



Stakeholder Engagement Plan: *Guma, Chhattisgarh, India*

Ultratech Cement Limited

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Ultratech Cement Limited

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List of Abbreviations

SEP:	Stakeholder Engagement Plan
UTCL:	Ultratech Cement Limited
IFC:	International Finance Corporation
RWCW:	Rawan Cement Works
MTPA:	Million Tonnes Per Annum
MW:	Mega Watt
GRM:	Grievance Redressal Mechanism
IFC PS:	International Finance Corporation's Performance Standards
FPIC:	Free Prior Informed Consent
ICP:	Informed Consultations and Participations
EIA:	Environmental Impact Assessment
ML:	Mine Lease
WPR:	Worker's Participation Ratio
ST:	Scheduled Tribes
SC:	Scheduled Caste
OBC:	Other Backward Castes
INR:	Indian National Rupees
PAFs:	Project Affected Families
R & R:	Resettlement and Rehabilitation
RAP:	Resettlement Action Plan
BPL:	Below Poverty Line
PRA:	Participatory Rural Appraisal
DGMS:	Directorate General of Mines Safety
FGDs:	Focus Group Discussions
CSR:	Corporate Social Responsibility

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This document presents the Stakeholder Engagement Plan (SEP) for the Guma Mines of Ultratech Cement Limited (herein after referred to as UTCL) in the village Guma, Palari tehsil, Baloda Bazaar district, Raipur, Chhattisgarh State.

This plan has been formulated in keeping with the regulatory requirements as given in Indian rules and regulations as well as the requirements of the project investor, the IFC Performance Standards. The primary objective of this plan is to facilitate development and sustenance of relationships between the project proponent and various stakeholders, throughout life of the project.

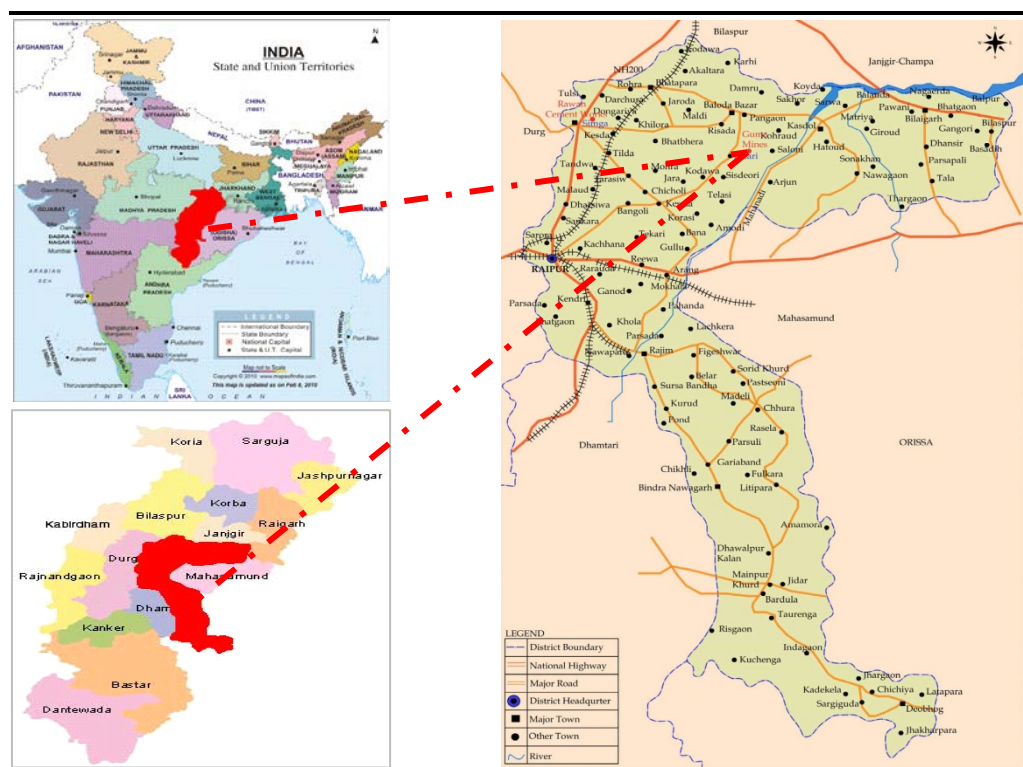
The following document has been prepared on the basis of the information presently available in with UTCL and ERM.

This introduction section includes a description of the project, aims and objectives of the SEP as well as structure of the document. The SEP will go on to discuss the project in detail, the rules and regulations applicable on this project, the stakeholder profiles and their expectations and concerns, a description of the engagement process; including the resources required and the disclosure mechanism, the Grievance Redressal mechanism and the reporting and monitoring procedure to be carried out. The detailed layout of this document has been provided in section 1.3

1.1**PROJECT DESCRIPTION**

The project in question is the Guma Mine (latitude 21°34'30" - 21°37'00" North and Longitude 82°03'00" - 82°06'30" East), in the village Guma, Palari Tehsil, Baloda Bazaar, Raipur, Chhattisgarh (as seen in figure 1.1). The mine has been allotted to UTCL for the purpose of meeting the increased limestone requirements due to the expansion of the Rawan Cement Works (RWCW) of UTCL at village Rawan.

Figure 1.1 **Location Map**



Retrieved from MapsofIndia.com

The existing operations at RWCW comprise of a cement plant of 3.3 Million Tonnes Per Annum (MTPA), a clinker production unit of 2.1 MTPA as well as associated components such as a captive power plant, colony area and a captive limestone mine of Rawan Jhipan. The proposed expansion plan of RWCW involves the capacity expansion of all components. Table 1.1 provides a brief overview of the existing and expansion plan for RWCW.

Table 1.1 **Brief Overview of the existing and proposed expansion plan for RWCW.**

S No	Plant Component of RWCW	Existing	Proposed Expansion
1	Cement Plant Capacity	3.3 MTPA	3.2 MTPA
2	Clinker Production Plant	2.1 MTPA	4.4 MTPA
3	Captive Coal Based Power Plant	30MW	50MW
4	Captive Limestone Mine	Rawan Jhipan Mining Lease for 772.83 ha	Guma Mining Lease for 157.122 ha
5	Other Associated Components	Conveyor Belt, Coal Washery, RWCW Colony	Waste Heat Recovery Linked Power Generation

Source: RWCW

In short, the proposed expansion includes adding a second line of clinkerisation along with additional cement mills. This will allow for the current limestone production capacity of 2.8 MTPA to be increased to 7.5 MTPA; the clinker capacity would increase from 2.1 MTPA to 6.5 MTPA, and the Captive Power Plant capacity from 30 MW (Mega Watt) to 80 MW.

The Guma Mines, covering an area of 157.122 hectares of land at a distance of around four kilometres from the plant, has been allotted to RWCW for the purpose of meeting these new limestone demands due to the plant expansion through supplementing the already existent Rawan Jhipan limestone mine. The land details for the existing and proposed expansion plan of the RWCW plant is provided in the table below.

Table 1.2 *Land details of the existing RWCW and its proposed expansion plan*

S.No.	RWCW Plant Component	Existing Area (in Ha)	Proposed Acquisition Area (in Ha)
A	Existing Plant and Colony Area	388.37	
A.1	Plant Area	64	
A.2	Colony	50	
A.3	Green Belt (Plant Colony)	212.54	
A.4	Unused Area	61.83	
B	Rawan Jhipan Limestone Mining Area	722.834	
C	Guma Mines		157.122
D	Conveyor Belt from Guma Mines to Plant		20
	Total	1111.204	177.122
	Grand Total	1288.326	

Source: RWCW

The RWCW plant presently has 1111.204 hectares of land which has the capacity to accommodate the expansion of the plant components as discussed in Table 1.1. Hence, the fresh land requirement for the expansion is limited to the mine area and for constructing a conveyor belt to connect the mine to the RWCW plant area. The estimated land requirement for the plant expansion is 177.122 ha (see Table 1.2), which will be obtained by direct purchase from the farmers.

1.2 *AIMS AND OBJECTIVE OF THE SEP*

As has been mentioned above, 'Stakeholder Engagement' refers to an inclusive and continuous process of interaction between a company and the impacted persons, families and community. This comprises of a range of activities which span across the life of the project. The aim of such an engagement encompasses overall good risk management, especially the reduction of business and reputation risks associated with poor stakeholder relations.

The SEP for this project has been formulated, taking cognizance of the specific characteristics and interests of the various stakeholders in the project as well as the project proponent. The primary aim of this SEP is to allow implementation of various measures and effective participation of the stakeholders in the project, throughout its lifespan. This participation would enable the stakeholders to express their opinions on the various project components, the risks associated, the impacts and the subsequent mitigation measures while allowing the project proponent to respond to such views and take necessary actions.

In line with these objectives, the SEP aims to:

- Assess and document regulatory, investor, company, and/or other requirements for consultation and disclosure;
- Identify and prioritize the key stakeholder groups (based on influence mapping) while focusing on the affected communities;
- Identify the specific requirements, concerns and expectations of key stakeholders with special attention being paid to the needs of the vulnerable groups;
- Provide a strategy and timetable for sharing information and consulting with each of these groups.
- Allow for a discourse regarding the social and environmental risks and impacts and the measures proposed to address these;
- Describe resources and responsibilities required for implementing stakeholder engagement plan and activities;
- Describe how stakeholder engagement activities will be incorporated into internal systems of the company;
- Outline the monitoring and evaluation process as well as the mechanism for reporting and documentation of the activities undertaken as a part of the SEP.

