility for ESMS Implementation	Mr. Sanjeev Ghai, Chief General Manager, ESMU, IIFCL		8 in-			

#### A. Environmental and Social Management System (ESMS)

Sr. No.	Policies & Processes	Yes/No	
1.	Has your organization developed and implemented an ESMS?	Yes	ESSF was adopted by IIFCL in October 2008 which was subsequently revised in November, 2010 and July 2013 and Addendum to the ESSF for World Bank financed projects was issued in year 2014. The latest revised ESSF of July 2013 and Addendum are available on IIFCL's website http://http://www.iifcl.org/Content/ESMU.aspx)

<sup>&</sup>lt;sup>1</sup> Reporting requirements outlined here pertained to ADB. Other DFIs also have similar requirements.

					n a copy of the ES IS was established	SMS to this report. I.)	Please indicate
2.	If there is an ESMS already in place, have there been any updates to the ESMS or policy and procedures adopted by your organization during the reporting period?	Yes	an Ad detaile Adder diliger sub-pi Bank's	dendum wed documed dum was to be process for soline of creplease provide	as issued to the office of the summarise to the second of the world Badit.	y, 2014 to Deco he ESSF. The value above. The purification of the process of determining the ank financing	weblink of the urpose of the poposed due e eligibility of under World
3.	Has senior management signed off on the updated policy/ procedure?	Yes	The E Septe	SSF 2013 I mber 2013.		oved by IIFCL E	
4.	Has your organization appointed staff tasked to implement the ESMS?	Yes	(ESMI enviro ESSF  The E staff of safegorials of safegorials of the safegorial o	J) has been mental & guidelines. SMU is he of IIFCL a uards specialist are engupported bultant) ar ultant). The	en set up at social safeguare social safeguare aded/ coordinate and currently traditional saged. In additing one environment one soc	eguards Mana IIFCL in 2010 ard commitmen atted by a qual two full-time sociation to this, the commental safeguard are ESMU tean w:	o to fulfil the onts based on diffied full-time environmental all safeguards department is rds specialist s specialist
			SI. No	Name of Employe e	Designation	Qualification	Experience in relevant field
			1.	Dr. S. S. Garg	General Manager	Doctorate in Environment al Sciences, Diploma in Industrial Safety, Lead Auditor for ISO 14001 and OHSAS1800 1.	20 yrs
			2.	Dr. Ruchi Malik	Assistant General Manger - Environment Specialist	Doctorate in Environment al Sciences	13 yrs
			3.	Dr. Rashmi Kadian	Assistant General Manger - Environment Specialist	Doctorate in Environment al Sciences	12 yrs
			4.	Mr. Krupasin	Assistant General	Masters in Economics,	13 yrs

