



# Land Acquisition Policy

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## 1. Introduction

Vivriti Capital Limited (VCL) is a public limited company registered under Companies Act, 2013. VCL is also registered with the Reserve Bank of India as a Non-Deposit taking Systemically Important Non-Banking Finance Company (NBFCs-ND-SI) and its debt securities are listed with Bombay Stock Exchange.

Vivriti Asset Management Private Limited (“VAM”), a subsidiary of VCL, is an investment manager to fixed-income Alternative Investment Funds registered with Securities and Exchange Board of India (both VCL & VAM hereinafter together shall be referred as “Vivriti”)

## 2. Objective

Vivriti recognises that land acquisition in projects can lead to negative environmental and socio-economic impacts on affected individuals and communities if not properly handled. The objective of the policy is to govern the conduct of land acquisition by entities and minimise potential risks that might arise from displacement, forced evictions, and adverse social and economic impacts from land acquisition. Vivriti is committed to enhancing our evaluation of ESG risks and opportunities by utilising a Rapid Environmental Assessment (REA), Involuntary Resettlement Checklist and Indigenous Peoples Checklist, cited in our ESG Policy<sup>1</sup> to ensure that responsible land acquisition processes are followed.

Vivriti will promote entities to:

- Avoid forced evictions and ensure land is acquired through voluntary and legal processes.
- Minimise involuntary displacement by considering feasible alternative project implementation strategy
- Provide fair compensation to affected individuals, restore livelihoods, and offer support to vulnerable and indigenous groups
- Establish a grievance redress mechanism to address land acquisition-related issues. The same shall be made known during public disclosure to ensure accessibility to all concerned individuals and/or communities
- Where required, conduct a social assessment or baseline survey to analyse the extent of impact and formulate mitigation strategies

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<sup>1</sup> Refer Annexure I, II, III in this policy

### 3. Scope

This policy applies to all entities and projects financed or supported by Vivriti (hereafter referred as 'client/s') that involve land acquisition, including both voluntary sale and involuntary resettlement. In cases of involuntary resettlement, the scope encompasses both physical and/or economic displacement, and addresses the provisions made for vulnerable groups.

### 4. Definitions

**Land Acquisition:** Acquisition of land for project development, whether through voluntary sale or involuntary resettlement

**Involuntary resettlement:** Refers to resettlement wherein the affected communities cannot exercise the right to refuse land acquisition or restrictions on land access, resulting in physical and/or economic displacement.

**Physical Displacement:** Involuntary relocation of individuals or communities from their residences.

**Economic Displacement:** Loss of income or livelihood due to reduced access to land or resources due to the project.

**Vulnerable Groups:** Refers to groups such as indigenous peoples, women, the elderly, children, and economically marginalized individuals.

### 5. Assessment Criteria

In alignment with IFC's Performance Standard 5 and the Rapid Environmental Assessment checklist, Vivriti aims to assess its clients based on the following:

- **Project Design:** Encourage clients to explore alternative project designs to avoid or minimise physical and economic displacement, especially of the poor and vulnerable
- **Compensation and Benefits for Displaced Persons:** Ensure clients fairly compensate displaced communities and individuals
- **Community Engagement:** Advocate for clients to involve affected communities in the compensation and resettlement process through active stakeholder engagement
- **Grievance Mechanism:** Ensure clients establish grievance mechanisms to address concerns related to displacement and compensation
- **Resettlement and Livelihood Restoration Planning and Implementation:**

- Ensure clients conduct sufficient surveys to determine compensation eligibility based on a cut-off date
- Encourage clients to collaborate with the government on resettlement when compensation is rejected and legal proceedings begin
- Monitor the implementation of resettlement plans to mitigate adverse impacts
- Ensure clients develop a resettlement framework when land acquisition and displacement details are uncertain
- **Displacement:**
  - **Physical Displacement:** Oversee that our clients-
    - Develop a Resettlement Action Plan that includes fair compensation, addresses the needs of vulnerable groups, and documents land transactions, compensation, and relocation activities
    - Provide displaced persons with various resettlement options, including housing or cash compensation, and ensure new sites offer improved living conditions while respecting cultural institutions
    - Offer replacement property or cash compensation for displaced persons, ensuring equal or better value and security of tenure, with preference for in-kind compensation
    - Provide secure housing and compensation to those at risk of forced eviction, along with sufficient assistance to restore living standards
    - Do not compensate persons who encroach on the project area after the cut-off date
    - Ensure forced evictions occur only in compliance with the law
  - **Economic Displacement:** Oversee that our clients-
    - Create a Livelihood Restoration Plan to compensate and assist affected individuals or communities until livelihoods are restored
    - Compensate fairly for economic displacement caused by land acquisition or use restrictions, even without physical displacement
    - Compensate economically displaced persons at full replacement cost, covering business relocation, equipment transfer, and lost income
    - Provide replacement property for those with legal land rights and compensate non-land assets for those without
    - Offer displaced persons opportunities to restore or improve livelihoods through land replacement, resource access, or alternative income options such as training or employment