In order to meet the above mentioned objectives, the SEP has been designed to ensure that the engagement process is:

- free of manipulation, interference and coercion;
- conducted on the basis of timely, relevant, understandable and accessible information;
- undertaken in a culturally appropriate manner;
- inclusive of the vulnerable community impacted by the Project such as tribal, migrants, women group, landless and so on;
- a two-way dialogue and communication process that gives both sides the opportunity to exchange views and information, to listen, and to have their issues heard and addressed; and
- Inclusive of clear mechanisms for responding to people's concerns, suggestions, and grievances in the form of a specific Grievance Redressal Mechanism (GRM)

1.3

LIMITATIONS

This version of the Stakeholder Engagement Plan has been prepared on the basis of the currently available information. At the time of this SEP preparation the household level surveys and data collection had yet to be done to assess baseline and impacts at the family level. However, focussed discussions and group meetings with different stakeholder groups have been carried out. Hence, the discussion in this SEP on impacts is based on secondary data (available from revenue records and meetings with other government departments) and outcomes of the group meetings and consultations. The SEP is a living document and will be updated in course of the finalisation of the SIA and post that by UTCL. This version of the SEP

should be looked at as the first version. This will allow for the SEP to remain a relevant and useful mode of action.

1.4 *STRUCTURE OF THE PLAN*

The layout of the plan is as given under:

Section 1 (this section): provides an introduction and brief background to the project and its salient features, the objectives of designing a SEP along with the specific aims of the SEP for the project as well as the limitations of the SEP

Section 2: discusses the regulations of the government and the funding agency as well the project proponent's internal policies which make the formulation of a SEP mandatory.

Section 3: provides a brief overview of the community in question as well as the challenges faced by the process of stakeholder engagement

Section 4: provides the stakeholder analysis for the project, inclusive of the importance of such an analysis, stakeholder profiles and the mapping of their interests and influences

Section 5: describes the stakeholder engagement process, including the objectives of such an engagement, the methods of consultation, the present status of the engagement, the way forward, the information disclosure process and Grievance Redressal Mechanism, the review and appraisal process along with a description of the resources required for the fulfilment of the various components and a timeline for the same.

2.1 *INTERNATIONAL FINANCE CORPORATION PERFORMANCE STANDARDS*

As has been mentioned above, a SEP is required for various projects as part of the funding requirements from the IFC. Towards this end, a number of guidelines have been incorporated within the IFC Performance Standards (IFC PS) on Social and Environmental Sustainability. These PSs outline the importance of a SEP as well as the manner in which it is to be prepared and executed. The specific PSs which define the expectations regarding stakeholder engagement and are applicable to this project are as follows:

2.1.1 *Performance Standard 1: Social and Environmental Assessment and Management System*

Community engagement has been identified as one of the important components of a project in the PS 1. In keeping with this PS, community engagement is to be undertaken with the affected communities and must be free of external manipulation, interference, or coercion, and intimidation. Also, it must be undertaken in a manner which is culturally appropriate and inclusive and should comprise of relevant, understandable and accessible information.

In order to achieve this, the project proponents must identify the various stakeholders of the project especially the individuals and groups that may be differentially or disproportionately affected by the project because of their disadvantaged or vulnerable status. Where such vulnerable groups are identified the project proponents will propose and implement specific measures aimed at ensuring that any adverse impacts do not fall disproportionately on them and they are not disadvantaged in any manner in sharing the development benefits and opportunities resultant from the project.

Furthermore, in situations where an affected community may be subject to risks or adverse impacts from a project, the proponent must undertake a process of consultation so as to provide the affected communities with an opportunity to express their views on the project risks, impacts, and mitigation measures, as well as allow the proponents to consider and respond to them.

The consultation process is thus to be undertaken in a manner which will ensure the community's free, prior and informed consent (FPIC) and facilitate their informed participation- FPIC requirement is not applicable. While PS 7 is applicable, the requirement of FPIC is not as the Indigenous people are known to be mainstreamed and the ownership of land is not traditional/ customary and all affected tribal households have individual land titles. Further, no tribal families are physically displaced on account of land acquisition.

The informed participation involves organized and iterative consultation, leading to the project proponent incorporating into their decision-making process the views of the stakeholders on matters which affect them directly, such as the proposed mitigation measures, the sharing of development benefits and opportunities, and implementation issues.

Apart from such a consultation process, the project proponents are also to establish a grievance Redressal mechanism, which will allow the affected communities' concerns and grievances about the project proponent's environmental and social performance to be received and allow for steps to be taken to resolve the same. The GRM thus established should be scaled to the risks and adverse impacts of the project. It should address concerns promptly, using an understandable and transparent process that is culturally appropriate and is readily accessible to all segments of the affected communities and at no cost and without retribution to the affected community.

As part of the provisions of PS 1, the project proponent must also establish and maintain a procedure for external monitoring and disclosure. The proponent's must disclose the Social and Environmental Assessment (wherever undertaken) and the Action Plan (the document which describes the measures to be put in place to manage impacts). Apart from this, the proponents must provide periodic reports on the progress of the implementation of the Action Plan and on issues which have been identified as part of the consultation process or the grievance mechanism.

Furthermore, the information pertaining to the purpose, nature and scale of the project, the duration of proposed project activities, and any risks to and potential impacts on communities should be made available to the impacted communities by the project proponent. For the projects with adverse social or environmental impacts, such disclosures should be maintained as an on-going process (not less than annually) and should occur early in the Social and Environmental Assessment process and in any event before the project construction commences. The disclosure of such reports and documents should be in a format accessible to the affected communities, that is, in the locally spoken language (in this case, Hindi or the local Chhattisgarhi language).

2.1.2 *International Finance Corporation Performance Standard 5: Land Acquisition and Involuntary Resettlement (PS 5).*

One of the primary objectives of PS 5 is the avoidance or at least minimization of involuntary resettlement wherever feasible and the mitigation of adverse social and economic impacts from land acquisition or restrictions on affected persons' use of land. In order to achieve this, it is considered essential to ensure that the resettlement activities are accompanied by an appropriate disclosure of information, consultation, and the informed participation of those affected.

As part of the consultation requirements, the project proponent are required to consult with and facilitate informed participation of the affected persons and communities, including host communities, in the decision-making processes related to resettlement post the disclosure of information. Consultations are meant to continue through the process of implementation, monitoring, and evaluation of compensation payment and resettlement so as to achieve outcomes that are consistent with the objectives of this PS.

2.1.3 *International Finance Corporation Performance Standard 7: Indigenous People (PS 7)*

This PS identifies indigenous people as those groups or communities who maintain a collective attachment to distinct habitats or ancestral territories and the natural resources within them. This category also includes those groups or communities who have lost access to such areas or resources due to forced eviction, conflict and dispossession resultant from government resettlement programs, natural disasters, urbanization or private sector projects. The group identified thus as Indigenous People, are considered to be amongst the most marginalized and vulnerable segments of the population, with severe limitations on their ability to defend their rights and participate in and benefit from the development process.

In scenarios where such groups are impacted by a project, the PS requires the project proponents to identify such groups and promote development benefits and opportunities with special emphasis on such vulnerable communities in a manner which is sustainable as well as culturally appropriate. Such benefits and measures should be identified through the process of regular consultations, undertaken along the lines of Informed Consultations and Participation (ICP) and FPIC with the community (refer to PS 1 for applicability). The aim of such benefits should be to preserve and respect the culture, knowledge and practices of such groups while allowing for the benefits from the project to be equally accessible to them.

The engagement process thus undertaken is to include a stakeholder analysis, engagement plan, procedure for disclosure of information and a time bound plan for consultation and participation. The consultations are to specifically involve the representative bodies and organisations of such communities and must also incorporate sufficient time for the Indigenous Peoples' decision-making processes.

2.2 *INDIAN REGULATIONS*

The processes of obtaining regulatory clearance for the project require/mandate dialogue/communication with the community and other stakeholders and disclosure of the project related information. The act/law which has specific reference to the engagement and disclosure process and which could be linked to the SEP is:

- Environmental Impact Assessment Notification 2006

While fulfilling the requirements of this notification, the present SEP in question aims to increase the awareness levels amongst the impacted community and the other stakeholders. This is so as to allow for a promotion of understanding and participation amongst the stakeholders of the various processes involved in the project.

The following sub-sections discuss the salient features of this regulation in terms of the stakeholder engagement which needs to be undertaken.

2.2.1 Environmental Impact Assessment (EIA) Notification 2006

The EIA Notification 2006 prescribes that all category A and B1 projects shall undertake a Public Consultation, whereby the concerns of the locally affected community and others with justified stakes in the environmental and social impacts of the project are identified. This process of public consultation as per the notification is to comprise of a public hearing at the site or in its close proximity in a manner which will allow for the concerns of the local affected persons to be ascertained. This notification also allows for written responses and feedbacks to be obtained from the project proponents and other stakeholders on the various concerns raised by them.

In keeping with the requirements of this notification, the disclosure of the necessary documents as required as a part of the EIA process will be undertaken by UTCL. This documentation will include not only the findings of the EIA study, but also the proposed mitigation measures. UTCL will undertake the mandatory Public Hearing required as part of the EC process.

