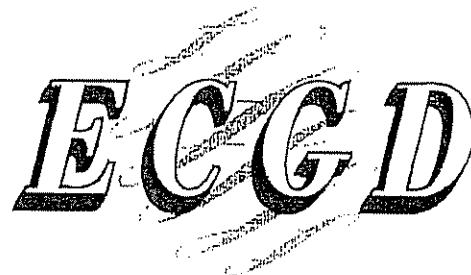


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IMPACT QUESTIONNAIRE

(Form IQ2)

Details of ECGD's case impact analysis process are contained in the *Case Handling Process: Information Note (February 2003)* that is available on the ECGD website <http://www.ecgd.gov.uk>. Customers are required to submit *Impact Questionnaires* (together with, where appropriate, any necessary supplementary information) when their case has been identified through the screening process as having Medium potential impacts. When customers have been requested to complete an *Impact Questionnaire*, all questions of this questionnaire should be answered for all applications for support.

Questions must be answered fully and truthfully to the best of your knowledge and belief. If the space provided is insufficient, please continue your answers on your headed notepaper and attach it to the form. (If completing the questionnaire in the electronic form, please start text responses in the grey boxes provided.)

Please read the Introduction and Guidance Notes before starting to complete the questionnaire.

Detailed notes regarding specific questions (marked **Q**) are provided in Annex 1 of the questionnaire. Further assistance may be obtained by contacting the relevant Underwriter or the Business Principles Unit at ECGD.

Subject to our obligations to Parliament as a Government Department all information provided in this questionnaire will be treated as Commercial in Confidence until you tell us otherwise. Please tell us when you can release us from this commitment.

Exporter's/Investor's Name:	VAI Industries (UK) Ltd
Buyer's/Enterprise Name:	Jindal Vijayanagar Steel Ltd
Project Country/ies:	India
ECGD Proposal Form Dated:	3 August 2005

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GENERAL INFORMATION

- 1 Are any other Export Credit Agencies (ECAs) or other International Financial Institutions (IFIs) involved in the project?

Yes No Don't know

If yes, please state names of IFIs or ECAs involved.

STANDARDS

- 2 (a) If you have corporate Environment, Occupational Health & Safety, Social Issues or Human Rights policies and/or your company subscribes to ISO 14001/EMAS accreditation, please attach relevant details (if not previously provided).

Copy of policies/certificates previously provided to ECGD

Copy of policies/certificates attached

No policies/accreditation in place thus none attached

(b) Please attach details of any documented Environment, Occupational Health & Safety or Social Issues policy statements issued by the project developer or owner.

Copy of policies attached None issued Don't know

(c) Is the project owner/developer ISO 14001/EMAS accredited?

Copy of certificate attached No Don't know

- 3 (a) Is the project which you are supplying goods/services to or investing in designed to meet recognised environmental standards? (Mark all relevant.)

Host Country UK /EU World Bank IFC Other None

If None, please explain:

(b) If the project/business is designed to meet any other environmental performance standards please identify and provide a copy of these.

Environmental standard:

Copy attached

OCCUPATIONAL HEALTH AND SAFETY

- 4 Please indicate whether the goods/services/project that you are supplying/investing in will be compliant with UK or destination/host country Health and Safety standards and supply details of any Health and Safety guidance that you supply to the users/operators of your goods/ projects.

Standards:

UK Destination/Host Country Other None

If Other or None please give details:

Guidance:

Attached

None provided thus not attached

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INDEPENDENT IMPACT ASSESSMENTS

- 5 (a) Has a Strategic Environmental Assessment (SEA), Environmental Impact Assessment (EIA), Social Impact Assessment (SIA) or Resettlement Action Plan (RAP) been prepared or is one planned? Please attach details of any social or environmental management and monitoring plan that has been developed for the project. (*Annex 2 contains the contents list of a typical EIA.*)

SEA: Yes No Planned Don't know

EIA: Yes No Planned Don't know

SIA: Yes No Planned Don't know

RAP: Yes No Planned Don't know

If Yes, please attach. If one or more is planned, please forward a copy of the Terms of Reference and timescales for completion.

Management & monitoring plan:

Copy attached None available thus not attached Don't know

- (b) Where the goods or project impact on the local population and an EIA, SIA or RAP has not been prepared, have they (or their authorised representatives) been consulted?