- Provide transitional support based on the estimated time required to restore livelihoods and living standards
- Encourage clients to collaborate with government agencies for resettlement planning, implementation, and monitoring where appropriate. If government measures are insufficient, clients should take on resettlement responsibilities
- Promote clients to identify government resettlement measures and, where necessary, prepare a Supplemental Resettlement Plan to meet this policy's requirements, detailing affected persons, entitlements, and additional actions
- Promote clients to assess government compensation plans and develop an Environmental and Social Action Plan to provide supplemental compensation and livelihood restoration where needed.

## 6. Additional Criteria

Using the Rapid Environmental Assessment (REA), Involuntary Resettlement Checklist and Indigenous Peoples Checklist, Vivriti aims to assess the following:

- **Compliance with Legislation:** Ensure all land acquisitions adhere to legal requirements in India and are conducted lawfully
- **Protection of Sensitive Areas:** Verify that the land is free from cultural heritage sites, protected zones, wetlands, mangroves, and biodiversity-rich areas, ensuring no harm to historical sites, ecosystems, or cultural resources. Assess potential environmental impacts, including changes to surface water hydrology, air and water quality deterioration, and waste management issues
- **Health and Safety Risks:** Evaluate risks associated with infrastructure, occupational and community health and safety hazards, and accidental or natural causes during project execution

# ANNEXURE I

## Rapid Environmental Assessment (REA) Checklist

**Location:**

**Subproject Title:**

**Preparer/Date:**

SCREENING QUESTIONS	Yes	No	REMARKS
<p><b>A. Subproject Siting</b></p> <p>Is the Subproject area adjacent to or within any of the following environmentally sensitive areas?</p>			
<ul style="list-style-type: none"> <li>• Cultural heritage site</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Legally protected area (core zone or buffer zone)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Wetland</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Mangrove</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Estuarine</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• Special area for protecting biodiversity</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<p><b>B. Potential Environmental Impacts</b></p> <p>Will the Subproject cause...</p>			
<ul style="list-style-type: none"> <li>• impairment of historical/cultural areas; disfiguration of landscape or potential loss/damage to physical cultural resources?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• disturbance to precious ecology (e.g. sensitive or protected areas)?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• alteration of surface water hydrology of waterways resulting in increased sediment in streams affected by increased soil erosion at construction site?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• deterioration of surface water quality due to silt runoff and sanitary wastes from worker-based camps and chemicals used in construction?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	
<ul style="list-style-type: none"> <li>• increased air pollution due to subproject construction and operation?</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	



SCREENING QUESTIONS	Yes	No	REMARKS
• noise and vibration due to subproject construction or operation?	<input type="checkbox"/>	<input type="checkbox"/>	
• involuntary resettlement of people? (physical displacement and/or economic displacement)	<input type="checkbox"/>	<input type="checkbox"/>	
• disproportionate impacts on the poor, women and children, Indigenous People, or other vulnerable groups?	<input type="checkbox"/>	<input type="checkbox"/>	
• poor sanitation and solid waste disposal in construction camps and work sites, and possible transmission of communicable diseases (such as STI's and HIV/AIDS) from workers to local populations?	<input type="checkbox"/>	<input type="checkbox"/>	
• creation of temporary breeding habitats for diseases such as those transmitted by mosquitoes and rodents?	<input type="checkbox"/>	<input type="checkbox"/>	
• social conflicts if workers from other regions or countries are hired?	<input type="checkbox"/>	<input type="checkbox"/>	
• large population influx during subproject construction and operation that causes increased burden on social infrastructure and services (such as water supply and sanitation systems)?	<input type="checkbox"/>	<input type="checkbox"/>	
• risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during subproject construction and operation?	<input type="checkbox"/>	<input type="checkbox"/>	
• risks to community health and safety due to the transport, storage, and use and/or disposal of materials such as explosives, fuel and other chemicals during construction and operation?	<input type="checkbox"/>	<input type="checkbox"/>	
• community safety risks due to both accidental and natural causes, especially where the structural elements or components of the subproject are accessible to members of the affected community or where their failure could result in injury to the community throughout subproject construction, operation, and decommissioning?	<input type="checkbox"/>	<input type="checkbox"/>	
• generation of solid waste and/or hazardous waste?	<input type="checkbox"/>	<input type="checkbox"/>	
• use of chemicals or hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	
• generation of wastewater during construction or operation?	<input type="checkbox"/>	<input type="checkbox"/>	

