

SECURITY MANAGEMENT PLAN

FOR

**ULTRA MEGA POWER PROJECT
Mundra, District Kutch, Gujarat, India**

**COASTAL GUJARAT POWER LIMITED
A WHOLLY OWNED SUBSIDIARY OF THE
TATA POWER COMPANY LIMITED**



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ABBREVIATIONS

CGPL	Coastal Gujarat Power Limited
CrPC	Criminal Procedure Code
CSR	Corporate Social Responsibility
DCPC	District Contingency Planning Committee
GMDC	Gujarat Mineral Development Corporation
GRC	Grievance Redress Mechanism
IFC.	International Finance Corporation
IPC	Indian Penal Code
IPS	Indian Police Service
MAH	Major Accident Hazard
MHA	Ministry of Home affairs
MSEZ	Mundra Special Economic Zone
NGO	Non-Governmental Organization
PG	Public Grievances
UMPP	Ultra Mega Power Project

SECURITY MANAGEMENT PLAN

1 INTRODUCTION

1.1. Project Description

The Mundra Ultra Mega Power Project (the Project) is being developed by Coastal Gujarat Power Limited (CGPL) in response to the plan of the Government of India (the Government) to increase the electricity production capacity of the country by 100,000 megawatts (MW) by the year 2012. The Project, awarded to CGPL on a build, own, and operate basis, is a supercritical coal-fired power plant with a total capacity of 4,000 MW.

Coastal Gujarat Power Limited (CGPL), a wholly owned subsidiary of The Tata Power Company Limited (Tata Power or the sponsor) is setting up a 4000 MW supercritical coal based power plant near village Tunda, Taluka Mundra in Kutch District, in the state of Gujarat, India.

Based on the new technology and other measures being taken by the CGPL, the project would meet the social and environmental Performance Standards of IFC.

1.2. Project Location

The Project is located in a coastal area of Mundra and Mandvi Taluka, in Kutch District of Gujarat State. The project area covers 1054 hectares (ha), of vacant land acquired from the villages of Tunda Wandh, Mota Kandagara and Nana Bhadiya (Refer Map 1) and is about 2 km from the first-phase development area of the Mundra Special Economic Zone (MSEZ), where a 1320 MW power plant, the Adani Power Project, is being implemented by Adani Power Limited. The project area is about 1.5 kilometers (km) from the sea, with a portion of the MSEZ intervening between the sea and the project area.

The proposed power plant would be located at a site south of Tunda village in Mundra taluka of Kutch district in Gujarat, India. The Proposed site is located at 22° 49' 48" N Latitude and 69° 30' 58" E longitude. The site is well connected with State Highways No. SH-50 (Via Anjar) and SH-6 (Via Gandhidham) and would be nearer to the proposed NH-8A (Delhi-Kandla).

The nearest railway station is Adipur, which is 57 Km away from the proposed site. Adipur railway station is well connected to multi terminal Mundra port through broad gauge railway system privately owned by M/s. Adani Group. Kandla port –one of the major ports in the area is at a distance of 45 km from the project site. Major industrial set-ups in the area are Adani ports, Adani Power Limited, Gujarat Mineral Development Corporation (GMDC) at Panandro, Cement plants of Jaypee and Sanghi Cement.

1.3. Key Project Components

The key project components include:

Power Plant: The power plant will consist of five pulverized coal-fired, supercritical steam electricity-generating stations, each with 800 MW capacity. In addition to coal, fuel oil will be used for start-up, for flame stabilization, and during low-load operations.

Cooling Water System: The power plant will have a once-through cooling system using seawater. The seawater requirement will be about 15.12 million cubic meters per day (m^3/day) of which about 14.99 million m^3/day will be for condenser cooling and 0.1278 million cu.m./day for producing freshwater. The seawater will be pumped at the end of an inlet channel connecting to Kotdi Creek. The inlet channel will be about 80 meters (m) wide at the bottom, 130 m wide at the top, 3 m deep, and 6.5 km long. Kotdi Creek, about 3.5 km long, will be dredged and trained to enhance its hydraulic capacity. The outlet discharge channel will have a base width of 60 m and a length of 4.9 km. The outlet channel will discharge into Mudhwa Creek, which is about 3 km long and will be dredged and trained to increase its hydraulic capacity.