				dhu Guru	Manger - Social Specialist	Masters in Journalism, andLLB	
			5.	Dr. Bhavesh Kumar Singh	Environment al Safeguards Specialist – Consultant	Doctorate in Environment al Sciences	18 yrs
			6.	Ms. Rumita Chowdhu ry	Social Safeguards Specialist - Consultant	Masters in Sociology	11 yrs
					de information on		
5.	Please give details of any transactions rejected due to environmental and/or social concerns.	No	During transa	the report	ation backgroud) to ing period (Jar e rejected due	nuary – Decem	ber 2014) no
6.	Please state any difficulties and/or constraints related to the implementation of the ESMS.		Asian under environment enviro	Developmed line of creationmental and less an enformental line districted with some son and the son and the line districted with some son and the line districted with some son and the line districted with some son and the line districted with some line districted with line districted with some line districted with some line districted with lin	pre requisite eral financial in ent Bank, and I dit is the evaluated social issues and social ub-projects.  Idate, IIFCL finate lead bank minor partners, whereas the feguard framework all and social safeguard framework in / statutory apprisoring report rements. Extrass a time constants.	astitutions like European Inversation of the sures. The ESS anism to IIFO safeguard  ances upto 20 share whicher in the consorted the consorte	World Bank, stment Bank) ubprojects on SF of IIFCL CL to meet requirements 19% of project ver is lower, ortium. IIFCL partners do 19 partners do 19 periodic per National rmation from 19 partners and 19 partners and 19 partners do 1
7.	Please describe how you ensure that your clients and their investments are operated in compliance with the national laws and regulations and applicable DFI's safeguard requirements.		IIFCL, conce land a The sa during appropriate appropri	certain consistence of the due projected in constitutions.	coan Agreement covenants are liability to comfor project impless ompliance statudiligence study roject by the Dijects to review mpliance with	always put always put always put application. The project of the project of the project of the project whether the applicable always al	up reflecting cable laws of t is examined ect. After the educts annual projects are le laws and
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			reports on implementation of EMP, reports on monitoring of environmental parameters, status of labour and safety management at project site, Periodic LIE reports and six monthly compliance reports submitted to MoEF are generally shared by developer with IIFCL. The borrowers also engage safety officers/engineers to look after the safety, health and environment related aspects.
8.	Please give details of any material social and environmental issues associated with clients during the reporting period in particular.		The environmental and social safeguard requirement of any infrastructure project requires screening of vast quantum of data / information / statutory approvals / permits / periodic compliance monitoring reports etc. as per National safeguards requirements. Extracting this information from the developer is a time consuming process and is a challenging task.  In case of social safeguards, IIFCL relies on the information provided by the Concessionaire.
9.	In case the existing ESMS is not fully functional, what are the action plan beining implemented by your organization?		Presently, existing ESMU is functional. Head ESMU was recruited in October 2014 and one full time Environmental Specialist was recruited in November 2014. The position of Social Safeguard Specialist was advertised but not filled due lack of suitable candidate. This will be filled up shortly.  (Please provide information or cite recommendation made by DFI's review mission to improve the ESMS and its implementation.)
	Capacity	Yes/No	
10.	Please provide the name and contact information of the senior staff who has the overall responsibility for the implementation of ESMS.	Yes	Mr Sanjeev Ghai, Chief General Manager has the overall resposibilty for the implementation of ESSF. His contact information are provided below:  Telphone: +91 11 23450263, 23450261(Direct); Email: sanjeevghai@iifcl.org  (Please describe the training or learning activities the Environmental/Social Officer or Coordinator attended during the year.)
11.	Please provide current staffing of other core ESMS persons in the organization involved with ESMS implementation.	Yes	Please refer Section A, point no. 4 for details of ESMU persons of IIFCL.  Please find attached details of Training programmes attended by ESMS Staff during reporting period of January 2014 to December 2014 as <b>Annexure-I</b> .  (Please describe the training provided to the ESMS persons and other team members during the year.)
12.	What was the budget allocated to the ESMS and its implementation during the year?	Yes	ESMU is the core team of IIFCL and requisite budgetory provision is a part of IIFCL's overall budget.  (Please provide budget details including staff costs and training as well as any actual costs.)
	Monitoring		
13.	Do you receive environmental and social monitoring reports from Lead Banks/Borrowers?	Yes	The project is monitored through Lenders Engineer's reporting. The Lender's Independent Engineer is appointed by the Lead Bank of the Lender's Consortium to monitor the physical, financial progress and the compliance of various regulatory requirements. LIE reports are provided by the Lead Bank to the IIFCL. The LIE reports generally cover

		areas related to statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc.
		From Borrowers, IIFCL receives reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management at project site and six monthly compliance reports submitted to MoEF,Stautory Permitting status,Institutional arrangement,Accident/Incident data etc
		(If yes, please describe and provide supporting documents including any social and environmental considerations if applicable.)
14.	Do you check for ongoing compliance of your clients with national regulation and any other requirements?	During the environmental and social due diligence study and subsequent audit, the compliance of the project with the applicable regulation is checked with available documentation. The site visit is carried out by ESMU for field verification.
		(If yes, please describe the process including any social and environmental considerations if applicable.)
15.	Please describe how you monitor the clients and their investments social and environmental performance.	The social and environmental performances are checked during the preparation of Environmental and Social Due Diligence Report and annual audit. Each approved project is evaluated for its environmental safeguard compliance performance against the applicable safeguard requirements at the time of audit by reviewing (i) Periodic LIE Reports (ii) Safety Reports (iii) Environmental Monitoring Reports (iv) Statutory Permitting Status (v) Through Site Visits
		Out of the 8 sub-projects approved under AIIFI, site visit was conducetd for 4 sub-projects in the year 2014 for the purpose of ESDDR preparation. For other Three sub-projects, whose ESDDR was approved during year 2013,these sub-projects were visited in early 2015 for audit purposes.
		The 8 <sup>th</sup> sub-project,i.e. MEP Infrastructure Project was visited by safeguards staff during May 2013 as part of ESDDR preparation and has been approved under Takeout Finance Scheme by ADB. The project scope of work involves Securitization of Five Mumbai Entry Points along with maintenance of Flyovers and allied structures in and around Mumbai Region. The Project Facility is being operated and maintained by Concessionaire or through sub- Contractors if required, and major work involves Toll collection, Minor road repairing work, routine/periodic maintainence activities including plantation/beautification work & safety management. Considering this scope of work, site visit was not considered necessary for audit purposes.
		(Please describe and provide supporting documents such as environmental and social monitoring reports and please provide information on the number of subprojects where a field visit was conducted by staff to review aspects including social and environmental issues.)
16.	Please provide details of any accidents/litigation/complaints /regulatory notices and fines: - Any incidents of noncompliance with the applicable Environmental and Social	The project specific details are provided in Section 'C'.

