

CleanMax™

POWERING SUSTAINABILITY

Clean Max Enviro Energy Solutions Private Limited
Land Acquisition Policy

May 2023



Description	The policy is to provide rules and guidelines to be adopted and followed by Clean Max Enviro Energy Solutions Private Limited and its subsidiaries and joint-ventures (“Cleanmax”), its employees, and any third-party contractors appointed by Cleanmax (to the extent as set out in this document).
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Versions and History

Version	Date	Summary of Changes
1.0	25 May 2023	Version 1



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1. Introduction and the Objective of the Policy

1.1 Introduction and applicability

This Land Acquisition Policy (“**Policy**”) has been prepared with the intent of adopting a company level land acquisition policy to address and obliterate bribery, corruption and/or fraud related risks attached to acquisition of land in India. The Policy is for the benefit of all the renewable energy entity(s) in India through which Cleanmax and its Intra-group Entities implements/ develops renewable energy projects and this Policy has been adopted by the board of Cleanmax. This policy should be followed by Cleanmax and all its intra-group entities and employees and any third-party contractors appointed by Cleanmax and its intra-group entities (to the extent as set out in this document).

1.2 Objectives of the Policy

This Policy has been put in place with the following objectives:

- a. To implement a company wide policy and raise awareness highlighting the steps to be taken either as an employee of Cleanmax or when engaging with third-party contractors during the entire process of land acquisition.
- b. Maintaining Cleanmax’s reputation and demonstrating its social, environmental and corporate responsibilities by being compliant with all applicable laws and regulations during the entire land acquisition process;
- c. To eliminate the risk of corruption or fraud arising during the land acquisition process; and
- d. Guiding the third-party contractors to comply with all the applicable laws and regulatory requirements during the entire land acquisition process.

1.3 Definitions

Board shall mean the board of the directors of the Cleanmax.

Control (including with correlative meaning, the terms, **Controlling, Controlled by and under common Control with**), with respect to any person, shall mean the (i) acquisition or control of more than 50% (fifty percent) of the voting rights or of the issued share capital of such person; or (ii) right to appoint and/or remove all or the majority of the members of the board or other governing body of such person; or (iii) power to direct the management or exercise significant influence on the management and policies of such person, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, through contract or otherwise.

“**Development Partners**” shall mean the partners who have entered into an agreement with Cleanmax or its relevant Intra-group Entity for developing greenfield renewable power projects in India.

Land Aggregators shall mean the (a) contractor appointed / to be appointed by Cleanmax or its relevant Intra-group Entity, for acquiring land for the development of renewable power projects in India; and (b) who meets the requirements specified in this Policy.

Management shall include the Chief Commercial Officer and Chief Operating Officer

SPV shall mean the special purpose vehicle that has entered into the power purchase agreement for the project.

2. Implementation

The Policy needs to be implemented in the manner specified in paragraph 1.1 above.

3. Land Acquisition Process and Controls

3.1 Identification and appointment of Land Aggregators

Any Land Aggregator to be appointed shall at least meet the following criteria:

- a. the Land Aggregator shall be registered companies, firms, proprietary concerns of high repute only;
- b. Cleanmax or the relevant Cleanmax Intra-group Entity (“**Proposer**”) shall have undertaken necessary anti bribery and corruption diligence as per the Anti-Bribery and Corruption Policy and no adverse findings should have been found in the diligence. The scope of the due diligence shall include but not be limited to market reputation of the Land Aggregator, track record, business practices, financial position and quality of third parties used to acquire land;
- c. the relevant Proposer should have also carried out an independent due diligence on Land Aggregators that it wishes to engage with and such reports shall be presented to the Management for their review and approvals;
- d. have successfully done at least 2 sites (wind or solar as applicable) of similar size and in the same state as the site/project proposed by Cleanmax In the event that the Land Aggregator does not have the experience specified in this sub clause then the Proposer should demonstrate and establish on the reasons why a Land Aggregator with lesser experience should be engaged and such engagement shall be done on such terms that the Board of the SPV may approve;
- e. have facilitated all land related permits and approvals, mutation and exemption from land ceiling for at least two solar or wind projects of similar size and in same state.