Water Production System: The Project will require 25,710 cu.m/day of freshwater, consisting of 25,280 cu.m/day for process use including water for coal and ash handling and 430 cu.m/day for domestic use. The freshwater will be produced from seawater in a desalination plant. For boiler feed, a demineralization plant will further treat the freshwater supplied from the desalination plant.

Wastewater Treatment System: All process wastewaters will be treated to remove oil and stored in a pond for use in suppressing coal and ash dust and for landscaping. Reject from the desalination plant will be discharged into the sea through the discharge channel of the cooling water system. A sewage treatment plant will be provided to treat sewage from the housing complex.

Residential Complex: The operation of the power plant and support facilities will require about 718 people consisting of 255 CGPL staff and 463 outsourced staff. A housing complex consisting of 400 units will be developed on 182 ha of land to provide accommodation for about 255 CGPL staff and a few of the outsourced staff.

2 POLICY AND LEGAL CONTEXT

This section summarizes the international and national guidelines and legal framework having a bearing on the security management of the project. Tata Power's strategy and approach towards integrating local community with the company activities are also included in this section. The international and national guidelines applicable to the project in the context of security management are elaborated in section 2.1 and 2.2.

Community Development has been a well understood objective and important cornerstone of the TATA business philosophy. The strategy that each Company evolves is focussed on the real needs of the communities in which the company operates and which it seeks to serve. The strategy envisages dovetailing of the skills and strengths of the Company and its employees with the immediate and long-term development goals of the communities - be they in the field of education, health, environment, civic amenities, infrastructure, family planning, vocational skills, public participation and community interaction, etc. The objective is to ensure that the strategic economic well-being of the community is brought about expeditiously. The security management strategy of CGPL is covered in section 3, 4 and 5 of this document.

2.1. International Finance Corporation - Performance Standards

International Finance Corporation (IFC) applies environmental and social standards to all the projects it finances to minimize their impact on the environment and on affected communities. IFC performance standards define roles and responsibilities of the project proponents for managing their projects in terms of environmental and social safeguards. IFC's Performance Standard 4 on Community Health, Safety and Security defines the preventive and mitigation measures to be adopted and implemented to minimize impacts on community health, safety and due to site security.

IFC's Performance Standard 4 recognizes that project activities, equipment, and infrastructure often bring benefits to communities including employment services, and opportunities for economic development. However, projects can also increase the potential for community exposure to risks and impacts arising from equipment accidents, structure failures, and releases of hazardous materials. The main objectives and premise of performance standard 4 are elaborated below:

1. To avoid or minimize risks to and impacts on health and safety of the local community during the project life cycle from both routine and non routine circumstances.
2. To ensure that the safe guarding of personnel and property is carried out in a legitimate manner that avoids or minimizes risks to the community's safety and security.
3. Security Management to be guided by the principles of proportionality, good international practices in terms of hiring, rules of conduct, training, equipping and monitoring of security personnel, and applicable law.
4. Security personnel to be adequately trained in the use of force (and where applicable, firearms) and appropriate conduct toward workers and the local community, and require them to act within the applicable law.
5. A grievance redresses mechanism to allow the affected community to express concerns about the security arrangements and acts of security personnel.

The above cited objectives are integral to the project activities of CGPL.

2.2. National Legal Context

According to the law of land, the State guarantees the nation's security. The forces of the country are for providing the protection to the country against the external aggression. There exists the police system at the national level and the state level to take care of the local policing issues.

The countries' defence forces and the police forces are controlled by the acts and legislations as framed by the Indian Constitution. Indian Constitution guarantees fundamental right to every individual and the defence and police forces of the union ensure the exercise of the civil rights of individuals and helps in maintenance of true character of the union.

The Ministry of Home affairs (**MHA**) is the Nodal Ministry which is responsible for all Matters relating to internal security. The MHA is responsible for the following:

1. To eliminate threats to internal security including militancy, insurgency and terrorism;
2. To preserve, protect and promote social harmony;
3. To enforce the rule of law and provide timely justice;
4. To provide the society an environment free from crime;
5. To uphold the principles of human rights; and
6. To mitigate the sufferings resulting from natural and man-made disasters.