	Requirements - Covenants/conditionalities imposed by IIFCL to the client as a result of any non- compliance		
47	Reporting		The FORDS (see the see the see that it
17.	Is there an internal process to report on social and environmental issues to Senior management?	Yes	The ESDDR (one time document) and Audit sheets are approved by the Senior Management.
			The ESDDR is a detailed due-diligence report on environmental & social safegaurds and annual audit sheet is reported in the present format in which this audit sheet has been prepared.
			(If yes, please explain the process, reporting format and frequency and actions taken if any.)
18.	Do you prepare any social and environmental reports: - For other multilateral agencies - Other stakeholders - E&S reporting in the Annual Report	Yes	ESMU prepares Environment and Social Due Dilgence report for the projects which are posed to other DFIs to draw down, under their line of credit. IIFCL's annual report also reports on the ESSF since the year 2008-09 and ESMU since its inception in the year 2009-10.
	- Sustainability reports		The Annual Reports are uploaded on IIFCL website and weblink for the same is given below:
			http://www.iifcl.org/Content/report.aspx?mid=17&bid=2&cid =1
			(If yes, please provide copies of these reports.)

Sr. No.	B. Activities on DFI's Prohibited Investment Activities List				
1.	If any, please indicate the dollar percentage of loans or investments out of your total outstanding exposure provided to clients who are substantially involved in DFI's Prohibited Investment Activities List (Refer to Annexure V of SPS,2009)	Not applicable, since, IIFCL does not involve in the prohibited investment activities.			
2.	If the percentage is not zero, please explain these exposures and any steps having been taken to reduce such exposure.	Not applicable			

## C. Subprojects Using DFI Funds

Please provide information about all new investments using DFI funds approved during this reporting period.

1.	Name of Subproject:	Securitization of five Mumbai Entry Points along with maintenance of flyovers and allied structures
		Sub-project Developer: MEP Infrastructure Private Limited
2.	Location:	Mumbai city in the state of Maharashtra
3.	Sector:	Roads and Highways (The Project scope included Operation, maintenance of 27 flyovers, capacity augmentation of Mulund (EEH), Mulund

		(LBS) & Vashi Toll plazas, O & M of five Toll Plazas Mumbai Entry Points including toll collection at prescribed rates for Contract / Concession period)
4.	Total loan from IIFCL/DFI (US\$ mn):	IIFCL has sanctioned an amount of 400.00 crores to MEP Infrastructure project and amount received from ADB is 185.73 crores (30.49 US\$ mn)
5.	Safeguard category: (Annex E-3)	Category B
6.	Were any environmental and social due diligence undertaken and by your organization?	Yes, Environmental & Social Due-diligence for MEPIPL project was undertaken by Environmental and Social safeguard specialists of IIFCL (Dr. Ruchi Malik & Ms. Rumita Chowdhury) for which desk review of safeguards documents was carried out along with field verification done during site visit conducted on 31 <sup>st</sup> May,2013.  The project was visited by the Environmental and Social safeguard specialists of IIFCL along with ADB's Fact Finding Mission Team.
		Revised & Final ESDDR for MEP Infrastructure project was submitted to ADB in the month of January 2014.
		Review of safeguard related information was also done for the period January – December 2014 for annual audit purpose.
7.	Any environmental assessment report (including environmental management plan), involuntary resettlement plan, or indigenous peoples plan, or audit reports reviewed by your organization?	The Environmental safeguard due-diligence study was carried out for the project on the basis of site visit observations and understanding project scope based on information and documents provided by Concessionaire.  Environmental Safeguards: The following documents were referred in order to prepare Environmental Safeguards Due-Diligence Report:  Document for Environment Management and Health & Safety Measures implemented at site by Concessionaire (including Plantation details)  Emergency Preparedness and Response Plan(Part of O&M Maintenance Manual)  Accident Data Sheets(May 2013) for different Highway corridors of Mumbai city  Institutional Framework for Site Safety Team Maintenance Manual for Entire Concession Period of Airoli Bridge Corridor (Sample document);  Common Loan Agreement signed between Concessionaire and Lenders;  Concession Agreement signed between Concessionaire and MSRDC  Project Information Memorandum (PIM);  As informed by Concessionaire during site visit, all the applicable statutory clearances from competent authorities were obtained by MSRDC during preconstruction/construction stage of project. Concessionaire's responsibility is only to operate and maintain the constructed facility during concession period of 16 years.