Further, in the event that the land aggregation is being / proposed to be conducted via third party contractors (e.g. as part of scope of EPC contractor) then only tier I or tier II third party contractors of repute and good standing (as approved by the Management) should be appointed. Having said that, any such appointment shall also be subject to diligence activities specified above.

This clause shall not be applicable to the CleanMax Board approved sites and land aggregators as provided in **Annexure – I** for existing projects. Due Diligence to be performed on any new projects, including for existing land aggregators.

3.2 Role of the Proposer

The Proposer proposing to appoint such Land Aggregators shall review necessary documentary evidence to establish and satisfy itself that the following criteria has been met to its satisfaction. Without prejudice to the generality of the provisions herein, the Proposer should also be obtaining the following documents from the Land Aggregator(s):

- a. corporate / firm registration certificate and shareholding details (if applicable), among other technical documentation along with supporting proofs;
- b. financial statements for the last 2 years to ascertain financial position;
- c. list of top clients and written references from its clients (Cleanmax or its relevant Intra-group Entity will obtain this on best effort basis);
- d. In case where land is acquired via third-party contractor (e.g. EPC contractor), the details of land aggregators used by the third party contractor – Name, Address, Registration details along with information as per **Annexure - II** must be sought from the third party contractor and evaluated;
- e. The Land Aggregator or the third-party contractor being appointed would have to fill in the details as

set out in **Annexure - II** and also read, accept and deliver a signed copy of the declaration as set out in **Annexure - III** at the time of signing of contracts with Cleanmax or its relevant Intra-group Entity.

In the event that the Land Aggregator to be appointed which has lesser experience than what has been specified in Paragraph 3.2(b) and (c) above, then the Proposer should demonstrate and establish on the reasons why a Land Aggregator with lesser experience should be engaged and such engagement shall be done on such terms that the Board of the SPV may approve.

This clause shall not be applicable to the Cleanmax Board approved sites and land aggregators as provided in **Annexure – I**.

3.3 Shortlisting of Land Aggregators

The Land Aggregators who meet the above criteria shall be shortlisted in the following manner:

- a. The Proposer shall obtain proposals from at least three Land Aggregators and such proposals should be presented to the Board for evaluation and the Board shall come to a consensus as to which Land Aggregator shall be best suited for the project. In the event that three proposals are not presented to the Board for evaluation a detailed explanation shall be provided by the Proposer; and
- b. The proposed Land Aggregator's appointment shall be approved by the Board of the respective Proposer. The due-diligence report generated as per paragraph 3.1 above shall be presented to the Board for their review.

If the Board is satisfied with the above justifications, then the Board may decide on the Land Aggregator it would want to get appointed for the project and the Board shall accordingly approve the appointment of the Land Aggregator.

As one the date of the Policy adoption, this clause shall not be applicable to the Cleanmax Board approved sites and land aggregators as provided in **Annexure – I**.

3.4 Onboarding

The arrangements with the Land Aggregators must be on an arm's length basis and shall be as per the prevailing market standards. The service agreement with the Land Aggregators shall be always in writing. The service agreement shall, in addition to all standard covenants, have clauses:

- a. requiring the Land Aggregator to comply with the Circle Rates during negotiation process with landowners (Circle Rate is the minimum rate for a land in a region, set by the government);
- b. requiring the Land Aggregator to comply with anti-corruption and anti-bribery laws, compliance with laws (i) relating to the scope of work, monitoring schedule, mode of payment and termination clauses for non-compliance with various policies.

3.5 Monitoring

- a. The Land Aggregator shall, on a half-yearly basis and if required by the Proposer, provide necessary certificate from a practicing Chartered Accountant confirming the Project level cost and fees, if applicable incurred by the Land Aggregator are accurately accounted by the Land Aggregator and are in line with regulatory requirements. The certificate may have to be provided till the expiry of the service agreement.
- b. The Land Aggregator shall strictly follow all the steps of Cleanmax's land acquisition process applicable for respective category (government land, private land – outright purchase, private land – lease basis). Non-adherence to the process would be considered to be a default and the Proposer shall ensure such compliance.
- c. In cases where land is being acquired via third party e.g. EPC contractor, the Proposer shall ensure that Land Acquisition Policy

due diligence related to land title deed & legal documentation, geo- technical and ESG aspects is conducted related to the land. The diligence should be as per Cleanmax's policies and requirements subject to the project, location and extent of land and for title search, the report shall cover the title flow for the last 30 years.