The divisions of MHA relevant in the project context are:

- Department of Border Management - deals with - Management of Borders including Coastal Borders.
- Department of Internal Security - deals with - Police, Law and Order and Rehabilitation of Refugees.
- Department of States - deals with - Centre-State Relations, Inter-State Relations and Union Territories.

2.2.1. Divisions of MHA

- **Border Management Division**

The Division deals with matters relating to coordination and concerted action by administrative, diplomatic, security, intelligence, legal, regulatory and economic agencies of the country for the management of international borders, creation of infrastructure like roads/fencing and floodlighting of borders, border areas development programme and pilot project on Multi-purpose National Identity Card. Coastal security comes under this division.

- **Disaster Management Division**

Disaster Management-I Division is responsible for response, relief and preparedness for natural calamities and man-made disasters (except drought and epidemics).

Disaster Management-II Division is responsible for legislation, policy, capacity building, prevention, mitigation and long term rehabilitation.

- **Foreigners Division**

The Division deals with all matters relating to visa, immigration, citizenship, overseas citizenship of India, acceptance of foreign contribution and hospitality.

- **Human Rights Division**

The Division deals with matters relating to the Protection of Human Rights Act.

- **Internal Security Division**

The Division deals with matters relating to internal security and law & order, including anti-national and subversive activities of various groups/ extremist organizations, policy and operational issues on terrorism, security clearances. Arms and explosives, narcotics and Narcotics Control Bureau (NCB) and National Security Act are also dealt by this division.

- **Judicial Division**

The Division deals with all matters relating to the legislative aspects of the Indian Penal Code (IPC), Code of Criminal Procedure (Cr.P.C.) and also the Commission of Inquiry Act.

- **Police Division**

The Division functions as the cadre controlling authority in respect of Indian Police Service (IPS) and also deals with all matters relating to Central Police Force, including their deployment, award of Presidents' police Medals for Meritorious/ Distinguished service and Gallantry.

- **Police Modernization Division**

The Division handles all items of work relating to modernization of State Police Forces, provisioning/procurement of various items for modernization of Central Police Forces, police reforms and security of VIPs/vital installations.

- **Policy Planning Division**

The Division deals with matters relating to policy formulation in respect of internal security issues, international cooperation on counter-terrorism, international covenants, bilateral assistance treaties and related items of work.

2.3. Home Department – Government of Gujarat

The State Home Department works towards eliminating threats to the internal security of the state. It preserves, protects and promotes social harmony. The home department oversees the maintenance of law and order, internal

security, prevention and control of crimes, prosecution of criminals besides dealing with Fire services and prisons administration. It keeps a close liaison with Defence services for military and civil cooperation.

The matters dealt by the Home Department include maintaining public peace, intelligence, passport and visas, anti-corruption actions and investigations, village protection forces, State Reserve Police force, Railway Police, Issue of arms and ammunition license, establishment of Forensic science laboratories, prohibition and excise duty.

2.4. Emergency Preparedness and Disaster Management

The latest amendment of Factories Act in 1987 and the Gujarat Factories Rules in 1995 can be considered as the most eventful and exhaustive especially in term of safety, health, fire control, environmental protection creation of public awareness and emergency / disaster management plans. All the above acts and rules provide following requirements for the disaster management:

- Identification of the major accident hazardous units based on inventory of hazardous chemicals and to take adequate steps to prevent major accidents.
- Preparation of on-site emergency plan by factories involving hazardous process.
- Preparation of off-site emergency plan by District Authority.
- Preparation and submission of written report in Schedule-7 and Safety Report.
- Constitution of Crisis alert system.
- Constitution of Central, State, District, and Local crisis groups

Government of Gujarat has taken following actions.

- Identified all chemical factories in four categories first time in India, i.e. Major Accident Hazard (MAH), A, B, and C, type.
- Identified all the MAH Factories in the state. (There are 416 MAH units in the state.)
- Formation of specialized team for inspection of MAH units and inspections are carried out by them regularly.