		<u>Social Safeguards</u> : The Social safeguard due diligence study for the project was undertaken based on the review of Project Information Memorandum, discussion with the concessionaire and site visit observation.
		(If yes, please provide the names of documents reviewed.)
8.	What were the main environmental, involuntary resettlement and indigenous peoples issues	Environmental Safeguards:  During ESDDR preparation, no environmental issues were
	associated with this subproject that were identified through due diligence conducted by your organization, and	identified for addressal in MEP Infrastructure project.
	how were the issues dealt with (i.e., outcome of due diligence)?	The following documents, as received from M/s. MEPIPL, has been reviewed for annual audit purpose:
		Sample Copies of SPCB's consents as obtained by maintenance contractors( for Bituminous Concrete work/ stone metal crushing/ Ready Mix Concrete work)
		Document detailing Environment Management and Health, Safety measures implemented during operation phase (like Plantation, Labour & Road Safety details with site photographs)
		Daily feedback/complaints reports along with actions taken for the months of Nov. 14/ Dec.14/ Jan.15
		<ul> <li>Monthly Progress Reports for the Month of Jan.</li> <li>14 to Dec.14 providing details of routine road maintenance activities</li> </ul>
		Project Organogram for details of Safety Team
		During review of safeguards documents for reporting period, no environmental issues were identified for addressal in MEP Infrastructure project.
		Social Safeguards: The project has been financed by IIFCL under Takeout Finance Scheme under which only those projects are financed which are in operation for more than one year.
		The project was already in operation stage during the due diligence study. It was noted during the due diligence study that the project scope only involves collection of Toll at five Mumbai Entry Points at prescribed rates along with operation and maintenance of 27 flyovers and allied structures.
		The project did not involve any land acquisition and resettlement issues. Thus, no social safeguard issues were involved in the project.
9.	Did you discuss with the Lead Bank the applicable environmental and social safeguard requirements and their implementation?	No
1		

#### **MEP Infrastructure Private Limited**

10.	For category A subproject, were safeguards related documents such as EIA, RP and IPP, or audit reports made publicly available, in addition to posting on ADB's website?	MEP Infrastructure Road sub-project doesn't fall under category A as per ADB's safeguards requirements.  (If yes, please provide website link and the date the documents were uploaded.)
11.	Were any conditions or covenants related to environmental and social issues made along with the investment?	The compliance to the applicable laws of land is included as a covenant in the loan agreement signed by the Lead Bank and other lending consortium members with the Concessionaire.  (If yes, please briefly describe.)
12.	Does the investment comply with applicable government requirements?	Yes
13.	Does the investment comply with applicable DFI safeguard requirements?	Yes

# ANNEX E-17: PERIODIC ENVIRONMENTAL AND SOCIAL PERFORMANCE REPORT FOR SUBPROJECTS APPROVED UNDER ADB'S LINE OF CREDIT, AIIFI (PFR-1)

Please provide responses to the questions below. Please include additional sheets or attachments as required to provide details on questions that have been answered Yes. IIFCL is required to submit the periodic performance report to DFIs (see footnote below)<sup>1</sup>. This format is only for guidance and could be improved.

