

May 30, 2021

Business and Human Rights Resource Centre Chelsea Hodgkins - Research Assistant, Annie Khan - South Asia Researcher & Representative Christen Dobson and Jessie Cato – Program Manager

Via email: hodgkins@business-humanrights.org; khan@business-humanrights.org; cato@business-humanrights.org; cato@busines

Dear Ms. Hodgkins, Ms. Khan and Ms. Cato,

Thank you for writing to us regarding our solar power project which is located at Mikir Bamuni, Nagaon, in the State of Assam, India. We appreciate your interest in Azure, which is today setting up the largest solar power plant for the State of Assam.

With a mission to develop affordable solar power generation at the lowest cost, we are committed to care for the society and the environment we operate in. Sustainability for Azure is not only about providing clean affordable solar energy but safeguarding the health and safety of our stakeholders and giving back to our environment and communities in a socially responsible way. We conduct our business keeping in mind the overall impact to our environment and communities, while ensuring we implement the best practices in social and governance aspects as well.

Implementation of a clean, reliable and cost-effective source of energy has become the need of the hour not only in India but globally. As per the Central Electricity Authority of India, North East India has the highest energy supply deficit in the country and within the North East Region, Assam has the highest current energy deficit of 45 million units, which has prompted the state to take some strong steps to address this very important need. Assam being the largest economy in the northeast region of India and with a population of over 3 Crore, has seen a significant increase in power demand in recent years. While Assam's energy needs are predominately met by thermal and gas, followed by hydro projects. Assam's installed RE portfolio stands at 79 MW as of 31 March '21. Assam, like the rest of the country, is also increasing its renewable energy portfolio and has about 175 MW of solar projects under development as of March 2021.

In helping the state meet its quest for Renewable energy – Azure Power, India's leading solar power company, with a journey spanning over 10 years and the first private utility solar power company in India to develop a solar plant in 2009, is building its largest solar power plant in the state of Assam.

In your email, you have mentioned "allegations of forcible seizure of approximately 93 acres of productive farmland without free, prior and informed consent of Karbi and Adivasi farmers, for the development of a 15 MW solar plant. This development is resulting in their forced displacement, the disturbance of an ecologically sensitive elephant corridor, the violation of rights to land and tenure, and corresponding violence against these groups in the Nagaon district of Assam."

There are three main allegations – (i) land has been forcibly seized violating rights of landholders, (ii) there has been forced displacement & (iii) disturbance of an ecologically sensitive elephant corridor and that there

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has been violence perpetrated against these groups in the village. We would like to tackle these allegations one by one.

On the issue of land — Claims that Azure Power has 'forcibly' taken over the land resulting in violation of human rights of those cultivating the land is incorrect and erroneous. Azure has purchased the land from bona fide land owners on a willing seller-willing buyer basis in accordance with state policies and local laws. Necessary approvals and No Objections certificates from local and state authorities have been duly obtained and the legality of our land acquisition process has not been disturbed even by the highest court of the State of Assam.

You may note, that no special treatment was given to Azure, we only followed the processes that were already in place for installation of similar projects and in accordance with compliance of local laws. Prior to initiating purchase of land, in May 2019, we appointed a qualified legal counsel to undertake a land title search to establish the rightful owner of the land. We also published notices in the local newspaper inviting objections to the said transaction dated June 7 2019. We have obtained NOC from local self-government Gram Panchayat dated September 25 2019, no litigation certificate in March 2020, and clearances from local and district administrations along with NOC in May 2020, before the sale deed was executed on August 17 2020. An informed consent of the villagers was obtained through periodic meetings since November 2019 at the project site in which recorded land owners and villagers were present. Purchase of land by Azure was in accordance with local laws and international best practices and no laws were violated in this regard.

The total project land cover is 276 bighas, approximately 90 acres. This land purchase was a private transaction entered into between the recorded land owners and the company. It is important to point out that litigants in court have not challenged acquisition of the entire land. Only approximately 36% of the entire project land area i.e., 100 bighas, approximately 32 acres is under litigation. The entire land ownership is not in dispute as portrayed. These claims have been raised by a handful of petitioners on the basis of documents whose authenticity has been disputed in the courts and there are already several rulings in our favour.

None of the claimants have succeeded in proving ownership in favour of their claims in the courts of law till date. The Honourable High Court, Guwahati on September 30 2020, vide its order in Review. Pet. 74/2020 has also directed the Circle Officer to peacefully hand over the said land to Company. The Hon'ble Division Bench of the Guwahati High court vide order dated 20th October'2020 and 17th November'2020 passed in Writ Appeal No. 156/2020 had permitted the company to continue with the construction work for the project and had directed the litigants to approach the competent authorities for establishment of their right and in case, they are successful in establishing their right, they would be entitled to damages by the company. The whole sequence of transactions leading to purchase of project land by Azure Power and documents relating to the matter have been judicially scrutinised by various courts including different benches of the Hon'ble High court and none of the courts have passed an order, operative as on date, against Azure which has the effect of depriving Azure of the ownership or possession of such land under dispute.

As you are aware, judiciary has been involved in the process and had there been any illegality, it would have been pointed out by the Courts before which the matters were placed.