- MAH units of the Gujarat state are also inspected by chemical inspector of factories, Gujarat state.
- Constituted DCPC i.e. District Contingency Planning Committee, under the chairmanship of District Collector and Factory Inspector as member secretary.
- Prepared off-site emergency plans in most of the districts including Kutch District. The headquarters of the district crisis group is at Bhuj.
- Off-site emergency rehearsals have been conducted in most of the districts.
- Constituted district crisis group in each district under a chairmanship of District Collector and Factory Inspector as a member secretary.
- Constituted local crisis group in each industrial pocket under a chairmanship of Sub-divisional Magistrate/District Emergency Authority and Factory Inspector as a member secretary.
- Received up dated on-site emergency plan from all MAH units in the state
- The MAH units are carrying out on-site emergency plan rehearsals.

Thermal Power Plants come under the category of “MAJOR ACCIDENT HAZARD FACTORIES” as per Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 as amended in 2000 under the Environment Protection Act, 1986.

2.5. The Protection of Human Rights Act, 1993

[As amended by the Protection of Human Rights (Amendment) Act, 2006–No. 43 of 2006].

An Act to provide for the constitution of a National Human Rights Commission, State Human Rights Commission in States and Human Rights Courts for better protection of human rights and for matters connected therewith or incidental thereto. The Gujarat State Human Rights Commission headquarters is at Gandhinagar.

2.6. The Private Security Agencies (Regulation) Act, 2005 and The Gujarat Security Agencies Rules, 2007

The Private Security Agencies (Regulation) Act, 2005 provides for a Controlling Authority to be appointed by the State Governments for the purpose of granting licenses and also to make holding of licenses mandatory

for the carrying on of business of security agencies and other related matters. The objective of this Act is to regulate the functioning of the private security agencies so that they are run within legal parameters and are accountable to a regulatory mechanism.

In accordance with powers conferred by section 25 and 11 of the Private Security Agencies Act, 2005, the Government of Gujarat has instituted The Gujarat Security Agencies Rules, 2007. This Act would be applicable to the project.

3 RISK IDENTIFICATION AND MANAGEMENT

The state of Gujarat is well known for its favorable industrial climate and the support extended by the Government machinery to promote industrial growth. Security risks pertaining to the Project could be because of:

- a) Labour unrest,
- b) Conflict with local community and
- c) Emergencies due to any incident in the plant during the construction and operation phase.

Such risks are anticipated in the life cycle of any industrial project.

CGPL through its CSR team and Grievance redress mechanism would, adopting a participatory approach, resolve any security risks due to social issues in the project area and any conflict between the local community and the project personnel.

CGPL has a comprehensive Human resources policy and procedures in place to address grievances and concerns of the staff employed in the Project. CGPL would adopt various labour welfare measures to meet the genuine aspirations and requirements of the personnel and through its security measures identify any possible risk from the manpower (employee as well as contract) deployed in the project activities during the construction and operation phase.

Risks would be assessed on a continuous basis through regular communications between CGPL-Mundra, State Government and the Government of India and the law enforcement agencies.

CGPL's risk management strategy revolves around the gathering of relevant security information, be it from public information sources (newspapers, magazines, TV, radio, etc), or information provided by the state government and local law enforcing agencies. This approach provides an integrated means for examining and evaluating risks and selecting risk-reduction actions.

The institutional setup for security management, operational procedures, interagency coordination and liaison with the government agencies have been defined as per the applicable national laws and security requirements. The security management plan has taken into account the requirements for appointing private security as prescribed in the Voluntary principles on Security and Human Rights (<http://www.voluntaryprinciples.org>) that may have a bearing on the project. The appointment of private security agencies (section 3.3) for the project is in line with the guidelines given in the Voluntary principles.

4 SECURITY MANAGEMENT MEASURES

CGPL Mundra would manage security in full compliance with the laws of land. The security set up would adapt to modern technological advancements and established best practices and would use them to enhance the capacity and capability of the security personnel.

The Project would continue to work with State & Indian government authorities to ensure that knowledge of security risks is shared with Contractors' staff and, when appropriate, with the project affected communities. The Project would ensure that the Contractors adhere to the security principles outlined in this document and monitor their performance against them.

CGPL-Mundra, in its role as the Operator of first 4000 MW UMPP is committed to ensure a peaceful and secure environment for Plant construction and operation. The Project would hold Contractors to the

standards of CGPL-Mundra. Therefore, the process of aligning the company's core values and community relations policy with those of the Government of India and IFC would be achieved, as detailed in the following sections.