Name of Organization	I	India Infrastructure Finance Company Limited (IIFCL),New Delhi			
Name of Sub-project	(	Design, Engineering, Finance, Construction, Operation and Maintenance of Four Laning of Panikoili - Rimuli Road Section of NH-215 from Km 0+000 – 163+000 in the State of Orissa under NHDP Phase-III as BOT (Toll) basis.			
Name of Sub-project Develop	per S	Sai Maatarini Tollway	s Limited		
Reporting Period		January 2014 to Dec	ember 2014		
Audit Activity		Audit Team Designation	Signature		
Prepared by:	Mr. Krupasindhu Guru Assistant General Manager (Social Safeguards Specialist) ESMU ,IIFCL  Dr. Bhavesh K Singh Environmental Safeguards Specialist-Consultant ESMU ,IIFCL		Kupanine Mu Cam.		
Reviewed by:	Dr. S.S. Garg, General Manager, ESMU, IIFCL		Section 1		
Approved by Senior Staff with Overall responsibility for ESMS Implementation	Mr. Sanjee Chief Gene ESMU, IIF	eral Manager,	& in-		

#### A. Environmental and Social Management System (ESMS)

	Policies & Processes	Yes/ No	
1.	Has your organization developed and implemented an ESMS?	Yes	ESSF was adopted by IIFCL in October 2008 which was subsequently revised in November 2010 and July 2013 and Addendum to the ESSF for the World Bank financed projects was issued in the year 2014. The latest revised ESSF of July 2013 and addendum are available on IIFCL's website (

<sup>1</sup> Reporting requirements outlined here pertained to ADB. Other DFIs also have similar requirements.

			http://	/www.iifcl.org/C	ontent/ESMLLa	ieny)		
			(If yes,	-	ppy of the ESMS to	this report. Please in	ndicate the date	e that
2.	If there is an ESMS already in place, have there been any updates to the ESMS or policy and procedures adopted by your organization during the reporting period?	Yes	Adde the d Adde proce World	ndum was issur letailed docum ndum was to si ess at IIFCL for d Bank financing , please provide a	ed to the ESSF ent is provide ummarise the p determining the g under World E	2014 to Decer in the year 2014 d above. The process of popose e eligibility of sub Bank's line of creates tes including dates a	The webling purpose of ed due diliged projects for dit.	the ence the
3.	Has senior management signed off on the updated policy/procedure?	Yes	The Septe	ESSF 2013 h ember 2013.		oved by IIFCL communication indicates		
4.	Has your organization appointed staff tasked to implement the ESMS?	Yes	The E staff of and of depair specific (Constitution)	een set up at I uard commitme ESMU currently of IIFCL with two ne full-time sortment is also alist (Consultations)	IFCL in 2010 to ents based on E v is headed/ co vo full-time envi cial safeguards supported by ant) and one etails of the ES	ards Management of fulfil the enviror ESSF guidelines. Fordinated by a quantitative formental safeguation one environmental safeguation safeguation one environmental safeguation on en	nmental & so qualified full- pards specia dition to this ntal safegua pards speci	time llists the ards alist
			SI. No	Name of Employee	Designation	Qualification	Experien ce in relevant field	
			1.	Dr. S. S. Garg	General Manager (GM)	Doctorate in Environmental Sciences, Diploma in Industrial Safety, Lead Auditor for ISO 14001 and OHSAS18001	20 yrs	
			2.	Dr. Ruchi Malik	Assistant General Manger (AGM)- Environment Specialist	Doctorate in Environmental Sciences	13 yrs	
			3.	Dr. Rashmi Kadian	Assistant General Manger (AGM)- Environment Specialist	Doctorate in Environmental Sciences	12 yrs	
			4.	Mr. Krupasindh u Guru	Assistant General Manger (AGM)- Social Specialist	Masters in Economics, Masters in Journalism, andLLB	13 yrs	