As has been mentioned above, the project site is located in the district Baloda Bazaar, of Raipur; Chhattisgarh. The land required for the mines and other associated features comprise of both private and government land. While the land for the mines lies wholly within the boundaries of village Guma (157.122 ha); the land required for the conveyor belt (20 ha) lies in villages Guma and Sarseni of the Palari block. At present UTCL has acquired 71% of the land in the Mine Lease (ML) area and 63% of the total assessed land requirement through the process of direct purchase by the mechanism of negotiated settlement.

The following sub sections provide a brief demographic baseline of the impacted community. This will allow for a better understanding of the community to be impacted and thus will enable the decision making to take into account the unique characteristics of the community in question.

3.1 PROJECT AREA BASELINE

3.1.1 Demographic profile

The newly formed district Baloda Bazaar is characterized by a population of more than 1.4 Lakh individuals. This population is characterised by a high sex ratio of 1003 (higher than the national average of 917) and a literacy rate of 69% (higher than the national average of 65.38%). The district however has a low Worker's Participation Ratio (WPR)¹ of 27.82. It is within this district that the area of influence for the project lies, being defined as the area falling within the 10 km radius to the project site (see figure 3.1). This area of influence includes around 100 villages, in the tehsils Palari, Simga, and Baloda Bazar and thus displays similar characteristics to the district. The demographic profile of the villages lying in the immediate vicinity of the project site (0-2.5 km radius) is given in table 3.1

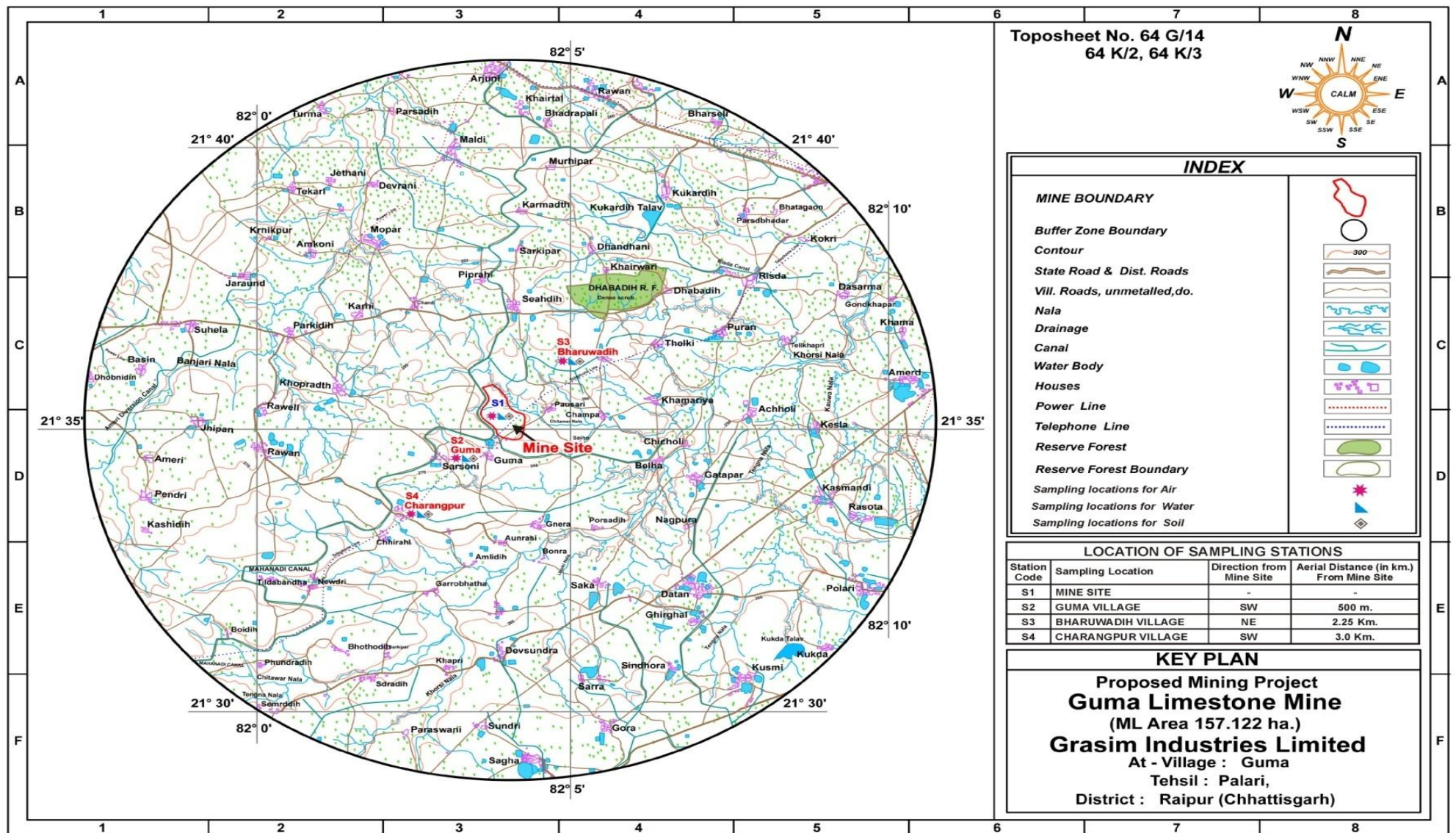
Table 3.1 Demographic Profile of Villages in the 2.5 km radius

Name of Village	Area*	Total Population	% ST Population	% SC Population	Number of HHs	Population Density	Literacy	Sex Ratio
Sarseni	597	1036	14.48	7.34	203	174	56.08	981
Guma	786	1113	15.00	2.16	236	142	53.28	956
Pausari	406	1276	12.77	17.01	242	314	62.93	1000
Champa	301	595	13.78	10.76	137	198	50.76	1212
Thelki	299	414	9.90	32.37	90	138	67.87	1070
Bharuwadih	225	452	1.55	15.48	88	201	65.48	1054

Source: Census of India 2001. Note: * Area in Hectares, ST- Scheduled Tribes, SC- Scheduled Caste, Sex Ratio- Number of females per 1000 males

¹WPR or Worker Participation Rate is the ratio of working population (both main and marginal workers) to the total population (both working and non-working population) of the town/village

Figure 3.1 Project Area Map



As can be seen from the table, the villages in the vicinity are all small villages with 90 to 242 households each and the population density varying from 138 to 314 persons per square km (as per Census 2001). The literacy rate in these villages is low on an average with even lower female literacy rates.

The villages in the influence area perform considerably better in terms of their sex ratios if compared to the national ratio of 917, with an average of 1043 females per thousand males (approximately). This is accompanied by four villages; namely Thelki, Pausari, Bharuwadih and Champa having positive sex ratios. In terms of WPR as well, the villages have better numbers than the district average, with only the village Pausari having a WPR less than the district rate. Also, the villages Champa, Sarseni and Guma have more than 40% of their population employed.

The proportion of SC and ST populations in the villages lying within the 0-2.5 km radius is on an average around 11% and 13% respectively albeit with considerable variation amongst the villages. Village Guma has the highest share of ST population at 15%. However it also has the lowest SC population (approximately 2% only). On the other hand village Thelki has the highest proportion of SC population (32.37%). Nevertheless what must be kept in mind is that, these village averages of tribal populations are much lower than the state average of 31% (approximately).

3.1.2 *Social Groups*

While the state of Chhattisgarh is known to have a sizeable portion of Schedule Tribe Population (31% approx.) with the main tribes being the Gond, Binjhar, Dhanwar, Khariya, Kamar, Kondh, and Bhunjia, the project influence area's tribal population is low and is known to be comprised solely of the Gonds. Apart from the Gonds, the project area is inhabited by Hindus, comprising mostly of Other Backward Castes (OBCs) such as Sahu, Verma, Rawat, Lohar, Teli, and Kurmi.

4.1

INTRODUCTION

“Stakeholder Analysis” is the process of identifying the individuals or groups that are likely to affect or be affected by a proposed project, and sorting them according to their impact on the project and the impact the project will have on them. This information is then used to assess the manner in which the interests of the stakeholders should be addressed in the project plan, policy, program, or other action.

The importance of such an analysis lies in the role played by such an understanding in the assessment of the socio-political environment surrounding the project. It allows for the:

- Identification of the interests, concerns and potential risks surrounding the stakeholders, as well as conflicts of interests (if any).
- Identification of relations between stakeholders that may enable "coalitions" of project sponsorship, ownership and co-operation as well as the mechanisms which may have a role in influencing other stakeholders.
- Key groups/ individuals to be pin pointed who need to be informed about the project during the execution phase.
- Identifying stakeholders (those who are likely to have an adverse impact on the project) and taking appropriate measures to combat their influence;
- Generation of information essential to the planning, implementation and monitoring of the project; and;
- Development of a framework for participatory planning and implementation of various project activities

The identification of stakeholders and their inclusion in the decision making process is thus essential in the process of prioritising, analysing and addressing issues; and in creating management systems and strategies to address the concerns/ expectations of the various stakeholders.

The following sub sections provide a profile of the various stakeholders in the project as well as their concerns and relative influence in regards to the project. *It must be kept in mind that the present analysis has been undertaken on the basis of the information presently available with ERM and UTCL, which pertains to the acquisition of 71% of the total required land and a sample of 196 landowners.*

4.2

STAKEHOLDER PROFILE

A stakeholder is “a person, group, or organization that has a direct or indirect stake in a project/organization because it can affect or be affected by the Project/organization's actions, objectives, and policies”. Stakeholders thus vary in terms of degree of interest, influence and control they have over the project. While those stakeholders who have a direct impact on or are directly

impacted by the project are known as **Primary Stakeholders**, those who have an indirect impact or are indirectly impacted are known as **Secondary Stakeholders**. Keeping in mind the nature of the project and its setting, the stakeholders have been identified and listed in the table given below.