Yes No Don't know

If Yes, please give details, including any mitigation or compensation measures

ENVIRONMENTAL IMPACTS

- 6 (a) As or for what is the project site currently used?

Urban Industrial Greenfield Other – please specify

The plant will be erected as part of an existing steel plant facility and will be integrated into the existing building of the steelplant.

- (b) Please indicate if the project will be located in or could have an environmental impact upon any of the following: (*please mark all relevant box(es)*)

- Sites in the World Biosphere Reserves Directory
(for list see website <http://www.unesco.org/mab/wnbr.htm>)
- Sites on the World Heritage List
(for list see website <http://www.unesco.org/whc/heritage.htm>)
- Semi-arid areas and desert margins
- Tropical or sub-tropical forests (especially primary forests)
- Rivers, lakes, coastline, coral reefs and wetlands, including mangroves
- National Parks, nationally designated nature reserves and all other conservation areas, and the margins of these
- Habitat of flora or fauna especially that of endangered species or areas of high concentrations of biological diversity
- Habitats providing important resources for vulnerable groups (e.g. indigenous or tribal groups, women or ethnic minorities)
- Areas largely untouched by humans (wildlands)
- Areas of high concentration of population or industrial activity where further development could create significant environmental problems
- Other areas of local interest or sensitive locations – please provide details

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7 (a) Please identify and quantify the annual consumption or extraction by the project and provide details relating to the following resources:

- Metals and metal ores** Annual consumption:
Details:
- Minerals** Annual consumption:
Details:
- Coal** Annual consumption:
Details:
- Oil** Annual consumption:
Details:
- Gas** Annual consumption:
Details:
- Forest products** Annual consumption:
Details:
- Electrical power** Annual consumption:
Details (*Where possible, please identify original energy source.*):

(b) Please identify and quantify the annual production or use by the project of greenhouse gases, ozone depleting substances, hazardous substances or persistent organic pollutants (POPs):

- Carbon dioxide** Annual production:
Details:
- Methane** Annual production:
Details:
- Other greenhouse gas (Nitrous oxide, sulphur hexafluoride, hydrofluorocarbons and perfluorocarbons)**
Annual production:
Details:
- Ozone depleting substance** Annual production/use:
Details:
- Hazardous substance** Annual production/use:
Details:
- Persistent organic pollutant** Annual production/use:
Details:

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SOCIAL AND HUMAN RIGHTS IMPACTS

- 8 **Will the goods or project cause, require, bring about or stimulate any of the following?**



(The Guidance notes in Annex 1 contain specific guidance for the responses in each of these areas.)

- Resettlement of the local population
- Compulsory acquisition of land
- Displacement of, or damage to, existing industry or agriculture
- Job losses among the local population
- Child labour
- Bonded or forced labour
- Large-scale influx of workers
- Damage to sites of cultural, historic or scientific interest
- Impact on minority or vulnerable communities
- Use of armed personnel (either from private security firms or state security organisations)

Please provide details of any of these that apply.

Please note that projects involving any of the above will normally be categorised as having High potential impacts and ECGD will require the information normally contained in a Resettlement Action Plan or Social Impact Assessment in order to complete its impact analysis.

- Other social drawbacks, losses, or disadvantages, please specify:

- Social benefits, please specify:

- 9 **Will the benefits of the goods/project (including employment opportunities for local people) be open to all, regardless of race, religion, gender, social grouping, etc.?**



X Yes

No

Don't know

If No, please provide details and justification of selection process:

- 10 **Please give details of any other information that you think may be relevant to ECGD's assessment of the impact of this project, including any positive impacts not previously identified.**



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DECLARATION

We declare that:

1. if there are any material changes in the information provided in response to this Impact Questionnaire prior to ECGD approving support we will advise ECGD immediately;
2. if this Impact Questionnaire has been transmitted by electronic means, we have not amended any of the declarations or the questions contained in the Impact Questionnaire (form IQ2) provided to us by ECGD;
3. the facts stated and the representations made in this form and in any related discussions or correspondence are, to the best of our knowledge and belief, true and that we have neither misrepresented nor omitted any fact nor failed to provide any information known to us which is material to ECGD's assessment of the impact of the contract or the project to which it relates.

Signed on behalf of (Company Name) : VAI Industries (UK) Ltd

Signature

Name (block capitals) :

Capacity of signatory : General Manager - Commercial

(Signatory must be an authorised officer on behalf of the Company)

Date : 03-08-2005