			6.	Dr. Bhavesh Kumar Singh Rumita Chowdhury	Environment al Safeguards Specialist- Consultant Social Safeguards Specialist- Consultant	Doctorate in Environmental Sciences  Masters in Sociology	18 yrs 11 yrs	
			and ed	ucation backgroud	to implment the E			
5.	Please give details of any transactions rejected due to environmetnal and/or social concerns.	No	transa	actions were rerns.	ejected due to	nuary – Decer environmental	and / or s	ocial
6.	Please state any difficulties and/or constraints related to the implementation of the ESMS.		finance Europe the si IIFCL environ sub-p	cial institutions bean Investmer ubprojects on provides ar onmental and rojects	like World Ban nt Bank) under environmental a n enabling m social safeguar	ing funding (mu k, Asian Develop line of credit is t and social issue echanism to I d requirements	oment Bank he evaluations. The ESS IFCL to reasoning	and on of SF of meet with
			of the	e lead bank sh er in the cons	are whichever ortium. IIFCL	upto 20% of pro is lower, thus, I follows the ESS such safeguard fr	ÍFCL is a n F, whereas	ninor
			infras inform monit Extrac proce	tructure project nation / statuto oring reports of cting this informuse and is a charge true true to the control of the contro	t requires screen approvals of the control of the c	safeguard requi ening of vast qu / permits / perio tional safeguard e developer is a FCL relies on	antum of di odic complia Is requirement time consul	ata / ance ents. ming
			provid	ded by the Con	cessionaire.			
7.	Please describe how you ensure that your clients and their investments are operated in compliance with the national laws and regulations and applicable		certai liabilit	n covenants a	are always put	or each project f t up reflecting ows of land as red	concessiona	aire's
	DFI's safeguard requirements.		the d project review	ue diligence so	tudy of the pr ESMU conduc projects are c	of the project is of oject. After the ts annual audit of operated in comparts.	approval of the projec	f the
			imple paran six m with I	mentation of I neters, status on onthly complia IFCL. The born	EMP, reports of safety managence reports are rewers also en	reguards requirer on monitoring o gement, periodic e generally share gage safety offic ironment related	f environmont LIE reports ed by develers/enginee	ental and oper
8.	Please give details of any material social and environmental issues		infras	tructure projec	t requires scree	safeguard requi ening of vast qu / permits / perio	antum of d	ata /

	associated with clients during the reporting period in particular.		monitoring reports etc. as per National safeguards requirements. Extracting this information from the developer is a time consuming process and is a challenging task.
			In case of social safeguards, IIFCL relies on the information provided by the Concessionaire.
9.	In case the existing ESMS is not fully functional, what are the action plan beining implemented by your organization?		Presently, existing ESMU is functional. Head ESMU was recruited in October 2014 and one full time Environmental Specialist was recruited in November 2014. The position of Social Safeguard Specialist was advertised but not filled due lack of suitable candidate. This will be filled up shortly.
	Capacity	Yes/	(Please provide information or cite recommendation made by DFI's review mission to improve the ESMS and its implementation.)
		No	
10.	Please provide the name and contact information of the senior staff who has the overall responsibility for the	Yes	Mr Sanjeev Ghai, Chief General Manager has the overall resposibilty for the implementation of ESSF. His contact information are provided below:
	implementation of ESMS.		Telphone: +91 11 23450263, 23450261 (Direct); Email: sanjeevghai@iifcl.org
			(Please describe the training or learning activities the Environmental/Social Officer or Coordinator attended during the year.)
11.	Please provide current staffing of other core ESMS persons in the organization	Yes	Please refer Section A, point no. 4 for details of ESMU persons of IIFCL.
	involved with ESMS implementation.		Please find attached details of Training programmes attended by ESMS Staff during reporting period of January 2014 to December 2014 as <b>Annexure-I</b> .
			(Please describe the training provided to the ESMS persons and other team members during the year.)
12.	What was the budget allocated to the ESMS and its implementation during	Yes	ESMU is the core team of IIFCL and requisite budgetory provision is a part of IIFCL's overall budget
	the year?		(Please provide budget details including staff costs and training as well as any actual costs.)
	Monitoring		
13.	Do you receive environmental and social monitoring reports from Lead Banks/Borrowers?	Yes	The project is monitored through Lenders Engineer's reporting. The Lender's Independent Engineer is appointed by the Lead Bank of the Lender's Consortium to monitor the physical, financial progress and the compliance of various regulatory requirements. LIE reports are provided by the Lead Bank to the IIFCL. The LIE reports cover areas related to statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc.
			From Borrowers, IIFCL receives reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, accident incident data, six monthly compliance reports etc.
			(If yes, please describe and provide supporting documents including any social and environmental considerations if applicable.)
14.	Do you check for ongoing	Yes	During the environmental and social due diligence study and