Table 4.1 Stakeholder Group Categorization

Stakeholder Groups	Primary Stakeholders	Secondary Stakeholders
Community	<ul style="list-style-type: none"> Land owners: 100% Land Losers , Tribal land losers, Other losers Encroachers, any other users Sharecroppers Agriculturallabourers Vulnerable Groups^{1/} 	<ul style="list-style-type: none"> General community Opinion makers Religious leaders Village elders Middlemen Villages within the project impact area School going children
Institutional Stakeholders	<ul style="list-style-type: none"> Affected Gram Panchayat Project investors (IFC) 	<ul style="list-style-type: none"> Village Institutions (schools, health centres); Political Parties
Government Bodies	<ul style="list-style-type: none"> Regulatory Authorities; District Administration Line departments at the district/block level 	
Other Groups		<ul style="list-style-type: none"> Local NGOs Media Other industries/projects External influences

4.3

STAKEHOLDER MAPPING

“Stakeholder mapping” is a process of examining the relative influence that different individuals and groups have over a project as well as the influence of the project over them. The purpose of a stakeholder mapping is to:

- Identify each stakeholder group;
- Study their profile and the nature of the stakes;
- Understand each group’s specific issues, concerns as well as expectations from the project that each group retains.
- Gauge their influence on the Project;

On the basis of such an understanding, the stakeholders are categorised into High Influence/Priority, Medium Influence/ Priority and Low Influence/Priority. The stakeholders who are categorized as high influence are those who have a high influence on the project or are likely to be heavily impacted by the project activities, and are thus high up on the project proponent’s priority list for engagement and consultation. Similarly, the stakeholders categorized as medium influence are those who have a moderate influence on the project or even though they are to be impacted by the project, it is unlikely to be substantial and is thus neither high nor low in the project proponent’s list for engagement. On the other hand, the stakeholders with low

(1) ¹Vulnerable groups could be traditionally backward and marginalized castes/ communities, Women headed households, Differentially abled people, old, infirm, Below Poverty Line (BPL) families and abandoned people and so on

influences are those who have a minimal influence on the decision making process or are to be minimally impacted by the project and are thus low in the project proponent's engagement list.

The following table provides brief profiles of the various stakeholders in the project as discussed in the previous sub section along with their key concerns in association of the project and their degree of influence.

Table 4.2 Stakeholder Profiles and Opinions

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
Primary	Landowners: 100% land Losers	This category comprises of those land losers (48 in the sample of 196) whose entire land holdings have been impacted due to the land take for the project. While 11 of these PAFs have purchased replacement land from the compensation amount, 19% of the PAFs still remain landless. This category of land owners is further sub divided into three categories of large land owners (more than 10 ha), medium land owners (2-10 ha) and small land owners (1-2 ha)	The primary concerns of these stakeholders pertain to the adequacy of the mitigation measures to be undertaken by UTCL in mitigating the project impacts on their livelihoods. Apprehensions surround the impacts the project may have on the PAFs in the absence of sound livelihood restoration programme. These concerns are the strongest amongst the small and medium land owners who have lost 100% of their land holdings due to the land acquisition for the project.	The expectations of these stakeholders are as follows: <ul style="list-style-type: none"> Adequate compensation for mitigation of the project impacts Formulation and implementation of comprehensive livelihood restoration programmes and other community development programmes so as to mitigate the impacts of the project (landlessness) Timely and complete sharing of information pertaining to the project by UTCL 	This group would be the most impacted in terms of economic/livelihood impacts. Absence of a livelihood restoration programme and resettlement planning may result in the creation of negative opinion against the project.	High
	Landowners: Tribal	The tribal PAFs belong to the <i>Gond</i> tribe and comprise of 19% of the total PAFs of the project and own approx. 65 acres of out of the 437.68 acres required for the project. These PAFs are similar to the non-tribal community in the village in terms of their livelihood, living conditions and cultural practices. However, this group has been differentiated from the rest of the community in terms of the statutory regulations which need to be followed in terms of the land acquisition process for the project. This is so because according to the	The primary concerns of these stakeholders pertain to the delays being faced in the process of land purchase due to the constitutional provisions applicable. These stakeholders expressed their concern regarding the adequacy of the mitigation measures to be undertaken by UTCL. Another concern	The expectations of these stakeholders are as follows: <ul style="list-style-type: none"> Assistance from UTCL in obtaining the District Collector's approval for the purpose of land sale. Adequate compensation for mitigation of the impacts of the project (land loss) Formulation and implementation of comprehensive livelihood restoration 	Absence of a livelihood restoration programme and resettlement planning may result in the creation of negative opinion against the project.	High

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
		Constitution of India (Schedule V) any purchase of tribal land (that is owned by a member of the Schedule Tribes) requires the permission of the District Collector.	surrounding these stakeholders was the impact of the project activities on their group identity and lifestyles	programmes and community development programmes <ul style="list-style-type: none"> Timely and complete sharing of information pertaining to the project by UTCL 		
	Landowners: Other	This category of landowners comprise of the non –tribal PAFs who have lost only portions of their as part of the land acquisition for the ML area	The primary concerns of these stakeholders pertain to the impacts of the project on their livelihoods and the adequacy of the mitigation measures to be undertaken by UTCL.	The expectations of these stakeholders are as follows: <ul style="list-style-type: none"> Adequate compensation for mitigation of the project impacts (land loss) Formulation and implementation of comprehensive livelihood restoration programmes and community development programmes Timely and complete sharing of information pertaining to the project by UTCL 	Absence of a livelihood restoration programme and resettlement planning may result in the creation of negative opinion against the project.	High
	Encroachers	The ML area has been observed to have a small amount of encroachment onto the government land. This encroachment is however, minimalist and is done for the purpose of agriculture by those owning land next to the government land. This encroachment has been done by the pushing of the boundaries of the privately owned land into the government land.	The primary concerns of these stakeholders surround the apprehension that due to the fact that the land in question is not owned by them, compensation for the encroached land would not be provided and would thereby impact their livelihood	The expectations from the project pertain to the following: <ul style="list-style-type: none"> Awarding of adequate compensation for the land lost. Formulation and implementation of comprehensive community development programmes 	Absence of adequate compensation and a livelihood restoration programme may result in the creation of negative opinion against the project.	Medium-low: The encroachment onto the government land in the ML area appears to be minimalist, thereby indicating to a medium or low

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
				<ul style="list-style-type: none"> Timely and complete sharing of information pertaining to the project by UTCL 		impact depending on the amount of encroachment.
	Share Croppers	<p>According to the information presently available with ERM and UTCL, a total of 18 share cropper families have been identified on the impacted land. This number however may increase as more information is made available.</p> <p>These share croppers comprise of individuals from within the village Guma as well as the neighbouring villages who are involved in the practice of leasing in land for the purpose of agriculture</p>	The primary concern of these stakeholders pertain to the impact of the land acquisition upon their livelihood	<p>The expectations from the project are:</p> <ul style="list-style-type: none"> Adequate compensation for mitigation of the project impacts Formulation and implementation of comprehensive community development programmes Timely and complete disclosure of information pertaining to the project by UTCL 	Absence of adequate compensation and a livelihood restoration programme may result in the creation of negative opinion against the project.	High
	Agricultural Labourers	These stakeholders comprise of those residents of Guma or surrounding villages for whom an important source of livelihood is working as labourers in the fields of others. These stakeholders, thus do not own any land of their own. However, it must be kept in mind that the Information pertaining to this group of stakeholders is presently unavailable	The primary concern of these stakeholders pertain to the impact of the land acquisition upon their livelihood	<p>The expectations from the project are:</p> <ul style="list-style-type: none"> Adequate compensation for mitigation of the project impacts Formulation and implementation of comprehensive community development programmes Timely and complete disclosure of information pertaining to the project by UTCL 	Absence of a livelihood restoration programme and resettlement planning may result in the creation of negative opinion against the project.	High
	Vulnerable Communities	Vulnerable groups comprise of the traditionally backward and marginalized castes/ communities, women, women headed households, differentially abled	The primary concerns of these stakeholders pertain to the formulation of community development	<p>Expectations from the project are:</p> <ul style="list-style-type: none"> Formulation of mitigation measures (in terms of R 	Despite the fact that these groups may not be able to exert much influence on the project	Low: low impact on the project due little or no say

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
		people, old, infirm, Below Poverty Line (BPL) families and abandoned people and so on	and mitigation measures in such a manner while keeping in mind their specific needs.	&R compensation and other Community Development Activities)which would cater to the specific requirements of each of these groups <ul style="list-style-type: none"> • Timely and complete disclosure of information pertaining to the project by UTCL 	& project activities	in the community,
	Guma and Sarseni Gram Panchayat	The Panchayat the lowest levels of local governance and consists of one or more revenue villages. This body of local governance was accorded with a number of responsibilities and powers as part of the 73 rd Amendment to the Constitution. As part of this, most of the rural development schemes and funds for central schemes are channelled through this body of governance. Also, it is the Panchayat who are bestowed with the decision making authority for economic development and social justice. Thus in order for the smooth and proper functioning of the project, the consent of the Panchayat is imperative.	The primary concerns of these stakeholders pertain to the impacts of the project on the village, adequacy of the mitigation measures to be undertaken by UTCL.	The expectations of these stakeholders are as follows: <ul style="list-style-type: none"> • To be adequately informed and involved in the project implementation mitigation process at the project level • To be involved in the formulation and implementation of the compensation and the livelihood restoration programmes and community development programmes • Formulation and implementation of comprehensive livelihood restoration programmes and other community development programmes • Adequate compensation 	Most of the communication and development activities are routed through the Panchayat. Furthermore, the Panchayat members are extremely important as opinion makers within the community and are thus critical in securing the support of the local community	High: Extremely important stakeholders for opinion making and the smooth functioning of the project.