**Overall conclusion on Environment Category (circle one):**

A

B

C

**Reason for conclusion:**

## ANNEXURE II

### Involuntary Resettlement Checklist

Involuntary Resettlement Screening Questions	Yes	No	Not Known	Remarks
<b>Involuntary Acquisition of Land</b>				
1. Will there be land acquisition?				
3. Is the ownership status and current usage of land to be acquired known?				
4. Will easement be utilized within an existing Right of Way (ROW)?				
5. Will there be loss of shelter and residential land due to land and/or building purchase or lease?				
6. Will there be loss of agricultural and other productive assets due to land acquisition?				
7. Will there be losses of crops, trees, and fixed assets due to land acquisition?				
8. Will there be loss of businesses or enterprises due to land and/or building purchase or lease?				
9. Will there be loss of income sources and means of livelihoods due to land and/or building purchase or lease?				
10. Are there any pending court cases, claims or grievances related to the land to be acquired or leased?				
11. Are there unsettled compensation to previous landowners, informal land users and affected persons?				
12. Will people lose access to natural resources, communal facilities and services?				
13. If land use is changed, will it have an adverse impact on social and economic activities?				
14. Will access to land and resources owned communally or by the state be restricted?				
<b>Information on Displaced Persons:</b>				
Any estimate of the likely number of persons that will be displaced by the Project?			<input type="checkbox"/> No	<input type="checkbox"/> Yes
If yes, approximately how many? _____				
Are any of them poor, female-heads of households, or vulnerable to poverty risks?			<input type="checkbox"/> No	<input type="checkbox"/> Yes
Are any displaced persons from indigenous or ethnic minority groups?			<input type="checkbox"/> No	<input type="checkbox"/> Yes

## ANNEXURE III

### Indigenous Peoples Checklist

Indigenous People Screening Questions	Yes	No	Not Known	Remarks
<b>A. Indigenous People Identification</b>				
1. Are there socio-cultural groups present in or use the project area who may be considered as "tribes" (hill tribes, schedules tribes, tribal People), "minorities" (ethnic or national minorities), or "indigenous communities" in the project area?				
2. Are there national or local laws or policies as well as anthropological researches/studies that consider these groups present in or using the project area as belonging to "ethnic minorities", scheduled tribes, tribal People, national minorities, or cultural communities?				
3. Do such groups self-identify as being part of a distinct social and cultural group?				
4. Do such groups maintain collective attachments to distinct habitats or ancestral territories and/or to the natural resources in these habitats and territories?				
5. Do such groups maintain cultural, economic, social, and political institutions distinct from the dominant society and culture?				
6. Do such groups speak a distinct language or dialect?				
7. Has such groups been historically, socially and economically marginalized, disempowered, excluded, and/or discriminated against?				
8. Are such groups represented as "Indigenous People" or as "ethnic minorities" or "scheduled tribes" or "tribal populations" in any formal decision-making bodies at the national or local levels?				
<b>B. Identification of Potential Impacts</b>				
9. Will the project directly or indirectly benefit or target Indigenous People?				
10. Will the project directly or indirectly affect Indigenous People' traditional socio-cultural and belief practices? (e.g. child-rearing, health, education, arts, and governance)				
11. Will the project affect the livelihood systems of Indigenous People? (e.g., food production system, natural resource management, crafts and trade, employment status)				

<b>Indigenous People Screening Questions</b>	<b>Yes</b>	<b>No</b>	<b>Not Known</b>	<b>Remarks</b>
12. Will the project be in an area (land or territory) occupied, owned, or used by Indigenous People, and/or claimed as ancestral domain?				
<b>C. Identification of Special Requirements</b> <i>Will the project activities include:</i>				
13. Commercial development of the cultural resources and knowledge of Indigenous People?				
14. Physical displacement from traditional or customary lands?				
15. Commercial development of natural resources (such as minerals, hydrocarbons, forests, water, hunting or fishing grounds) within customary lands under use that would impact the livelihoods or the cultural, ceremonial, spiritual uses that define the identity and community of Indigenous People?				
16. Establishing legal recognition of rights to lands and territories that are traditionally owned or customarily used, occupied or claimed by indigenous People?				
17. Acquisition of lands that are traditionally owned or customarily used, occupied or claimed by indigenous People?				