4.1 Working with the Government of India

Overall responsibility for the security of the CGPL-Mundra facilities rests with the CGPL, State government & Government of India. CGPL-Mundra recognizes the need for close cooperation, liaison and coordination with the relevant state forces of law and order to ensure the security of the Project. CGPL-Mundra will take all possible steps to work with the state government & Government of India to ensure that socially and ethically sensitive means are used to protect the right of way for water intake and outflow channel and Plant facilities.

CGPL-Mundra will proceed through continual communication and in the spirit of cooperation that has been characteristic since the project started. Cooperation with the Government includes monitoring the security practices at the CGPL-Mundra.

4.2 Working with the Project Affected Communities

The cooperation of the local communities, as stakeholders in CGPL-Mundra, is considered to be critical to security. CGPL-Mundra would achieve cooperation through its regular contact with Non-Governmental Organizations (NGOs), community leaders and other members of the local communities in order to understand their concerns, to minimize impacts and create community benefits.

The security of the community is recognized as being equally important to the security of people working on the Project. CGPL-Mundra will demonstrate its contribution to this principle by continuing frequent communications and adopting a participatory approach to environmental, social, health, safety and security activities within the communities. The Project will record any major concern of the community and influence as much as possible, the ethical behavior of the Contractors and local forces as they relate to the Project.

4.3 Private Security Forces

CGPL-Mundra will follow the following principles and guidelines for deploying private security agencies.

- CGPL will implement a management system in its operations that meets the requirement of its security standards & ensures necessary controls are in place to address the identified security risks without the use of arms.
- It is CGPL's intent that only qualified, properly trained private security companies be involved with the Project. CGPL will evaluate the different security companies present in the country. Security provider companies registered with the central or the state government will only be considered for appointment.

The private security agency shall comply with the following:

- Private security shall observe the policies of land regarding ethical conduct.
- Private security shall maintain high levels of technical and professional proficiency at all times.
- Private security shall exercise restraint and caution in dealing with unruly mobs, dealing with villagers, dealing with police, dealing with community leaders, dealing with contractors, laborers , drivers etc. etc.
- Private security shall only provide preventative and defensive services and shall not engage in activities under the responsibility of state military or national police enforcement agencies.
- Private security shall be required to demonstrate that they do not employ individuals implicated in past misconduct. CGPL employs ex-servicemen from defence services through registered security agencies. On retirement / discharge ex – servicemen are issued with a duly certified discharge book and pension order which gives all his personal and professional details, based on which the agency carries out verification of antecedents . CGPL Managers also check the authenticity of documents and conduct interviews before appointing security agency for duty at CGPL site. CGPL only employs ex-servicemen who are already trained in security duties; they are reoriented by security agency to perform in a

private set up. At site they are further given on the job training with relevance to the requirement at site

- Private security shall maintain the confidentiality of information obtained as a result of its position as security provider. In an additional effort to ensure that any private security service working in connection with the Project does not exceed its authority, the operational control and management of security personnel is taken care by Security Managers of CGPL while the administrative control is taken care by security agency. The agency security personnel are not privy to confidential documents, information and decision making.

CGPL will ensure that:

1. Past records of security personnel are screened.
2. Security personnel have clear objectives and permissible actions laid out.
3. Security personnel are trained in avoidance of human right violations.
4. Security incidents are recorded, investigated and corrective actions implemented.
5. Bona fide complaints against security personnel are investigated and appropriate disciplinary actions are addressed by a grievance redresses mechanism. This mechanism is for aggrieved members of community or employees, in case of violation of code of conduct for security personnel.

4.4 Operational Procedure

A private security agency has been deployed at site. The responsibilities of the agency are listed as under:

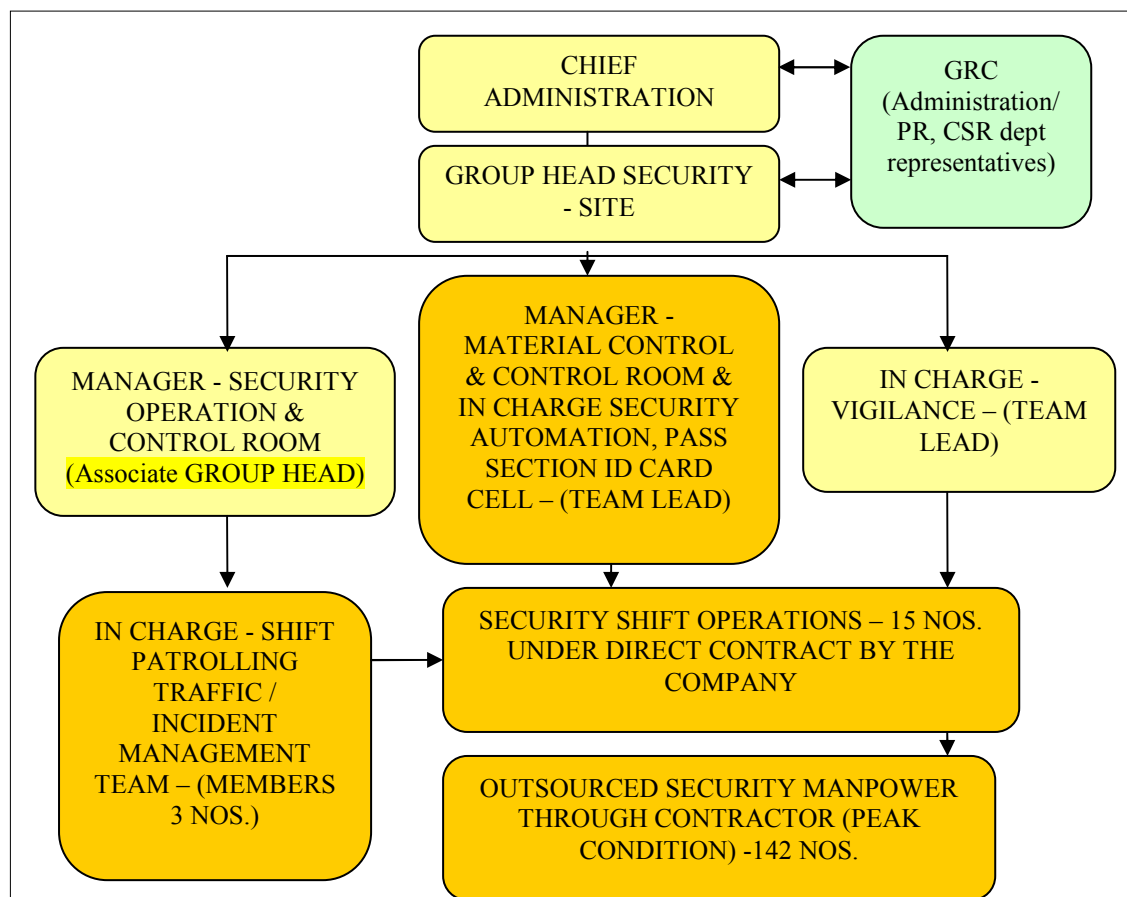
- (i) CGPL Security through its hired security agency will be responsible for Security and safety at Plant and township.
- (ii) The security at proposed Construction Workers camp will be provided by respective contractors under the overall supervision of CGPL Security through its hired security agency.
- (iii) Security arrangements at project area villages (project affected villages and villages located close to construction workers camp) to safeguard property and human life in villages due to influx of migrants and outsiders are in the scope of state police agencies.

5 INSTITUTIONAL FRAMEWORK FOR SECURITY MANAGEMENT

5.1. Institutional set up

The current institutional set up for security management is headed by the group head security reporting to Chief – Administration and supported by three managers and eighteen security staff for field operations. This institutional set up is further augmented through the appointment of an established security agency with prior experience of managing security for large industrial establishments. About 142 security personnel are to be mobilized by the security agency during the construction and operation phase. The institutional set up is presented in **figure 1**.

Figure 1: Institutional set up



5.2 Grievance Redress Mechanism

To address any grievance resulting due to security operations or conflicts between the local community and security staff, a Grievance Redress Cell

(GRC) represented by Group Head – Security, officers of the CSR group, public relations and administration is proposed. The GRC will also include members from the local community and NGO. This GRC would be dealing with complaints, representations received from the local community or any other stakeholder on issues related to security staff and management. This GRC would work in close coordination with Chief-Administration and Group Head- Security to resolve security related grievances. The grievance redress set up is presented in **figure 2**.

Figure 2: Grievance Redress Cell – Security Management