	compliance of your clients with national regulation and any other requirements?		subsequent audit, the compliance of the project with the applicable regulation is checked with available documentation. The site visit is carried out by ESMU for field verification.  (If yes, please describe the process including any social and environmental
			considerations if applicable.)
15.	Please describe how you monitor the clients and their invesetments' social and environmental performance.		The social and environmental performances are checked during the preparation of Environmental and Social Due Diligence Report and annual audit. Each approved project is evaluated for its environmental safeguard compliance performance against the applicable safeguard requirements at the time of audit. The compliance status is also assessed through the LIE report which covers the statutory approval status, forest diversion, tree cutting status, safety management, land diversion status and pending litigation etc; reports on implementation of EMP, reports on monitoring of environmental parameters, status of safety management, six monthly compliance reports and through site visits.
			Out of the 8 sub-projects approved under AIIFI, site visit was conducetd for 4 sub-projects in the year 2014 for the purpose of ESDDR preparation. For other three sub-projects, whose site visit was done for ESDDR purpose during the year 2013, these sub-projects were visited in early 2015 for audit purpose.
			The 8 <sup>th</sup> sub-project,i.e. MEP Infrastructure Project was visited by safeguards staff during May 2013 as part of ESDDR preparation and has been approved under Takeout Finance Scheme by ADB. The project scope of work involves Securitization of Five Mumbai Entry Points along with maintenance of Flyovers and allied structures in and around Mumbai Region. The Project Facility is being operated and maintained by Concessionaire or through sub- Contractors if required, and major work involves Toll collection, Minor road repairing work, routine/periodic maintainence activities including plantation/beautification work & safety management. Considering this scope of work, site visit was not considered necessary for audit purposes.
			(Please describe and provide supporting documents such as environmental and social monitoring reports and please provide information on the number of subprojects where a field visit was conducted by staff to review aspects including social and environmental issues.)
16.	Please provide details of any accidents/litigation/com plaints /regulatory notices and fines:		The project specific details are provided in Section 'C'.
	- Any incidents of non-compliance with the applicable Environmental and Social Requirements - Covenants/conditionalit		
	ies imposed by IIFCL to the client as a result of any non-compliance		
	Reporting		
17	Is there an internal process to report on social and environmental issues to	Yes	The ESDDR (one time document) and Audit sheets are approved by the Senior Management.
	Senior management?		The ESDDR is a detailed report on environmental and social safeguards and annual audit sheet is reported in the present format.

			(If yes, please explain the process, reporting format and frequency and actions taken if any.)
18.	Do you prepare any social and environmental reports:	Yes	ESMU prepares Environment and Social Due Dilgence report for the projects which are posed to other DFIs to draw down, under their
	For other multilateral     agencies     Other stakeholders		line of credit. IIFCL's annual report also reports on the ESSF since the year 2008-09 and ESMU since its inception in the year 2009-10.
			The Annual Reports are uploaded on IIFCL website and weblink for the same is
	- E&S reporting in the Annual Report		http://www.iifcl.org/Content/report.aspx?mid=17&bid=2&cid=1
	- Sustainability reports		(If yes, please provide copies of these reports.)

B. Ac	tivities on DFI's Prohibited Investment Activities List	
1.	If any, please indicate the dollar percentage of loans or investments out of your total outstanding exposure provided to clients who are substantially involved in DFI's Prohibited Investment Activities List (Refer to Annexure V of SPS 2009, ADB).	Not applicable, since, IIFCL does not involve in the prohibited investment activities.
2.	If the percentage is not zero, please explain these exposures and any steps having been taken to reduce such exposure.	Not applicable

### C. Subprojects Using DFI Funds

Please provide information about all new investments using DFI funds approved during this reporting period.

1.	Name of Subproject:	Subproject Developer: Sai Maatarini Tollways Ltd.
		Sub-project: Design, Engineering, Finance, Construction, Operation and Maintenance of Four Laning of Panikoili - Rimuli Road Section of NH-215 from Km 0+000 – 163+000 in the State of Orissa under NHDP Phase-III as BOT (Toll) basis.
2.	Location:	The Project road (NH 215) starts at Panikoili and ends at Rimuli. The stretch is located in the State of Orissa and falls under the jurisdiction of two districts namely Keonjhar and Jajpur.
3.	Sector:	Highways and Roads
4.	Total loan from IIFCL/DFI (US\$ mn):	\$ 26,967,882.48
5.	Safeguard category: (Annex E-3)	Category- B
6.	Were any environmental and social due diligence undertaken by your organization?	Yes, Environmental and Social Due Diligence (ESDD) study was carried out by the ESMU team of IIFCL based on the review of information/Documents/NOCs/Consents/ Permissions and field verification during site visit (27 <sup>th</sup> -28 <sup>th</sup> October, 2014).  The sub-project has been approved by ADB in November,
		Review of safeguard related information was also done for the period January – December 2014 for annual audit purpose

		(If yes, provide information on due diligence activities, such as desk review of safeguard documents, and field visit, and by whom.)
7.	Any environmental assessment report (including environmental management plan), involuntary resettlement plan, or indigenous peoples plan, or audit reports reviewed by your organization?	The Environmental and Social Safeguard Due-Diligence study was carried out for the sub-project on the basis of site visit observations and understanding project scope based on information and documents provided by the Concessionaire:  Environment Safeguards: The following documents were referred/reviewed in order to prepare Environmental Safeguards Due-Diligence Report:  (i) EIA/EMP as prepared by Consulting Engineers Group Ltd.; (ii) Project's statutory clearances/consents/ approvals and permits; (iii) Environmental Parameters Monitoring reports; (iv) Project Safety Plan; (v) Monthly Progress Report; (vi) Concession Agreement; (vii) EPC Contract Documents;  Social Safeguards: To ensure the safeguard compliance, following documents were reviewed by ESMU:  Detail Project Report;  Project information memorandum;  Lender's Independent Engineer's report, March 2015;  Gazette Notifications for land acquisition;  Right of Way Hand Over Letter from NHAI.  (If yes, please provide the names of documents reviewed.)
8.	What were the main environmental, involuntary resettlement and indigenous peoples issues associated with this subproject that were identified through due diligence conducted by your organization, and how were the issues dealt with (i.e., outcome of due diligence)?	Environment Safeguards:  During ESDDR preparation no environmental issues were identified for addressal for the project.  The following documents were reviewed for the purpose of annual audit:  (i) EIA/EMP as prepared by Consulting Engineers Group Ltd.;  (ii) Project's statutory clearances/consents/ approvals and permits;  (iii) Environmental Parameters Monitoring reports(September, 2014);  (iv) Project Safety Plan;  (v) Lender Engineer Reports;.  (vi) Concession Agreement;  (vii) EPC Contract Documents;  Following are the observations / outcome of the review of documents / information for annual audit:

		<ul> <li>Environmental monitoring for air, soil water and noise was carried out in September 2014. Although, the frequency and number of samples collection and analysis were inadequate for which project developer was informed to improve upon.,</li> <li>The monitoring results show the monitored parameters have not exceeded the prescribed standards;</li> <li>Further, Project developer has informed to improve the frequency of the Environmental Quality Monitoring and number of samples collections which will be verified during audit visit in year 2016.</li> <li>Based on the documents review and site visit in October, 2014, it is concluded that HSE implementation status is adequate;</li> <li>Adequate number of under passes are being provided for sooth movement of animals as well as reptiles;</li> <li>All applicable consents/NOCs/clearances were obtained and valid during the audit period;</li> <li>Good housekeeping and proper control measures are adopted in keeping the camp office clean</li> <li>The project developer has been asked to take action on the following issues:</li> <li>Project developer has been advised to improve the frequency of the Environmental Quality Monitoring and number of samples collections which will be checked during next site visit and periodic audit;</li> <li>Social Safeguards: During the due diligence study, it was noted that.</li> <li>The sub-project has been prepared by NHAI as per its own funding requirement and not in anticipation to ADB's operations;</li> <li>To avoid major resettlement and rehabilitation five numbers of bypasses have been proposed at major settlement areas;</li> <li>Concessionaire has undertaken various community development activities to benefit the local people;</li> <li>Local labours are being engaged in the construction activities for unskilled and semi-skilled activities;</li> <li>It was observed during the site visit that the rehabilitation of borrow area by converting it as pond, cultivable land, and levelling the hilly area by converting it as plane area for</li></ul>
		<ul> <li>Plantation purpose;</li> <li>With the request of the local people the subproject developer has engaged themselves for Enhancement/ construction of village road/approach road for the villagers;</li> </ul>
9.	Did you discuss with the Lead Bank the applicable environmental and social safeguard requirements and their implementation?	No, as IIFCL is a late entrant in project development
10.	For category A subproject, were safeguards related documents such as EIA, RP and IPP, or audit reports made publicly available, in addition to posting on ADB's website?	Sai Maatarini Tollways Ltd. does not fall under category A as per ADB's safeguard requirements  (If yes, please provide website link and the date the documents were uploaded.)
	, , ,	, , , , , , , , , , , , , , , , , , ,

## Sai Maatarini Tollways Limited

11.	Were any conditions or covenants related to environmental and social issues made along with the investment?	The compliance to the applicable laws of land is included as a covenant in the loan agreement signed by the Lead Bank and other consortium members with the Concessionaire.
12.	Does the investment comply with applicable government requirements?	Yes
13.	Does the investment comply with applicable DFI safeguard requirements?	Yes