On the issue of the Elephant corridor – It is alleged that the project site falls under a notified elephant corridor and no Environment and Social Impact assessment was undertaken prior to initiation of the project activity.

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Again, the claim is false and baseless. We are aware of the intermittent movement of elephants in and around the village of Mikir Bamuni and understand that safety of these animals is important. However, such sporadic visits by elephant in search of food and other reason does not classify an area as elephant corridor. All elephant corridors of the country have been identified by Wild Life Trust of India in 2005 and the latest update, lists 101 elephant corridor across India and none of which falls near the project site. We have followed all due diligence during the procurement process and have clear No Objection Certificate from the Forest department dated October 4 2019, which mentions that the land, where the project is being constructed, does not fall under any Notified Elephant Corridor. Conforming to international best practices, the project site is also assessed by a third party- Arcadis India, an International environment consultant who undertook the Environment and Social Impact Assessment of the project site in 2019, where it was established that the nearest elephant corridor is 90 km from the project site. Possibility of existence of Elephant corridor at the land where Azure Power is constructing its solar power project at Mikir Bamuni has never been raised by any competent authority.

On the issue of violence perpetrated by the police at project site - This claim is again incorrect. Presence of police at the project site is not a regular feature, and has been sought only in exceptional situations - where there was imminent threat and danger to the safety and wellbeing of our site workers and employed villagers. The project witnessed disturbance and obstruction of work at the instance of a few miscreants specially in the month of December 2020 despite the High Court's directions vide order dated 30th September 2020 to peacefully hand over the land to Azure. Due to disturbances causing danger to life and property, Azure sought the support of district administration. In one such incident last December, there was an unfortunate altercation between police and the miscreants when some unruly elements began to uproot the boundary pillars and fencing of our project. In the ensuing incident, some miscreants threw stones at the police personnel wherein a few police personnel sustained injury including a lady police constable who sustained head injury and was hospitalized. Post this incident four offenders, who were repeat offenders in the record of the police were arrested.

In another incident on 3rd March 2021, a group of locals entered the plant and stopped work citing high court stay order in their favour (which was incorrect, and misinterpreted). We immediately stopped work, reported this to the police and approached court for clarification. Work was only resumed on 10th May 2021 after the court directed the district administration to support project construction and maintain law and order. The Company had intimated its concerns about safety and security of its employees and project property to the Deputy Collector and the local Superintendent of Police with a clear Order from the Hon'ble High Court of Assam by orders dated March 05, 2021 and March 23, 2021, passed in Writ Petition WP (C) 753/2021 which directed 'Status quo' to be maintained in respect of possession of the land in favour of Azure Power, who had filed the said writ petition before the Hon'ble High Court for maintenance of law and order in respect of project site in Azure Power's possession in Mikir Bamuni. This order is in line with the earlier High Court Order dated September 30, 2020, passed in Review Petition No. 74/2020, in which the possession of project land was directed to be handed over to Azure Power. The law of the land is applicable to both, company as well as people claiming the land. While companies like Azure and others who set up any projects in the state, must follow the law of the land, the others who are counter claiming ownership and are involved in legal proceedings must also follow the process under law for redressing their grievances instead of using violence. We strongly believe that protests at project site are politically motivated by miscreants who have selfish motives and are not concerned with the overall development of Assam or the community.

While compliance of processes and incorporation of international best practices is one aspect of building a solar project, Azure Power believes in overall development of the area. Azure aims to provide employment

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opportunity locally during and after the construction of the plant through its local employment preference policy. It also aims to support and contribute to the skill upgrading ecosystem with various skill development programmes in the vicinity where these projects are set up. In last two years, Azure Power has sponsored upskilling of 550+ beneficiaries in Assam alone. Majority of them are gainfully employed. Azure is actively involved in promotion of livelihood enhancement programmes, across four districts of Assam namely Nagaon, Udalguri, Kamrup and Cachar. The training courses are tailored according to the employability prospects in the area.

While companies like Azure and others who set up any projects in the state, must follow the law of the land and additionally also contribute to the society through their social initiatives, it is very important that we understand the need for all parties to come together to encourage players in the renewable energy space. Such projects will not only enhance the renewable energy foot-print but will also help bring investments in the state, which will only contribute to the overall economic and social development by creating a self-dependent ecosystem specially in the rural areas.

The project which is allocated through a fair and transparent bid process will provide clean electricity at a competitive tariff and has an overall advantage to the state and its people. It is also important to note that the solar power project is of prime public importance and time bound, therefore there is no reason why the project construction work should be held up or delayed as it will ultimately benefit the people of Assam.

We are of the opinion that the protest is being incited by a few people who have been spreading misinformation on the project for the past few months in spite of the courts saying otherwise. We fear that these people have ulterior motives and believe that they can coerce Azure Power into some settlement by raising baseless allegations. They fail to realise that investment in the state of Assam from responsible corporates like Azure Power is one of the best ways for the state to develop and provide employment & opportunity to the community.

Thank you again for your outreach and opportunity to respond.

Samitla Subba, VP- Policy and Communications, (pr@azurepower.com)



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