3.6 Payment to Land Aggregator

The Land Aggregator shall ensure that:

- a. the prices that are being paid by the Land Aggregator to the seller shall always be in accordance with applicable laws and be not be less than the prevailing Circle Rates. In the event that the landowners are reluctant to sell their land, the Land Aggregator may in consultation with the SPV consider to enter into a leasing arrangement or land barter / exchange scheme;
- b. subject to point (c) below, the compensation towards acquisition of land shall be made directly by SPV to the land owners or government agency, whichever applicable.
- c. where purchase consideration or final payment are made to landowners through Land Aggregators (reasons for payment through the Land Aggregators shall be recorded in writing), the Land Aggregator shall make all the payments to landowners through cheque/account transaction only;
- d. The Proposer shall monitor the payments made against advances at regular intervals. Further, the Proposer shall take necessary security for the advance like a post dated cheque / bank guarantee for amount equivalent to advance.
- e. the payments must be made as agreed and in line with the land registration agreements; and
- f. In cases where landowners do not have bank accounts, the Land aggregator must provide a system to open bank accounts for the landowners. In the event, it is demonstrable that there is no possibility to open a bank account before registration of the land parcels, the payment shall be done by demand drafts (DD) after ascertaining the ownership rights of the person to whom the payments are being made through demand drafts. The Land Aggregators shall also provide evidence and explanations as to the reasons on why the bank accounts cannot be opened as per this sub-paragraph (f).

3.7 Payments by the Proposer

The Proposer shall ensure that:

- a. at least 10% of land payment due to Land aggregator should be kept reserved till boundary wall is completed. It is clarified that 100% consideration towards land is paid to seller of land at the time of registration.
- b. the fees to the Land Aggregators shall be paid into the registered bank account of the Land Aggregators;
- c. no payments made to employees of the third-party, no payments in cash, and claims are to be recorded and approved in the accounting system for record-keeping, verification and approval process (as stated in Finance Policies, Agreements, Invoices, Purchase Orders).

3.8 Approvals and clearances

In non-park projects, the Proposer shall be responsible for obtaining approvals and clearances for project development. They may assign this responsibility to third-party contractors, who will liaise with government agencies and obtain relevant approvals and clearances for the project.

4. Anti-Bribery and Corruption Policy

This Policy is supplemental to and is not in derogation / supersession to the Anti Bribery and Corruption Policy adopted by the Proposer and the Anti Bribery and Corruption Policy adopted by the Proposer shall apply

mutatis mutandis to the transactions contemplated in this Policy as well. The Development Partner who has not adopted the Anti Bribery and Corruption Policy will still be required to comply with the Anti Bribery and Corruption Policy of the Cleanmax. The Land Aggregator is required to comply with the Anti Bribery and Corruption Policy attached to this Policy in **Annexure – III**.

5. Roles and responsibilities

S. No.	Party	Responsibility
1.	Land Aggregator	<ul style="list-style-type: none"> • Carry out negotiations with landowners. • To ensure compensation negotiated is adequate as per the prevalent laws and this Policy. • Comply with ABC policies as per Annexure – III. • Procuring all land related permits and approvals including mutation, NA conversion (if covered as part of the scope of work) and exemption from land ceiling laws.
		<ul style="list-style-type: none"> • Ensure that offered land is not in ecologically sensitive zone (e.g. Great Indian Bustard, sanctuary, national park or other sensitive areas in view of any ongoing litigations or in accordance with the applicable environmental laws) etc. • Construct the boundary wall for the project land if agreed as per the scope of work under the contract entered into with the Land Aggregator
2.	Cleanmax or relevant Intra-group Entity (For Land Aggregators)	<ul style="list-style-type: none"> • An internal Land Team will be created/assigned and will monitor land acquisition process including interactions with Land Aggregator / third party contractor. • Finance Controller/Accounts team from Cleanmax to check that payments to land owners / Land Aggregators are made in line with land registration documents and in line with Cleanmax's policies. • Financial Controller/Accounts team to do sample testing on a regular basis of payments made. • Land Team to monitor the performance of the land aggregator / contractor from time to time. • Land Team will work under the framework laid down under this Policy.
3.	Third Party Contractor/ Appointed Agency	<ul style="list-style-type: none"> • Facilitate all the process pertaining to approvals and clearances. • Ensure complete documentation for the process. • Track the status of applications pertaining to permits and licenses. • Ensure process compliance as per the procedures laid down by government from time to time.
4.	Cleanmax or relevant Intra-group Entity (For Third Party Contractor/ Appointed Agency)	<ul style="list-style-type: none"> • A Project Development Head will be appointed internally who will monitor the performance of contractors. • CFO and Financial Controller to ensure payments made by contractor are towards government organizations and are as per the government records. Project Development head and project leaders to monitor the integrity of the process carried out by the contractor. CCO to audit on regular intervals.