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
				for mitigation of the project impacts <ul style="list-style-type: none"> Project benefits to villages on the basis of the level of impact (maximum benefits to village Guma) 		
	Project Investors (IFC)	The IFC as the project investor has a number of requirements which must be fulfilled for various projects. These requirements are enlisted as guidelines within the IFC Performance Standards (IFC PS) on Social and Environmental Sustainability	The primary concerns of these stakeholders are the proper compliance of the project to the PSs as well as the government regulations. Another concern for the IFC is the adequate mitigation of the negative impacts of the project	The expectations of these stakeholders are as follows: <ul style="list-style-type: none"> Compliance with the applicable PSs such as engagement of the community along the principles of FPIC Adequate compensation for mitigation of the project impacts Timely and complete disclosure of information pertaining to the project by UTCL Provision of regular updates in regards to the progress of the project 	As the investors in the project, the influence of IFC is high.	High: high influence due to role as project investor
	Regulatory Authorities	The regulatory authorities comprise of the central, state and district level bodies generally involved in the determination of compensation, providing environmental and land clearances for various project components. These include the departments such as forest, revenue, agriculture, health, energy, irrigation, public works, sanitation amongst others	The primary concern of these stakeholders is that the project complies with all the regulatory requirements applicable on the project.	The expectations of these stakeholders from the project are: <ul style="list-style-type: none"> Compliance with the regulatory requirements applicable Timely and complete disclosure of information pertaining to the project by UTCL Provision of regular updates in regards to the 	Abidance with the various rules and regulations of such authorities and the various clearances required from the same are instrumental in the smooth functioning of the project	High: The consent and permissions from these departments are imperative for the implementation of the project.

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
				progress of the project		
	District Administration	The project area is administered by government bodies at three levels: at the district level, at the taluka/ block level and at the <i>Panchayat</i> level in each village. The process of decentralisation has resulted in substantial decision making authority being vested in the district authorities with substantial funds being routed through them towards fund development. Accordingly, the bureaucracy under the Block Development Officers, District Education Officers, the village secretary, <i>Patwari</i> and so on have become extremely influential	The primary concern of these stakeholders is that the project complies with all the regulatory requirements applicable on the project. Another concern of the District Administration pertains to the insurance of the maintenance of law and order situations in the villages and avoidance of any unrest and situations of violence in the village	The expectations of these stakeholders from the project are: <ul style="list-style-type: none"> Compliance with the regulatory requirements applicable Timely and complete disclosure of information pertaining to the project by UTCL To be adequately informed & involved in the project activities 	These authorities not only serve as important points of contact for villagers or other party wanting to liaise with higher authorities but are also critical in obtaining permissions and support for the various project activities.	High: The consent and permission from the district administration is essential for the implementation of the project
Secondary	General Community	This stakeholder group comprises of the members of the village Guma, who even though have not lost any land to the ML area are to be heavily impacted by the mining and other ancillary activities due to the Mine being located within the village boundary. The total population of the village is approx.1113 individuals of which 15% are ST and 2% are SC (according to 2001 census)	The primary concerns of these stakeholders pertain to the adequacy of the mitigation measures in abating the project impacts. Another important concern of the stakeholders pertains to the impacts of the project on the lifestyles and practices of the community. These impacts pertain to not only the influx of migrant population during the operations of the project, but also to the diversion of key resources (such as roads) due to the project	Expectations from the project are: <ul style="list-style-type: none"> Formulation and implementation of adequate community development programmes Adequate compensation for mitigation of the project impacts in terms of R & R compensation Timely and complete disclosure of information pertaining to the project by UTCL 	The support of the community is extremely important for the smooth functioning of the project. Also conflict with the community is likely to result in cost and time over runs	High
	Religious Leaders	This stakeholder group comprises of those who are respected amongst the community due to their standing amongst the religious	The primary concerns of these stakeholders pertain to the adequacy of the	Expectations from the project are:	Apart from the Panchayat and Elders, this group has the	Medium: Important role as opinion

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
		communities. Their opinions have a considerable impact on shaping the opinion of the community. Within the village Guma, these stakeholders not only include the village priests but also the religious leaders of the <i>Gonds</i> residing in the village	mitigation measures in abating the project impacts. A concern voiced by these stakeholders pertained to the impact of the project on the culture of the community due to the high influx of migrant labourers and other personnel which is expected to accompany the project operation	<ul style="list-style-type: none"> • Formulation and implementation of community development programmes • Adequate compensation for mitigation of the project impacts in terms of R & R compensation and other Community Development Activities • Formulation and implementation of policies to ensure minimal external influences on the community (such as labour policies) • Timely and complete disclosure of information pertaining to the project by UTCL 	potential of influencing the community to a varying degree	makers
	Village Elders	Village elders are those who are considered by the village community as wise and experienced due to their age. The opinion of such members of the community is given special attention by the youth of the village while making decisions	The primary concerns of these stakeholders pertain to the adequacy of the mitigation measures in abating the project impacts.	<p>Expectations from the project are:</p> <ul style="list-style-type: none"> • Formulation and implementation of community development programmes to ensure the entire community's benefit from the project • Adequate compensation for mitigation of the project impacts in terms of R & R compensation • Timely and complete disclosure of information 	Just as the Religious leaders, the Village elders have the potential of influencing the community to an extent	Medium: Important role as opinion makers

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
				pertaining to the project by UTCL		
	Villages within the project impact area	The villages within the project impact area are the approx. 75 villages which lie within the 10 km radius of the ML area. The relevance of these villages will be correspondent to the distance at which they are located from the ML area, with those who are lying within the 0-2.5 km radius being likely to have the maximum influence over the project, while being the most heavily impacted beyond the immediate community	The primary concerns of these stakeholders pertain to the project benefits which would percolate to them	Expectations from the project are: <ul style="list-style-type: none"> Adequate community development measures and other project benefits 	The support of these villages will enable the smooth functioning of the project	Medium-Low: depending upon distance of village from the village Guma, the ability to influence the project and be influenced by it will vary.
	School Going Children	The school going children from the surrounding villages are to be impacted due to the fact that the main road connecting the village Guma to Pausari and Sarseni is going to be diverted as its current alignment runs through the middle of the ML area. The impact on this group is to be on the lines of altered approaches to the sole Secondary school in the 2.5 km radius, which is in the village Guma	The primary concern of these stakeholders pertains to the impact the project is in terms of increased hardships to be faced in accessing the school (due to diversion of road), increased risk of accidents (due to increased road traffic) amongst others	The expectations of the stakeholders from this project pertain to the provisioning of an alternative road by UTCL without drastically increasing the travel time required.	Due to the fact that the road diversion is unlikely to drastically increase the travel distance or time, the influence of the project on this group is unlikely to be substantial	Low: Low impact of project due to diversion of road
	Political Parties	Political parties in such areas, showcase a keen interest in the working of the various projects in the region. They play a key role in sensitising people and developing public opinion. The political parties also play a key role in the negotiation process as well as the public hearing	The primary concerns of these stakeholders pertain to the provisioning of adequate compensation to the impacted communities	The expectations of these stakeholders from the project are: <ul style="list-style-type: none"> Compliance with the regulatory requirements applicable Timely and complete disclosure of information pertaining to the project by UTCL Provision of regular updates in regards to the 	Political parties in any region are capable of influencing (to a varying degree) the public opinion regarding a project or a component of the project.	Medium-High: Influence as opinion makers is known to be high in the region

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
				progress of the project <ul style="list-style-type: none"> Adequate compensation for/ mitigation of the project impacts in terms of R & R compensation and other Community Development Activities Maximum benefit to their respective constituencies 		
	Local NGOs	The local NGOs have a very limited presence and primarily deal with issues like tribal development programmes, sanitation, improvement of education and rural development.	The primary concerns of these stakeholders pertain to the provisioning of adequate mitigate measures and community development programmes by UTCL	The expectations of these stakeholders from the project are: <ul style="list-style-type: none"> Timely and complete disclosure of information pertaining to the project by UTCL Provision of regular updates in regards to the progress of the project Adequate compensation for mitigation of the project impacts in terms of R & R compensation and other Community Development Activities Involvement of the local NGOs in the identification of these mitigate measures Engagement of UTCL in the NGO activities so as to contribute towards the development of the region 	Even though the influence of these stakeholders is extremely limited due to the low presence in the region, they can play an extremely important role in forming public opinions regarding the project	Low Influence limited due to scarce presence in project area
	Media	The regional press (both print and audio-	The primary concerns of	The expectations of these	These stakeholders	Medium:

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
		visual) has in the past showcased a keen interest in the mining projects coming up in the region. They are known to have played an extremely important role in generating awareness in previous projects, especially so in the processes such as the public hearing	these stakeholders pertain to the provisioning of adequate mitigate measures by UTCL as well as compliance of the project to the statutory requirements applicable.	stakeholders from the project are: <ul style="list-style-type: none"> • Timely and complete sharing of information pertaining to the project by UTCL • Provision of regular updates in regards to the progress of the project • Adequate compensation for mitigation of the project impacts in terms of R & R compensation and other Community Development Activities 	play an important role in generating awareness and forming public opinion through the dispersion of information	influence the opinion of not only local community but others as well through circulation of information
	Other Industries/ projects	A number of other mining projects for companies such as Shree Cement are also in the pipelines and are likely to come up in the immediate vicinity of the project in a short span of time.	The primary concerns of these stakeholders pertain to the issues which may arise due to differential compensations across projects. This is a concern as in cases of UTCL providing high compensation packages or better community development programmes; it is likely to create benchmarks for the other companies. These benchmarks would then have to be matched by the others so as to ensure the smooth functioning of their projects, which they may not be in a position of undertaking.	The expectations of these stakeholders involve collaboration across the projects in terms of investments made in the community development activities as well as the compensation packages provided	Collaboration with the other mining companies in the region will allow for the optimization of the investments made by the project proponents towards the community development activities	Low: low impact due to limited influence of the project and on the project activities

Stakeholder Category	Relevant Stakeholders	Profile/Status	Concerns surrounding the project	Expectations from the project	Influence on Project	Rating of Stakeholder Influence
	External Influences	These stakeholders comprise of residents from neighbouring villages or districts (such as lawyers or community spoke persons) who appear to be influential in the opinion formation amongst the impacted villages. These stakeholders would not only comprise of people who are working for the benefit of the community but also those who maybe opportunistic and on the lookout to achieve personal gains.	The primary concerns of these stakeholders pertain to the opinion that the present mitigation measures being undertaken appear to be insufficient	The expectations of these stakeholders involve Adequate compensation for mitigation of the project impacts in compliance with the state Resettlement and Rehabilitation Policy	These stakeholders appear to have an important role to play in terms of in forming public opinions regarding the project	Medium: despite the fact that these influences appear to play an important role in opinion formation their limited numbers curb their influence

5.1 OBJECTIVES OF ENGAGEMENT

As has been mentioned earlier the process of Stakeholder Engagement refers to the exchange of information, as well as communication with the stakeholders. The primary focus of such an engagement process is to allow for the project proponent and the stakeholders to develop a relationship based on mutual understanding and trust on issues of common interest. Such relationships are enabled by a better understanding of the stakeholders and their perspective on key issues. This in turn allows for informed decision making to take place through the generation of business intelligence, and the building of brand equity and reputation, developing and expanding markets or opportunities as well as avoiding and reducing risks.

This section outlines the manner in which UTCL is to undertake the engagement process with the stakeholders identified in the previous section, keeping in mind their individual profiles and interests. Apart from the methods of consultation, a summary will also be provided of the present status of the engagement process, as well as the way forward from there. This section is also to outline the resource requirement for the recommended engagement as well as the disclosure process, Grievance Redressal Mechanism (GRM) and monitoring mechanisms to be put in place.

5.2 METHODS OF CONSULTATION

For the purpose of undertaking a consultation and engagement process with such a diverse set of stakeholders it is imperative to tailor the consultation process to each stakeholder's individual profiles, purpose and objectives.

This is so because the utilization of a common *modus operandi* for the all stakeholders and that too for the whole project duration may result in the failure of the engagement process in achieving its goals.

Towards this end, the methods of consultation to be undertaken by the project proponent for the individual stakeholders are summarized in the table given below. While the consultations with the community are/will be carried out within the village boundaries, according to the convenience of the stakeholders involved, the consultations with the other stakeholders (IFC, District Administration, Political parties amongst others) are/will be carried out in the offices of the stakeholders.

Table 5.1 *Methods of Consultations and Engagement*

Stakeholder	Stakeholder Category	Stakeholder Influence	Methods of Consultation and Engagement
PAFs	Primary Stakeholder	High	Open consultation meetings, meetings (group and individual) and Discussions, Social Impact Assessment sharing of reports and other documents as part of the disclosure mechanism, meetings as a part of the Grievance Redressal mechanism
Encroachers	Primary Stakeholder	High	Open Consultations, meetings (group and individual) and Discussions, Social Impact Assessment sharing of reports and other documents as part of the disclosure mechanism, meetings as a part of the Grievance Redressal mechanism
Guma and Sarseni Gram Panchayat	Primary Stakeholder	High	Consultations, meetings (group and individual) and Discussions, Social Impact Assessment sharing of reports and other documents as part of the disclosure mechanism, meetings as a part of the Grievance Redressal mechanism, attendance at Panchayat meetings
Sharecroppers	Primary Stakeholder	High	Consultations, Discussions and Meetings, Semi Structured Interviews and checklists, and meetings as part of the GRM
Agricultural Labourers	Primary Stakeholder	High	Consultations, Discussions and Meetings, Semi Structured Interviews and checklists and meetings as part of the GRM
Vulnerable Community	Primary Stakeholder	Medium	Discussions, meetings and consultations with each category, meetings as part of the GRM
Regulatory Authorities	Primary Stakeholder	High	Meetings and Discussions
IFC	Primary Stakeholder	High	Regular meeting and discussions and sharing of reports and other documents
District Administration	Primary Stakeholder	High	regular meetings (monthly or as & when required)
General Community	Secondary Stakeholder	High	Monthly Group Meetings, interactions at the Gram Panchayat , sharing of reports and other documents as part of the disclosure mechanism and the GRM
Religious Leaders	Secondary Stakeholder	Medium	Discussions, meetings and consultation, Semi Structured Interviews and checklists and meetings as part of the GRM
Village Elders	Secondary Stakeholder	Medium	Discussions, Meeting and Consultation, Semi Structured Interviews and checklists and meetings as part of the GRM
Villages within the Project Impact Area	Secondary Stakeholder	Medium-Low	Interactions at the annual Gram Panchayat Meetings, Discussions and consultation, Semi Structured Interviews and checklists
School going Children	Secondary Stakeholder	Low	Discussions, Consultations and meetings (including those as part of the GRM)
Political Parties	Secondary Stakeholder	Medium	Meetings with the local representatives
Local NGOs	Secondary Stakeholder	Medium	Regular Meetings
Media	Secondary Stakeholder	Medium	disclosure of information and meetings
Other Industries	Secondary Stakeholder	Low	Regular Meetings
External influences	Secondary Stakeholder	Medium	Regular Meetings

The process of engagement and consultation in any project is a process which spans the entire lifetime of a project, from its inception to its closure. This process along with its modus operandi is crucial in safeguarding the project against any social risks. Therefore a number of recommendations are made in regards to the measures which UTCL should take with immediate effect in order to strengthen its present relationships with the various stakeholders to ensure the smooth functioning of the project.

5.3.1

Tools for Consultation

As can be seen from the table given above, the methods recommended for the consultations and engagement with each stakeholder varies according to their profile. Some of the most common tools of engagement and consultation are discussions, consultations and meetings. These modes of engagement can be undertaken in the forms of groups or at individual levels. These serve the purpose of allowing the project proponents to gain an understanding of the viewpoint of the other stakeholders involved in a project in regards to the functioning of the project, the implementation of various provisions in the project. These modes of engagement also provides the stakeholder with an opportunity to be involved in the formulation and implementation of the various strategies and plans while allowing them to voice their concerns or suggestions pertaining to the project.

One of the most forms of undertaking these consultations and discussions is that of **Focus Group Discussions** and **Semi-structured and Structured Interviews**. A Focus Group Discussion (FGD) refers to a discussion carried out amongst a group of people (6-8) from a similar background/profile on a specific topic while being guided by a moderator. The primary purpose of such discussions is to gather an insight into the thought process of the group in regards to a particular issue. Apart from FGDs, general discussions with either the community or individual representatives are also undertaken as part of the engagement process. Apart from discussions, the process of Semi-Structured interviews and checklists is used as a method of inquiry in which a pre-determined set of open questions or check points are used to gather further information pertaining to specific themes or issues.

Apart from these discussions and interviews, **Regular Open Meetings** and **Open Group Consultations** also serve as extremely important tools for the purpose of community engagement. These meetings and consultations not only form a part of certain regulatory requirements (such as public hearing) but also serve as useful tools for gathering information from larger groups (for instance, attendance of the annual Gram Sabha meetings). These meetings and consultations typically involve a notification (to publicise the matter to be consold upon) and a consultation (a two way flow of information).

Finally one of the most important aspects of any consultation or engagement process is the process of **information disclosure**. This process as well is not

only part of certain regulatory requirements (public hearings as part of the EIA process) but also a requirement of the investors in the project; that is; IFC. The process of information disclosure can be undertaken in two manners, either voluntary disclosure or disclosure as part of the regulatory requirements.

While regulatory disclosure involves the provisioning of information as required by the authorities and agencies involved in the project, voluntary disclosure refers to the process of disclosing information to the various stakeholders in a voluntary manner. The process of disclosure involves the provisioning of information in an accessible manner (a manner which allows for easy understanding, such as in the local language) to the various stakeholders in a project.

This disclosure not only allows for trust to be build amongst the stakeholders through the sharing of information but also allow for more constructive participation in the other processes of consultation and resolution of grievances due to availability of accurate and timely information.

The disclosure mechanism for the purpose of this project has been discussed in detail in the section 5.3.5, along with a description of the manner in which the information will be disclosed as well as the procedure for the incorporation of the suggestions received and subsequent feedback. Due to the fact that the engagement process for the project is presently under way, a summary of the present status of the engagement process is provided in the following sub section before a discussion is carried out of the steps UTCL needs to take in the future.

5.3.2 *Present Status of Engagement*

As is the case with all projects, the Guma Mine project has a number of diverse stakeholders; who have been involved in its various stages; from its very inception. The following table provides a summary of the engagement process as it stands in the present.

Table 5.2 *Present Status of Engagement Process*

Phase	Key Stakeholders	Engagement Status
Phase 1: Stakeholder Engagement as a part of Project Inception phase		
Allotment of coal block	Ministry of coal	Complete
Mine Plan approval	DGMS, Ministry of coal	In Process
Phase 2: Stakeholder Engagement as a part of Regulatory Requirements for Pre-Mining Phase		
Community consultation and public hearing for EC	PAFs and General Community	To be Planned
Community engagement under LAA for tribal land acquisition	Tribal PAFs	In Process

Phase	Key Stakeholders	Engagement Status
Phase 3: Stakeholder Engagement as a part of Independent Environment and Social Due Diligence	Stakeholder having influence over or getting affected by the project	Complete
Phase 4: Stakeholder Engagement as a part of Main SIA process		
Community consultation at 10 km radius of ML area (Household survey, FGDs, Meetings, interviews amongst others)	PAFs and General Community	In Process
Disclosure of SIA	All stakeholders	To be planned(tentative date: February 2013)
Phase 5: Stakeholder Engagement as a part of regulatory requirement before initiating Mining		
Consent to establish and consent to operate	Regional Pollution Control Board	To be planned
Phase 6: Stakeholder Engagement during project operation		
Day to day communication and managing R&R and other social issues, periodic meetings	PAFs (emphasis) and other stakeholders	To be planned
Set up Grievance Redress Cell	PAFs, General Community, Guma Panchayat, Villages within the Project Impact area	To be planned (tentative date February 2013)
Submitting regular environmental monitoring report	Regional Pollution Control Board	To be planned
Engagement with local administration	District Magistrate, SDM, Patwari, Tehsildar and so on	To be planned
Engagement with active political leaders, village representatives	MLA, MP, any other important political leader	To be planned
Phase-7: Completion of R&R Action Plan (as required)		
External Monitoring and evaluation	External specialist agency	To be planned

5.3.3 *Challenges in Stakeholder Engagement*

During the above mentioned process of engagement described above (mostly group consultations and discussions), a number of challenges were identified which required specific attention of the project proponent.

Land Purchase Price

One of the biggest concerns raised by the community during the consultations undertaken was pertaining to the rate at which the land was being purchased by UTCL. The primary concerns surrounding this were raised by the impacted communities during the initial years of land acquisition (2008-2010). During this period, UTCL provided compensation at the rate of INR 2.5 lakh – 8 lakh/ acre (in keeping with the regulatory requirements applicable).

The community being of the opinion that such compensation amounts were insufficient for the full rehabilitation of the land losers cited the examples of other instances where land losers in other projects had received higher rates of compensation and demanded higher purchase rates for the land required. After a series of consultations with the community, UTCL agreed to undertake future land purchases at the rate of INR 15 lakh/ acre or INR 37.05 lakhs/ha. As a consequence from 2010 onwards 112.25 ha (approximately) of land have been purchased from 191 PAFs so far at these new rates.

The community has also made a demand to UTCL, to provide the difference amount to those Land losers whose land was purchased prior to 2010 and at lower rates (5 land losing families).

A decision regarding this matter is in the process of being made by UTCL.

Physical and Economic Displacement

Apart from the land purchase price, a number of concerns were also raised by the community regarding the process of displacement due to the project, whether physical or economic. According to the information presently available with UTCL and ERM, approximately 244 households are to be directly impacted by the process of land acquisition (economic displacement). However, according to the present Mine Lease boundaries, it appears that 15 PAFs are likely to be physically displaced due to the land acquisition.

The community expressed concerns regarding the negative impacts which may result from this displacement and thereby demanded proper and adequate mitigation of the same.

UTCL is in the process of exploring the viability of altering the ML boundary in a manner so as to avoid any physical displacement of the PAFs. Furthermore, the entitlement matrix for the PAFs based on the state Resettlement and Rehabilitation Policy is being developed.

Having said this, it is important to note that in a situation where physical displacement of the PAFs is deemed unavoidable, the project proponent will undertake the preparation and implementation of a comprehensive Resettlement Action Plan (RAP).

Resettlement and Rehabilitation

During the consultations undertaken by UTCL and ERM, the impacted community also voiced their concerns regarding the adequacy of the Resettlement and Rehabilitation (R & R) measures being proposed by UTCL. The community is of the opinion that additional steps need to be taken to ensure that the negative impacts on the Project Affected Families (PAFs) are minimized. To this effect they seek the implementation of the state R&R policy and its provisions therein.

Keeping in mind this view of the community, UTCL has developed an entitlement matrix. The entitlement matrix along with the Social Impact Assessment would be shared with community/stakeholders once it is finalised so as to allow for the feedback of the stakeholders to be incorporated into the final entitlement matrix. Please note that the entitlement matrix will be finalized in consultation with the affected community. The entitlement matrix will be shared with affected community in Hindi now and subsequently (during the SIA process), community feedback will be taken and reflected into the final entitlement matrix.

Tribal PAFs

During the consultations with the tribal PAFs held by both UTCL and ERM, the community raised their concerns over the delay in the purchase of tribal lands falling within the Mine Lease area due to the provisions of the Indian Constitution¹. The tribal community is of the opinion that the said provisions, in the present scenario are inhibiting the tribal from willingly selling land and receiving the compensation they are entitled to.

UTCL is in the process of acquiring permission from the District Collector for the purchase of the tribal lands. In cases where the remaining land with the tribal PAFs is to be less than 5 acres, UTCL is also providing advances to the PAF so as to enable them to replace the land lost and thus meet the requirements of the directives of the district administration. Land for land option is also being explored by UTCL for the tribal losing their land.

Encroachers

During the site visits made by ERM as well as the discussions undertaken with UTCL and the impacted communities, it was also indicated that certain PAFs (owning land adjoining government land) have encroached upon government land by extending their agricultural land boundaries.

UTCL is in the process of identifying these encroachers and also identifying the possible measures which may be taken to mitigate the impacts of the project on the same.

Other Projects in the Impact Area

During the consultations with UTCL, the district administration and the community as well as the site visits undertaken by ERM, one concern which came to light was the proximity of various existent/planned mining projects, of other companies. The concern surrounding these pertains to the cumulative impact the projects may have on the community in the region.

¹According to the provisions of Schedule V of the Indian Constitution, any sale of land owned by a ST requires the prior approval of the District Collector. Within this as well, it is imperative that the land losing tribal has at least 5 acres of land remaining post the sale of land, in the absence of meeting this condition, the Collector is to decline the request for sale.

External Influences on the Community

During the process of consultations undertaken by ERM, a number of external influences on the community (such as lawyers and community spokes persons) were identified, in the form of residents of neighbouring villages, who appear to be influential in the opinion formation amongst the impacted villages. These external influences, being of the opinion that the present mitigation measures being undertaken are insufficient, have been demanding increased compensation from UTCL.

UTCL is in the process of formulating an engagement strategy for all such external influences

5.3.4 Way Forward

As can be seen in the table 5.2, *the statutory requirements of engagement, in the Indian Rules and Regulations as well as the IFC PSs in accordance with the present stage of the project have been complied with by UTCL.* However, in order to ensure the smooth functioning of the project a long term engagement strategy needs to be formulated in keeping with the rules and regulations applicable. The following table provides a summary of the engagements which are required for the remaining life of the project with individual stakeholders and the manner in which these are to be accomplished.

Table 5.3 Future Engagements Mechanism

Stakeholder group	Objective for Consultation	Consultation mechanisms/forums
PAFs	Engagement as part of the SIA process Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP Managing R & R As part of GRM	Open Meetings, Public Hearing Provisioning of reports and plans in Hindi Provisioning of reports in Hindi/local language FGDs Semi-structured interviews and Questionnaires
Encroachers	Engagement as part of the SIA process Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP As part of GRM	Open Meetings, Public Hearing Provisioning of reports in Hindi/local language Semi-structured interviews FGDs
Guma and Sarseni Gram Panchayat	Engagement as part of the SIA process Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP Managing R & R As part of GRM	Open Meetings, Public Hearing Provisioning of reports in Hindi/local language FGDs
Share Croppers	Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP Managing R & R As part of GRM	FGDs Semi Structured Interviews Open Public Consultations
Landless Labourers	Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP Managing R & R As part of GRM	FGDs Semi Structured Interviews Open Public Consultations

IFC	Engagement as part of the overall engagement process Disclosure of Documents	Provisioning of regular reports and updates Regular Meetings
Regulatory Authorities	Disclosure of SIA Consent to establish and consent to operate Submission of regular environmental monitoring report	Provisioning of reports Regular Meetings
District Administration	Disclosure of SIA Regular engagement	Regular Meetings
General Community	Engagement as part of the SIA process Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP Managing R & R As part of GRM	Quarterly Group Meetings, interactions at the Gram Panchayat meetings Public Hearing Provisioning of reports in Hindi/local language
Religious Leaders	Engagement as part of the SIA process Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP	FGDs Provisioning of reports in Hindi/local language
Village Elders	Engagement as part of the SIA process Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP	FGDs Provisioning of reports in Hindi/local language Semi Structured Interviews Open Public Consultations
Vulnerable Community	Engagement as part of the SIA process Disclosure of SIA	FGDs with each group Provisioning of reports in Hindi/local language
Villages within the Project Impact Area	Engagement as part of the SIA process Disclosure of SIA, EIA, ESAP, Entitlement Matrix, SEP As part of GRM	Interactions at annual Gram Panchayat Provisioning of reports in Hindi/local language Semi Structured Interviews Open Public Consultations
School going Children	Engagement as part of the SIA process	FGDs
Political Parties	Regular engagement	Regular Meetings
Local NGOs	Regular engagement	Regular Meetings
Media	Regular engagement	Regular Meetings
External Influences	Regular Engagement	Regular Meetings

Despite the fact that the recommendations made in the above mentioned table are extensive and will span the entire remaining lifespan of the project, UTCL needs to undertake certain additional measures in order to ensure a sustainable stakeholder engagement in alignment with international standards. These additional measures are discussed in the following sub sections.

5.3.5 *Disclosure Mechanism*

The disclosure of information to the stakeholders is an extremely important component of building good stable relations with stakeholders. Furthermore, it is essential that this disclosure is not restricted to simply the required disclosure of the SIA and EIA report. However, an attempt shall be made to disclose all relevant information (all project reports and plans pertaining to the community) to the target stakeholders as early as possible, so as to allow

for trust to be built in the relations. At the least the next steps in the project cycle would be explained, with a clarification on which project elements are fixed and which can be subject to change or be improved upon on the basis of the consultations and stakeholder inputs.

Also while undertaking the process of disclosure; it is important that the project proponent endeavour to refrain from creating false expectations. Also, when possible, an attempt shall be made to disclose actual numbers, even estimates wherever available.

This disclosure of reports and plans is to be carried out in a manner which would make the information available to the community in an accessible and timely manner. This would include making copies of the main reports (such as the entitlement matrixes and the SIA) available in the Panchayat offices or the community centres and/or other locations readily accessible (through means such as pamphlets or leaflets) to the entire community in the locally preferred language (in this case Hindi). The provisioning of these reports and plans at the Panchayat Office or a small open meeting with the community so as to notify the stakeholders of the documents being disclosed and their nature and location as well as decide a date for receiving feedback with the community. On the date decided for receiving feedback, another open public consultation will be undertaken in which the community would be able to voice their concerns, make suggestions as well as seek clarifications from UTCL on various project components. Furthermore, upon the incorporation of the suggestions and feedbacks into the reports, another open meeting will be called, where the altered documents and plans will be made available and the specific changes will be briefly discussed with the community.

5.3.6 *Grievance Redressal Mechanism*

Apart from timely disclosure of information, it is also critical to have in place a functional Grievance Redressal Mechanism (GRM). This mechanism would be set up at an early stage in the project life and would be maintained through the life of the project. The purpose of such a mechanism is to provide a forum to the community and other stakeholders to voice their concerns, queries and issues with the project. Such a mechanism would provide the stakeholders with one project personnel or one channel through which their queries will be channelled as well as ensure timely responses to each query. This will allow for trust to be built amongst the stakeholders and prevent the culmination of small issues into major community unrest.

One grievance Register will be kept at the Panchayat office & UTCL would be required to respond to each query or concern within a stipulated time period of 15 days from the day of receiving the query, after which a follow up on the query would be done at the end of 15 days from the day of the response. Also, on mutually agreed days, the community would be able to verbally communicate their grievances and/or concerns to the UTCL employees as part of the GRM.

5.3.7

Timeline

Table 5.4 *Timeline for engagement*

Form of Engagement	Stakeholders to be Involved	Timeline
Engagement as part of SIA process	PAFs, Encroachers, Guma and Sarseni Panchayat, Regulatory Authorities, General Community, Religious Leaders, Village Elders, Vulnerable community, Villages within the Project Impact area, School going children	On going
Disclosure of SIA and	PAFs, Encroachers, Guma and Sarseni Panchayat, General Community, Religious Leaders, Village Elders, Vulnerable community, Villages within the Project Impact area, District Administration, Encroachers, Sharecroppers, Landless Labourers	To be Planned (tentative date February 2013)
GRM	PAFs, Encroachers, Guma and Sarseni Panchayat, General Community, Villages within the Project Impact area, Sharecroppers, Landless Labourers	To be Planned (tentative date February 2013)
Consent to Establish and Operate	Regulatory Authorities	Before Operation OF GUMA MINES
Submission of Environmental Monitoring Report	Regulatory Authorities	As per SPCB direction
Regular Engagement	District Administration, Political Parties, NGOs, Media	At least quarterly

5.4

RESOURCES

In order to manage its engagements with the project stakeholders and meet the objectives laid out in the beginning of this section, UTCL will ensure that this engagement process is given as much importance as the other project activities as well as guarantee the availability of certain resources. In order to ensure compliance of the objectives with the timeline given above, UTCL will provide for a dedicated staff as well as ensure the budgetary requirements are met at every stage of the project.

The following sub sections discuss both these resource requirements; manpower and financial in detail.

5.4.1

Manpower

In order to ensure the proper maintenance and functioning of the stakeholder engagement process, UTCL will make available human resources not only in the form of the internal resources existent within UTCL but external resources such as NGOs or other such organisations as third parties. The requirements of both these internal and external human resources are discussed below.

Internal Resources

As stated above, UTCL will make available at least one project personnel exclusively for the purpose of the GRM. Similarly, UTCL will identify specific project personnel who are to manage the stakeholder engagement process through the life of the project. These personnel would ideally be part of departments who have been involved with engaging the community or other stakeholders so far, such as the Corporate Social Responsibility (CSR) department or the land department.

In order to identify these personnel, an assessment of the current resources available with UTCL will be undertaken. Such an assessment would be aimed at identifying the present resource base of UTCL and the shortfall in the required internal manpower resources.

In case the existent resources at UTCL appear to be insufficient to meet the needs for the process of stakeholder engagement process as outlined above, the employment of personnel specifically for the purpose of the stakeholder engagement through the life of the project.

External Resources

In case the internal resources at UTCL appear to be insufficient for meeting the manpower requirements for the implementation of the stakeholder engagement programme, UTCL will also consider engaging a reputed third party in the form of NGOs who are familiar with the region and are acceptable to the community. The NGO would then not only serve as a link between company and community but as a third party in the implementation of the Resettlement Action Plan (RAP) (if required). This in turn will allow for the establishment of strong and faithful linkages between the affected communities and the company and also help in presenting the fair practices during the disbursement of benefits as lay down in the entitlement matrix

5.4.2 Financial Resources

UTCL is to ensure that the budget formulated for the purpose of the stakeholder engagement process is sufficient to meet the expenses of the same.

5.5 REVIEW AND APPRAISAL PROCESS

5.5.1 Introduction

The review and appraisal process in any project is an extremely important component for the smooth functioning and the avoidance of major risks within a project. This importance of the review process lies in the fact that it allows for the corrections of any oversight which may have been made during the initial stages of a project through mid-course corrections. This also serves as an important quality assurance mechanism.

The review process becomes all the more important when it is kept in mind that the SEP is a 'live document' or in other words a document which needs to be revised in a timely manner so as to make it comprehensive for any given period of time. This is so because of the fact that due to the life span of the project, it is difficult to properly identify and understand each stakeholder in the beginning of the project. The SEP thus requires regular reviews keeping in mind attributes such as the stakeholders, the engagement process for each stakeholder and the reporting time period for each.

5.5.2 *Review and Monitoring*

Towards this end, UTCL will undertake a regular review process (every six months at least) in which the SEP and the mitigation measures agreed on in the SIA and the Resettlement Policy Framework will be monitored and updated as and when felt necessary. In order to achieve this, feedback will be requested from the stakeholders in terms of verbal (as well as written, wherever possible) questions so as to provide an indication of the effectiveness of the implementation of the stakeholder engagement process.

This mechanism is to be tailored to meet the unique requirements of each stakeholder. The feedback is to allow for a review to be done on the degree to which the engagement process is seen to be free of manipulation, interference, coercion, and intimidation, and as to whether it is conducted on the basis of timely, relevant, understandable and accessible information, in a culturally appropriate format.

While undertaking this review process, UTCL shall endeavour to involve the stakeholders in the monitoring process as this would not only help satisfy stakeholder concerns and promotes transparency but would also help develop a stake for the stakeholders in the project. Apart from involving the stakeholders, UTCL will also consider involving a third party for the purpose of monitoring the engagement process as it would allow for transparency to be maintained as well as allow for trust to be built amongst the stakeholders.

5.5.3 *Reporting and Documentation Process*

Each of the above mentioned engagement activities is to be properly recorded in the form of minutes and maintained as a stakeholder engagement database through the life of the project. Such a database would allow for effective monitoring of the engagement process as well as ensure that the concerns and queries of the stakeholders are met in a timely manner.

Apart from this documentation, UTCL is to also generate annual reports of the status of the engagement process for the project, summarizing the activities undertaken in the past year as well those planned for the next year. UTCL is to make these reports, along with annual project progress reports available in Hindi/local language (whichever is preferable by the community) to the impacted community and other stakeholders.

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