Annexure – I: List of projects

Project	Wind (MW)	Solar (MWp)	Land acquisition completed (Yes/ No/ Partial)	Land Aggregator name
Babra	132	105.6	Yes	Four Square Green Energy
Sanathalli	29.7	25.3	Yes	Four Square Green Energy
Mota Devaliya	33	28.05	Yes	Four Square Green Energy
Jagaluru III	67.2	99.2	Partial	M/s. Konduru Energy Infra Servises / M/s. Lawrence D Telkar
Pipalaya	29.7	26.3	Yes	Golden Non - Conventional Energy Systems Private Limited
Total (a)	291.6	284.5		
Jagaluru IV	9.9	22.5	Partial	M/s. Konduru Energy Infra Servises / M/s. Lawrence D Telkar
Karnataka - Chikodi	100	105	No	M/s. Konduru Energy Infra Servises / M/s. SML Electricals India Private Limited
Tamil Nadu	100	150	No	M/s. Everrenew Private Limited / M/s. Aditya Energy
RJ-Bikaner		1000	Partial	Soltown
MH- Ghatanji		150	No	Continual Renewable Energy Private Limited
MH- Amravati		225	No	Mahalaxmi Enterprises
MH- Kolhapur	100		Partial	Satya Infra
GJ - Charkha	150	120	Under Progress	Four Square Green Energy
GJ - Kalavad	100	80	Under Progress	Golden Non - Conventional Energy Systems Private Limited
Karnataka - Bagmane		166	No	M/s. Konduru Energy Infra Servises
Total (b)	559.9	2040.5		

Annexure – II: Format of Due diligence report to be filled in by the Land Aggregator/ Third Party Contractor

1.	No. of years of business operations in land aggregation and securing land related permits for wind/ solar projects				
2.	States in which aggregator has experience				
3.	Brief description of land acquisition process				
4.	No. of acres of land acquired for wind/ solar projects till date (including signing of sale deed and mutation)				
5.	Top 3 projects undertaken by aggregator in terms of land acquired in acres	Sno.	Capacity (MW)	Wind/ Solar	No. of acres of land acquired
6.	Experience in obtaining NA conversion and land ceiling exemption (no. of acres of land for which these permissions have been obtained)				
7.	In case land is acquired via third-party EPC contractor, the details of land aggregators used by the third-party contractor – Name, Address, Registration details are required along with points 1 to 8 above				

Annexure – III: Declaration on ABC and Code of Conduct to be signed by the appointed Land Aggregator or Third-Party Contractor

To

Clean Max Enviro Energy Solutions Private Limited and its associates
[Office Address]

Declaration

I/We have read and understand the below mentioned vendor policies available on <https://www.cleanmax.com/>. I/we were explained all the contents given in below mentioned policies and I/We understand the requirement. I/ We shall strictly adhere to all norms in all our areas of working/scope/contract mentioned in the Policies. I/We understand company representative insistence on compliance with the policies. I / We will remain wholly responsible for any legal/regulatory consequences that arise due to non-compliance of below list policies. Cleanmax will not be responsible for my/our non-compliance under below mentioned policies.

List of Policy

- Anti-Bribery and Anti-Corruption Policy
- HSSE Management System
- HSSE Policy
- Vendor Code of Conduct
- Human Rights Policy
- Supply Chain Guidelines

To demonstrate the compliance of above-mentioned policies, I/ we will provide the information/evidence/supporting documents to Cleanmax.

Signature with Contractor Company

Authorized Person

Name of authorized person:

Stamp.....

Date:

Order/Job/PO no: