NATIONAL STAKEHOLDERS CONSULTATION

8th & 9th July 2026
New Delhi

Jharkhand Joint Venture Policy, 2026
(Draft)

Draft Version for Stakeholder Consultation

Department of Industries,
Government of Jharkhand

Prepared by
Jharkhand Industrial Infrastructure Development Corporation (JIIDCO)

GOVERNMENT OF JHARKHAND

Department of Industries

THE

Jharkhand Joint Venture Policy, 2026

POLICY DRAFT DOCUMENT

shall draft Version for stakeholder consultation

DRAFT

PREPARED BY

Jharkhand Industrial Infrastructure Development Corporation (JIIDCO)

Department of Industries, Government of Jharkhand

Table of Contents

Definitions ***7***

Abbreviations ***8***

1. Preamble ***9***

2. Short Title, Extent, and Commencement ***9***

3. Objectives ***9***

4. Scope and Applicability ***10***

4.1 Coverage 10

4.2 Eligible Sectors 10

4.3 Eligible Partners 10

5. Permissible Joint Venture Models ***10***

5.1 Model Types 10

5.2 JV Classification by Government Equity 11

5.3 Model 1 : Dominant Sector JV (Government Equity above 50%) 11

5.4 Model 2 : Joint Sector JV (Government Equity 26%–50%) 12

5.5 Model 3: Associate Sector JV (Government Equity 11%–25%) 12

5.6 Model 4: Escort Sector JV (Government Equity up to 10%) 13

5.7 Model 5: Escort Services (Non-Equity Concession or Lease) 14

6. Institutional Framework ***14***

6.1 Three-Tier Structure 14

6.2 HLCA and Cabinet 15

6.3 Empowered Committee on Infrastructure (SJVC) 15

6.4 SJVC Standing Sub-Committee 15

6.5 JV Cell, JIIDCO : The Centre of Excellence 16

6.6 Role Division between JIIDCO and the Requisitioning Department 16

7. Approval Architecture ***16***

7.1 The Four-Tier Approval Matrix 17

7.2 Mandatory SJVC Minimum 17

7.3 Mandatory Consultation Milestones 17

7.4 Processing Timelines as Recommended Service Levels 18

8. Institutional Charges ***18***

8.1 Charge Structure 18

8.2 Payment Routes 19

8.3 Payment Milestones 19

9. Project Initiation and Eligibility ***21***

9.1 Initiation Routes 21

DRAFT

9.2 Eligibility Classification Opinion 21
9.3 How Any Department Starts 21
9.4 Market Development Operational Commitments 21
9.5 Pre-Bid Market Sounding 22
9.6 Investor Query Response Protocol 22
9.7 Developer Feedback Mechanism 22
9.8 Investor Grievance Mechanism 22
10. Project Readiness Certification (JVRC) 22
10.1 Mandatory Gate 22
10.2 JVRC Categories 22
10.3 The Five Gates Summary 23
10.4 JVRC Issuance Process 23
11. Value-for-Government (VfG) Note 23
11.1 Mandatory Requirement 24
11.2 VfG Note Tiers 24
11.3 JV Value Assessment 24
11.4 Post-Award VfG Tracking 24
11.5 Aggregate Fiscal Exposure Statement 24
12. Selection of Private Partner 25
12.1 Methods of Selection 25
12.2 Eligibility Requirements 26
12.3 Bid Evaluation Committee (BEC) 26
12.4 Post-Selection: Agreement Execution 26
12.5 Post-Facto Registration for Pre-Policy Arrangements 26
13. Risk Allocation 26
13.1 Standard Risk Matrix 27
13.2 Insurance 27
13.3 Sector-Calibrated Parameters by Project Type 28
14. Renegotiation Protocol 28
14.1 Mandatory Inclusion 28
14.2 Trigger Events 28
14.3 Renegotiation Process 29
14.4 Modification Boundaries 30
14.5 Authority by Modification Scale 30
14.6 Dispute Resolution 30
15. Implementation and Monitoring 31
15.1 Implementation Milestones 31

DRAFT

15.2 Performance Monitoring 31
15.3 Project Continuity and Handover Protocol 31
15.4 Audit 31
16. Government Support and Incentives 34
16.1 Land and Built Asset Contribution 34
16.2 Capital Equity Infusion 34
16.3 Viability Gap Funding (VGF) 34
16.4 Fiscal Incentives 35
16.5 Non-Fiscal Support 35
17. Revenue Sharing and Exit 35
17.1 Revenue Sharing Principles 35
17.2 Permissible Structures 35
17.3 Exit Mechanisms 36
17.4 Golden Share 36
17.5 Tribal Social Return 36
18. JV Dashboard, Public Disclosure, and Project Dossier 37
18.1 JV Dashboard and JV Register 37
18.2 Project Dossier as Institutional Memory 37
18.3 Grievance Redressal 38
18.4 Citizen Grievance Mechanism 38
19. JV-in-a-Box as Department Execution Kits 39
20. Integrity, Conflict of Interest, and Debarment 39
20.1 Advisor Restrictions 39
20.2 Bidder Declarations 39
20.3 BEC Member Declarations 39
20.4 Bidder Contact Protocol 39
20.5 Post-Award Integrity 40
21. Transition, Sunset, and Savings 40
21.1 Transition for Pre-Policy Arrangements 40
21.2 Policy Sunset 40
21.3 Amendments 40
21.4 JIIDCO Process Audit 40
21.5 Annual JV Performance Report 40
21.6 Policy Hierarchy 41
21.7 Policy and Agreement Hierarchy 41
21.8 Overriding Effect 41
21.9 Savings 42

DRAFT

Annexure A1: JVRC Gate Checklists 44

Gate 1 : Land Title and Possession Security 44

Gate 2 : Tribal Rights and Statutory Compliance 44

Gate 3 : Environmental and Forest Clearances 45

Gate 4 : Independent Demand Verification 45

Gate 5 : Infrastructure and Utility Readiness 46

Annexure A2: Value-for-Government (VfG) Note : Template 47

Part A : Project Header 47

Part B : Government Contribution Valuation 47

Part C : JV Equity Return and Value to Government 47

Part D : Sensitivity Analysis (Standard and Full VfG Notes Only) 48

Part E : Alternatives Analysis (Standard and Full VfG Notes Only) 48

Part F : Concession Term Justification (Full VfG Notes Only) 48

Part G Conclusion and Sign-Off (all VfG types) 48

Annexure A3: JV-in-a-Box as Department Execution Kit 49

A3.1 Kit A Walkthrough for Equity JV (SPV) 49

A3.2 Standard Documents D0–D7 49

A3.3 Audit Scenario Reference 50

DRAFT

PART A

Policy Framework

Sections 1–8: Foundational provisions, institutional structure, and approval architecture

DRAFT

Definitions

In this Policy, unless the context otherwise requires:

Term	Definition
Competent Authority	The authority empowered to sanction a JV project under the approval architecture set out in Section 7.
State Level JV Committee (SJVC)	The inter-departmental body chaired by the Chief Secretary constituted under this Policy for appraisal of JV projects.
Expert Facilitation Agency	JIIDCO, designated as the State Centre of Excellence providing mandatory process appraisal, JVRC verification, VfG review, dashboarding, and Project Dossier maintenance for all State JV projects.
Fifth Schedule Area	Scheduled tribal areas in Jharkhand as notified under Article 244 of the Constitution, where PESA and applicable tribal land laws apply.
Infrastructure Project	Any project involving private participation in the financing, construction, operation, or maintenance of a public asset or service delivery facility, where performance risk is contractually transferred to the private party.
Initial Project Requisition (IPR)	The one-page standard form (D0) submitted by a Requisitioning Department to JIIDCO to formally initiate the JV facilitation process.
JIIDCO	Jharkhand Industrial Infrastructure Development Corporation: the State Expert Facilitation Agency designated under this Policy
Joint Venture (JV)	A legal entity or contractual arrangement jointly formed by the Government of Jharkhand (through a Requisitioning Department, PSU, or agency) and one or more private, institutional, or community partners, with defined equity participation, governance rights, and shared objectives for a specific project, asset, or service.
JV Cell	The dedicated operational unit within JIIDCO, serving as single point of contact for all JV matters across all Government departments.
Institutional Charges	The professional service charge levied by JIIDCO to the Requisitioning Department or PSU for end-to-end facilitation services.
JV Readiness Certificate (JVRC)	The certificate issued by the JV Cell Director confirming that a JV project has cleared all applicable Readiness Gates (
Renegotiation Protocol	The mandatory Schedule to every JV Agreement above Rs. 10 crore, forming Section 14 of this Policy, defining the exclusive circumstances and process for modifying concession terms during the contract period.
Requisitioning Department (RD)	Any administrative department, PSU, Statutory Board, Urban Local Body, or Government agency of the State of Jharkhand that initiates or refers a JV project to JIIDCO under this Policy
Value-for-Government (VfG) Note	The mandatory documented decision basis for every project above Rs. 10 crore (Section 11; Annexure A2), formally assessing the value to Government of the proposed JV structure, including equity return, risk allocation, and asset contribution valuation.
Viability Gap Funding (VGF)	Financial support extended by Central or State Government to bridge revenue shortfalls in economically viable but commercially marginal projects.

Abbreviations

Abbrev.	Full Form	Abbrev.	Full Form
BEC	Bid Evaluation Committee	Institutional Charges	Project Development & Transaction Support Charge
BOT	Build-Operate-Transfer	PMU	Project Management Unit
CAG	Comptroller and Auditor General	PPP	Public Private Partnership
COD	Commercial Operation Date	JVRC	JV Readiness Certificate
COI	Conflict of Interest	RD	Requisitioning Department
DBFOT	Design-Build-Finance-Operate-Transfer	RFP	Request for Proposal
DMF	District Mineral Foundation	RFQ	Request for Qualification
DPR	Detailed Project Report	SHA	Shareholders Agreement
FRA	Forest Rights Act, 2006	SLA	Service Level Agreement
HAM	Hybrid Annuity Model	SPV	Special Purpose Vehicle
HLCA	High Level Clearance Authority	VfG	Value-for-Government
IPR	Initial Project Requisition	VGF	Viability Gap Funding
CoE	Centre of Excellence	O&M	Operations and Maintenance
JIIDCO	Jharkhand Industrial Infrastructure Dev. Corporation	SJVC	State level Joint Venture Committee

DRAFT

1. Preamble

Jharkhand holds a significant share of India's mineral resources, possesses extensive forest cover, and is positioned on critical industrial corridors linking eastern India. The State's development imperative demands accelerated mobilisation of private capital, technology, and management expertise through structured partnerships. Joint ventures between the Government and private or institutional partners offer a proven instrument for this purpose, combining Government's asset base and enabling authority with the private sector's capital efficiency and operational capacity.

Experience across India, including in Jharkhand, has demonstrated that Government joint ventures have not consistently delivered expected outcomes. Joint venture agreements have been executed without pre-agreed governance frameworks, resulting in Board-level deadlocks over operational decisions. Government equity contributions in the form of land or assets have been made without independent valuation, generating disputes at entry that undermine the partnership from its inception. Dividend and exit rights have been left to future agreement rather than specified in the Shareholders Agreement, creating persistent uncertainty about the return on Government investment. No single institutional authority has been responsible for monitoring joint venture performance across departments, resulting in revenue leakages, unresolved disputes, and loss of institutional knowledge on every change of the incumbent officer.

This Policy designates JIIDCO as the State JV Centre of Excellence, mandates independent valuation of all Government contributions, requires a pre-agreed Shareholders Agreement covering dividend covenants, reserved matters, and exit mechanisms, and embeds a Renegotiation Protocol in every JV Agreement. A permanent Project Dossier shall hold the institutional record of every JV independent of individual officer tenure.

This Policy aligns with applicable Central Government guidelines on public sector equity participation, the PM Gati Shakti National Master Plan, the National Infrastructure Pipeline, and the Jharkhand Industrial and Investment Promotion Policy.

2. Short Title, Extent, and Commencement

1. This Policy shall be called the Jharkhand Joint Venture Policy, 2026.
2. It extends to the whole of the State of Jharkhand.
3. It shall come into force on the date of its publication in the Official Gazette of Jharkhand.
4. The Policy shall remain in force for five (5) years from the date of notification. All operational JV agreements remain valid and governed by their respective contractual terms irrespective of policy expiry. Projects under active processing at expiry remain eligible for approval within twelve (12) months of the date of expiry.

3. Objectives

This Policy shall achieve the following objects:

a. This Policy shall designate JIIDCO as the State JV Centre of Excellence providing mandatory process appraisal, JVRC verification, VfG review, dashboarding, and Project Dossier maintenance for all State JV projects, while sector-specific technical design and contracting authority remain with the Requisitioning Department.

b. Align the JV approval architecture with existing Government financial delegation practice while adding safeguards suited to long-term equity partnerships, asset contributions, and shared governance arrangements.

c. This Policy shall institute mandatory JV Readiness Certification to ensure Government shall deliver its committed contributions - land, equity, clearances, before any JV partner is engaged or any equity is committed.

d. Require documented value-for-government analysis for every JV approval above Rs. 10 crore, creating an auditable decision basis.

e. Embed a pre-agreed renegotiation protocol in every JV Agreement and SHA, converting informal modifications to partnership terms into a transparent, process with proper authority.

DRAFT

f. This Policy shall provide standardised template kits for the four primary JV models specified in Section 20, enabling any Requisitioning Department to initiate projects under those models without bespoke legal or financial structuring.

g. Establish binding Government processing timelines that create investor confidence through predictability.

4. Scope and Applicability

4.1 Coverage

This Policy applies to all administrative departments of the Government of Jharkhand, all State PSUs, Statutory Boards and Authorities, Urban Local Bodies, and District Administrations. Any such entity that proposes a JV project is the Requisitioning Department under this Policy and shall engage JIIDCO for mandatory process facilitation. Where the initiating entity is not legally empowered to execute a JV agreement (for example, a District Administration or subordinate body), the concerned Administrative Department, PSU, Authority, or other legally competent agency designated by the State Government shall act as the contracting party for agreement execution.

4.2 Eligible Sectors

This Policy is sector-neutral and covers, without limitation: mineral and mining infrastructure; industrial facilities; logistics and connectivity; energy; urban development; healthcare; education and skills; tourism and culture; agriculture and food processing; IT and digital infrastructure; and tribal livelihood infrastructure. Government may add sectors by Government Order without formal policy amendment.

4.3 Eligible Partners

JVs under this Policy may be formed with:

a) Private companies incorporated in India;

b) Foreign companies subject to compliance with applicable FEMA provisions and the Foreign Direct Investment Policy of the Government of India for the relevant sector;

c) Central and State PSUs;

d) Infrastructure debt funds, sovereign wealth funds, and DFIs;

e) International development agencies (World Bank, ADB, IFC, JICA, KfW);

f) Cooperatives, SHG federations, FPOs, and tribal community enterprises; and

g) Consortiums with a legally designated lead member.

5. Permissible Joint Venture Models

Four JV model types are permissible under this Policy. Within the equity-based models, five tiers of Government equity participation are defined. Every JV formed under this Policy shall be structured on one of the model types in Section 5.1, with governance, Board representation, audit, and exit terms governed by the applicable equity tier in Sections 5.3 to 5.7.

5.1 Model Types

The four permissible models, with descriptions and typical use cases, are set out in the table below.

Model	Description	Typical Use Cases
Equity JV (SPV)	Government shall hold equity in an SPV jointly with a private partner, with the equity percentage governed by the classification in Section 5.2 (Joint Sector 26–50%; Associate Sector 11–25%; Escort Sector up to 10%). SHA defines governance, reserved matters, and exit. Dividend-based return.	Large industrial parks, mineral processing, hospitals, strategic sector partnerships across any sector

DRAFT

Model	Description	Typical Use Cases
BOT / DBFOT / HAM	Private partner finances, builds, and operates a project for a defined concession period, not exceeding 30 years unless specifically approved by SJVC with documented justification; the asset transfers to Government at the end of the concession period. Government may provide land, clearances, or VGF.	Greenfield infrastructure across any sector; HAM variant for social projects
Community JV	JV with tribal cooperatives, SHG federations, or FPOs; Government equity shall be catalytic (up to 10%); operational control shall vest with community entity.	NTFP processing, artisan clusters, eco-tourism, FPO-linked agri-infrastructure
Hybrid / Customised	Combination of above models with SJVC / competent authority approval.	Projects with unique risk, sector, or community requirements

5.2 JV Classification by Government Equity

Five models of Government equity participation are set out below, from majority control (Dominant Sector) through declining equity stakes to non-equity concession (Escort Services). The applicable model shall determine the governance structure, Board representation, CAG audit applicability, and approval requirements for the JV.

Classification	Gov. Equity %	Governance	Board Representation
Dominant Sector (Model 1)	Above 50%	Equity-based SPV; SHA shall be mandatory; Government shall hold majority control; CAG audit shall be mandatory; Finance Department concurrence shall be required	Majority Govt. directors; Chairperson nominated by Government; veto on all reserved matters
Joint Sector (Model 2)	26%–50%	Equity-based SPV; SHA shall be mandatory; Audit shall be as per Section 15.4 and applicable law	Min. 2 Govt. directors; veto rights on reserved matters
Associate Sector (Model 3)	11%–25%	SHA shall be mandatory; annual compliance report; mid-term review at 30 months	1 Govt. director or Observer
Escort Sector (Model 4)	Up to 10%	Government shall be in Observer role; bi-annual review; exit at pilot phase	Observer only
Escort Services (Model 5)	0% (non-equity)	Concession Agreement or Lease Agreement; no SPV required; performance-linked contract management	No Board role; PMU contract management only

5.3 Model 1 : Dominant Sector JV (Government Equity above 50%)

Government holds a majority equity stake in a Special Purpose Vehicle. The private partner contributes capital, technical expertise, or market access. Government exercises control through Board majority and reserved matter veto. This model shall be used where strategic public interest, natural resource stewardship, or critical infrastructure requires Government to retain operational control.

5.3.1 SPV formation. The JV entity shall be incorporated as a company under the Companies Act, 2013 before any Government contribution is released. No contribution of land, equity, or guarantee shall precede SPV incorporation.

5.3.2 Shareholders Agreement. A Shareholders Agreement (SHA) shall be executed concurrently with the JV Agreement. The SHA shall specify equity proportions, capital call obligations, anti-dilution protection, reserved matters requiring unanimous consent, dividend policy, and exit mechanism.

5.3.3 Board composition. Government shall nominate a majority of directors to the Board of the JV entity, including the Chairperson. At least one Government-nominated director shall be a nominee of the Finance Department. Quorum shall not be met without at least one Government-nominated director present.

5.3.4 Reserved matters. The following decisions shall require affirmative approval of the Government-nominated directors in addition to a Board majority: (a) any change in the business purpose or principal activity of the JV entity; (b) any change to the capital structure or issuance of new equity or convertible instruments; (c) any transfer, sale, mortgage, or encumbrance of assets above Rs. 5 crore; (d) borrowing above the limit specified in the SHA; (e) appointment or removal of the Chief Executive Officer; (f) approval of annual accounts; (g) winding up, merger, or restructuring.

5.3.5 Dividend policy. The SHA shall specify a mandatory dividend distribution policy. Distributable profits above the agreed retained earnings threshold shall be distributed annually. Government's dividend entitlement shall not be subordinated to any preference class or deferred without Cabinet approval.

5.3.6 Audit. CAG audit is mandatory in all cases where Government equity is 51% or above, or where otherwise required under applicable law. No provision of the SHA shall restrict, defer, or condition CAG audit access. Any such provision shall be void.

5.3.7 Step-in rights. Government retains unconditional step-in rights exercisable on: (a) KPI failure in three consecutive quarterly reports; (b) insolvency, winding-up proceedings, or appointment of a receiver in respect of the private partner; or (c) material breach of SHA reserved matters. Step-in rights are exercisable without prior arbitral award and shall be specified in the SHA and in the JV Agreement.

5.3.8 Finance Department concurrence. Finance Department concurrence shall be mandatory before any equity commitment, capital call, VGF disbursement, or guarantee is extended by Government to the JV entity.

5.3.9 Exit. Government exit from a Dominant Sector JV requires Cabinet approval. Exit valuation shall be conducted by an independent Third Party Appraiser. No exit shall be executed below independently assessed fair market value unless Cabinet records a specific public interest justification in writing.

5.3.10 Approval tier. SJVC is the minimum approval authority. Projects above Rs. 500 crore, or requiring Cabinet sanction under the Rules of Executive Business, shall go to Cabinet on HLCA's recommendation.

5.4 Model 2 : Joint Sector JV (Government Equity 26%–50%)

Government shall hold a significant minority stake sufficient to block special resolutions under Section 114 of the Companies Act, 2013. The private partner shall hold majority equity and operational control. Government's role shall be to anchor private investment, contribute land or assets, and protect public interest through reserved matter veto rather than operational direction.

5.4.1 SPV formation. The JV entity shall be incorporated as a company under the Companies Act, 2013 before release of any Government contribution.

5.4.2 Shareholders Agreement. An SHA shall be executed concurrently with the JV Agreement. The SHA shall specify equity proportions, anti-dilution rights protecting Government's stake above 26%, Board nomination rights, reserved matters, dividend policy, mid-term review obligation, and exit terms.

5.4.3 Board composition. Government shall nominate a minimum of two directors to the Board, of whom at least one shall be a nominee of the Finance or Revenue Department. Quorum shall not be met without at least one Government-nominated director present.

5.4.4 Reserved matters. The following shall require the affirmative vote of at least one Government-nominated director: (a) change in the principal business activity; (b) issuance of new equity or convertible instruments that would dilute Government's shareholding below 26%; (c) sale or encumbrance of any Government-contributed land or asset; (d) borrowing above the SHA-specified threshold; (e) appointment or removal of the Chief Executive Officer; (f) change of statutory auditor; (g) winding up, merger, or restructuring.

5.4.5 Anti-dilution. The private partner shall not issue new equity, convertible instruments, or any instrument that would dilute Government's shareholding below 26% without prior SJVC approval. Any purported issuance in breach of this clause shall be void against Government.

5.4.6 Dividend policy. The SHA shall specify a mandatory minimum dividend payout ratio on net profits after tax. Government's dividend entitlement shall not be deferred or subordinated to any other equity class without SJVC approval.

5.4.7 Audit. Where Government equity is 51% or above, CAG audit is mandatory. Where Government equity is 26%–50%, the SHA shall preserve and not restrict the right of CAG to audit Government's equity interest and related transactions.

5.4.8 Step-in rights. Government retains step-in rights exercisable on: (a) KPI failure in three consecutive quarterly reports; (b) material breach of SHA reserved matters; or (c) insolvency of the private partner. Step-in rights shall be specified in the SHA and JV Agreement and are exercisable without prior arbitral award.

5.4.9 Exit. Government exit requires SJVC approval for projects up to Rs. 500 crore; Cabinet approval above. Exit valuation shall be by an independent Third Party Appraiser. The private partner shall have a right of first refusal at independently assessed fair market value. Lock-in period shall be a minimum of three years from COD as specified in the SHA.

5.4.10 Approval tier. SJVC is the minimum approval authority in all cases given Government equity contribution.

5.5 Model 3: Associate Sector JV (Government Equity 11%–25%)

Government shall hold a catalytic minority stake, providing confidence to lenders and anchor investors and enabling access to State fiscal incentives. The private partner shall hold effective control. Government's role shall be oversight and compliance monitoring rather than operational direction.

5.5.1 SPV formation. Mandatory where Government shall contribute cash equity. Optional where Government's contribution is limited to land or built assets on lease to the private partner.

DRAFT

5.5.2 Shareholders Agreement. An SHA shall be executed concurrently with the JV Agreement. The SHA shall specify equity proportions, Board nomination rights, reserved matters, annual compliance reporting obligation, mid-term review at 30 months, lock-in period, and exit terms.

5.5.3 Board composition. Government shall nominate one director or one Observer to the Board, as specified in the SHA. Where Government nominates an Observer, the Observer shall have standing attendance rights at all Board meetings and access to all Board papers without restriction.

5.5.4 Reserved matters. The following shall require Government consent: (a) change in the principal business activity; (b) winding up, merger, or restructuring; (c) transfer or encumbrance of any Government-contributed asset; and (d) any further matter specified in the SHA as requiring Government consent.

5.5.5 Dividend policy. The SHA shall specify a dividend distribution policy. Government's dividend entitlement shall be proportionate to equity. The SHA shall prohibit indefinite dividend deferral; any deferral beyond two consecutive financial years shall require a Board resolution recording justification, filed in the Project Dossier.

5.5.6 Annual compliance report. The private partner shall submit an annual compliance report to SJVC within 90 days of the close of each financial year covering: financial performance against VfG Note projections; KPI achievement; TBSP compliance; SHA reserved matter activity; and any material change in business or ownership.

5.5.7 Mid-term review. A formal mid-term review shall be conducted at 30 months post-COD, chaired by SJVC and attended by the Administrative Secretary of the Requisitioning Department. The review shall assess performance against VfG Note projections and may recommend SHA amendment through the Renegotiation Protocol.

5.5.8 Exit. Government exit shall be after the lock-in period specified in the SHA, which shall be a minimum of three years from COD. Exit valuation by independent Third Party Appraiser. Right of first refusal to the private partner. Exit requires SJVC approval.

5.5.9 Approval tier. SJVC is the minimum approval authority given Government equity contribution.

5.6 Model 4: Escort Sector JV (Government Equity up to 10%)

Government shall hold a small catalytic equity stake to signal commitment and enable JV status for regulatory or scheme eligibility purposes. The private partner shall hold full operational and financial control. This model shall be used for pilot projects, innovation partnerships, and sector entry arrangements where Government's role is to observe and facilitate rather than direct.

5.6.1 SPV formation. Optional. Where the private partner proposes an SPV and Government elects to participate with up to 10% equity, the JV entity shall be incorporated under the Companies Act, 2013. Where no SPV is formed, the arrangement shall follow Model 5 (Escort Services) under Section 5.7.

5.6.2 Shareholders Agreement. Mandatory where an SPV is formed. The SHA shall specify: equity proportions; Observer rights; bi-annual review obligation; pilot phase exit trigger; transfer restrictions on Government's stake; and the consequences of the pilot phase trigger not being met.

5.6.3 Board composition. Observer status only. Government's Observer shall have standing attendance rights at all Board meetings and access to all Board papers. The Observer shall have no voting rights.

5.6.4 Reserved matters. Reserved matters shall be limited to: (a) change in the principal business activity; (b) winding up or restructuring; and (c) any material change to the project scope that affects a Government-contributed asset, if any.

5.6.5 Bi-annual review. SJVC shall conduct a bi-annual review attended by the Requisitioning Department's Nodal Officer assessing whether the project warrants: (a) Government equity scale-up with SJVC approval; (b) continuation of Observer arrangement; or (c) Government exit at pilot phase end.

5.6.6 Pilot phase exit trigger. The SHA shall specify a pilot phase exit trigger , either a defined date not more than three years from COD or a measurable performance milestone. At the trigger, Government shall: (a) exit at independently assessed value; (b) increase equity to Associate Sector level subject to SJVC approval; or (c) extend the Observer arrangement by SJVC-approved Board resolution. Failure to exercise any option within 90 days of the trigger shall be treated as an election to exit.

5.6.7 Finance Department concurrence. Finance Department concurrence shall be required for any equity commitment above Rs. 1 crore at this model tier, given the limited governance rights retained by Government.

5.6.8 Exit. Government exit may occur at the pilot phase trigger or at any time thereafter with 90 days' written notice. Exit valuation by independent Third Party Appraiser.

5.6.9 Approval tier. Tier 3 for projects up to Rs. 25 crore; SJVC for projects above Rs. 25 crore or where the Risk Trigger Override in Section 7.2 applies.

DRAFT

5.7 Model 5: Escort Services (Non-Equity Concession or Lease)

Government shall contribute no equity under this model. It shall grant operating rights over a public asset or service through a Concession Agreement or Lease Agreement. The private partner shall bear full financing, construction, and operational risk. Government shall retain asset ownership and shall receive a defined financial return through revenue share, lease rent, annuity, or management fee.

5.7.1 No SPV required. An SPV is not required under this model. The arrangement is governed by a Concession Agreement or Lease Agreement executed directly between the Requisitioning Department and the private partner.

5.7.2 No Shareholders Agreement. An SHA is not applicable under this model. All governance, performance, and termination terms shall be contained in the Concession Agreement or Lease Agreement.

5.7.3 No Board role. Government shall have no Board role. Oversight is exercised through the Requisitioning Department's PMU and JIIDCO's Dashboard monitoring. The Concession Agreement shall specify Government's inspection, audit, and information rights in lieu of Board access.

5.7.4 Agreement type. The applicable agreement type shall be one of: (a) BOT or DBFOT - private partner finances, builds, operates, and transfers the asset at concession end; (b) HAM - Government pays a hybrid annuity, private partner bears construction risk and a defined portion of revenue risk; (c) O&M Contract - Government retains asset ownership, private partner manages operations against a KPI-linked management fee; (d) Lease-Operate - Government leases an existing asset to the private partner, who pays lease rent and a revenue share.

5.7.5 Revenue to Government. The Concession Agreement or Lease Agreement shall specify Government's financial return as one of: (a) a fixed revenue share percentage; (b) a variable share above a revenue threshold with a guaranteed floor; (c) annuity payments (HAM); (d) lease rent with annual escalation of 5–8%; or (e) management fee net of agreed operating costs. Where feasible, the agreement shall specify a minimum guaranteed return to Government.

5.7.6 Renegotiation Protocol. The Renegotiation Protocol under Section 14 shall be a mandatory Schedule to every Concession Agreement and Lease Agreement above Rs. 10 crore.

5.7.7 KPI monitoring. The Requisitioning Department's PMU shall submit quarterly KPI reports to SJVC covering: service quality; revenue performance against VfG Note projections; asset maintenance standards; and for social sector projects, access and affordability metrics.

5.7.8 Step-in rights. Government shall retain step-in rights exercisable on: (a) KPI failure in three consecutive quarterly reports; (b) financial default or abandonment; or (c) any event specified as a step-in trigger in the Concession Agreement. Step-in rights are exercisable without prior arbitral award.

5.7.9 Asset reversion. All assets constructed, upgraded, or improved by the private partner shall revert to Government at concession end in good operating condition. The Concession Agreement shall specify the condition standard, independent engineer inspection protocol, and any rectification obligation.

5.7.10 Approval tier. Tier 4 for O&M and lease-operate arrangements up to Rs. 10 crore with concession period not exceeding five years. Tier 3 for projects up to Rs. 25 crore. SJVC for Rs. 25–500 crore. Cabinet above Rs. 500 crore or where Section 7.2 applies.

6. Institutional Framework

Three institutional tiers govern JV appraisal and sanction: Cabinet (on HLCA's recommendation) for projects above Rs. 500 crore; SJVC for projects in the Rs. 25–500 crore range; and JIIDCO's JV Cell for process facilitation and recommendations up to Rs. 25 crore.

6.1 Three-Tier Structure

JIIDCO shall facilitate and recommend. SJVC shall appraise and sanction within its threshold, or recommend to Cabinet above it. Cabinet shall sanction on HLCA's recommendation. Bodies, tiers, and roles are set out in the table below.

Tier	Body	Role
Strategic	Cabinet, on recommendation of HLCA	Cabinet gives final sanction for projects above Rs. 500 crore and for projects requiring Cabinet approval under the Rules of Executive Business, financial rules, or sector-specific law. HLCA screens and recommends to Cabinet; HLCA does not itself sanction. HLCA shall be constituted by a separate Government Order; references to HLCA in this Policy shall operate from the date of such constitution.

DRAFT

Tier	Body	Role
Appraisal	Empowered Committee on Infrastructure (SJVC)	Appraisal of projects Rs. 25–500 crore; sanction through exercise of delegated financial power by constituent members in their individual capacities as per Rules of Executive Business; recommendation to Cabinet for projects above Rs. 500 crore. Chaired by Chief Secretary.
Facilitation	JV Cell, JIIDCO	End-to-end process facilitation for all departments. Appraisal and recommendation up to Rs. 25 crore.

6.2 HLCA and Cabinet

HLCA screens proposals above Rs. 500 crore and recommends Cabinet sanction. HLCA shall consist of following members –

a) Chief Minister - Chairperson, HLCA
b) Chief Secretary - Member
c) Development Commissioner - Member
d) Secretary, Department of Finance - Member
e) Secretary, Department Industries - Member Secretary
f) Secretary of the Requisitioning Department - Member

6.3 Empowered Committee on Infrastructure (SJVC)

SJVC shall comprise the Chief Secretary as Chairperson, the Secretaries of Finance, Revenue, Forest, Urban Development, Energy, and Tribal Welfare as Members, and MD JIIDCO as Member-Secretary. The Administrative Secretary of the Requisitioning Department and the MD of any concerned PSU shall serve as ad hoc Members for the specific project.

Sl.	Member	Status
1	Chief Secretary	Chairperson
2	Development Commissioner	Member
3	Secretary / Prin. Secretary, Department of Industries	Member
4	Secretary / Prin. Secretary, Department of Finance	Member
5	Secretary / Prin. Secretary, Department Revenue and Land Reforms	Member
6	Secretary / Prin. Secretary, Department of Urban Development	Member
7	Secretary / Prin. Secretary, Department of Forest and Environment	Member
8	Secretary / Prin. Secretary, Department of Energy	Member
9	Secretary / Prin. Secretary, Department of Welfare	Member
10	Secretary / Principal Secretary of the Requisitioning Department	Member
11	MD / CEO of concerned PSU (where the project is being implemented through or in partnership with a PSU)	Ad hoc Member
12	Managing Director, JIIDCO	Member-Secretary

SJVC shall meet at least once a quarter. Quorum: five members including the Chairperson or, where the Chairperson is unavailable, the Development Commissioner as the designated Alternate Chairperson for quorum purposes. Minutes circulated within seven working days. SJVC appraisal notes are prepared by JIIDCO; the Requisitioning Department provides a written concurrence letter before submission.

6.4 SJVC Standing Sub-Committee

To prevent approval delays, SJVC shall constitute a Standing Sub-Committee for projects with capital cost between Rs. 25 crore and Rs. 100 crore. The Sub-Committee shall be chaired by the Development Commissioner and comprise: Secretary / Principal Secretary Finance (Member); Secretary / Principal Secretary of the Requisitioning Department; and Managing Director, JIIDCO (Member-Secretary). The Sub-

Committee may meet fortnightly. Its approvals shall be reported to the next full SJVC meeting for ratification. Projects above Rs. 100 crore, and all projects involving VGF, Government equity or natural resource rights, shall require full SJVC approval and shall not be delegated to the Sub-Committee.

6.5 JV Cell, JIIDCO : The Centre of Excellence

The JV Cell within JIIDCO is the State's institutional memory and operational engine for JV facilitation across all sectors. It is staffed by a Director level officers from Industries, Finance, and Planning Departments on deputation, and an empanelled Transaction Advisory Panel. Its mandate shall include :

a. shall issue, renew, and withhold Project Readiness Certificates (Section 10; Annexure A1).
b. shall prepare and certify Value-for-Government Notes (Section 11; Annexure A2).
c. JIIDCO shall manage the entire bidding process (RFQ, RFP, BEC) on behalf of the Requisitioning Department.
d. JIIDCO shall draft all agreements, including the Renegotiation Protocol Schedule (Section 14), for execution by the Requisitioning Department.
e. Administer the Renegotiation Protocol as the designated neutral facilitator.
f. Operate the JV Dashboard, State JV Register, and Project Dossier system (Section 18).
g. JIIDCO shall levy and collect Institutional Charges (Section 8) and shall manage JIIDCO's operational budget for JV facilitation activities.
h. shall maintain a cross-sectoral shelf of bankable JV projects and proactively engage departments.
i. JIIDCO shall conduct mandatory training and orientation for Nodal Officers of each Requisitioning Department before that department first undertakes Gate submissions, VfG Note concurrence, or BEC responsibilities under this Policy.

6.6 Role Division between JIIDCO and the Requisitioning Department

JIIDCO shall hold process authority; the Requisitioning Department shall hold contracting authority. Stage-by-stage responsibilities of each party are set out in the table below.

Stage	JIIDCO (Process Custodian)	Requisitioning Department (Principal)
Identification	Proactively identifies opportunities; screens IPR; assigns Relationship Officer	shall submit IPR (D0); designates Nodal Officer (not below Joint Secretary or Director)
Pre-Feasibility	Leads scoping and pre-feasibility study (D2); advises on model	shall provide sector and asset data; confirms intent to proceed
JVRC Process	shall manage all five gates; issues JVRC or Deficiency Note	shall provide Gate documents; coordinates sector clearances
Appraisal & Approval	shall prepare VfG Note and appraisal note; presents to competent authority	shall provide concurrence letter; attends SJVC/HLCA as major stakeholder
Partner Selection	shall manage RFQ, RFP, BEC process	Nodal Officer shall chair BEC; confirms partner acceptability
Agreement Execution	shall draft all agreements; coordinates legal review	shall sign and registers all agreements as Government contracting party
Post-Award	Operates Dashboard and Dossier; chairs bi-annual reviews; administers Renegotiation Protocol	shall establish PMU; submits quarterly KPI reports; escalates performance breaches

7. Approval Architecture

The approval architecture is aligned with Jharkhand's existing financial delegation practice. It adds, within that hierarchy, the mandatory safeguards as JVRC, VfG Note, and Renegotiation Protocol, are appropriate for long-term commitments of public assets and revenue rights.

7.1 The Four-Tier Approval Matrix

The applicable approval tier shall be determined by project cost, subject to the Risk Trigger Override in Section 7.2. The full matrix of tiers, authorities, thresholds, applicable models, and mandatory prerequisites is set out below.

Tier	Authority	Project Cost Threshold	Applicable Models	Mandatory Prerequisites
Tier 4	Administrative Secretary of the Requisitioning Department (on JIIDCO appraisal note and recommendation)	Up to Rs. 10 crore	O&M contracts and asset lease-operate only	JIIDCO appraisal note; JVRC (Compressed or Fast-Track); Simplified VfG Note; no land transfer, no equity commitment above Rs. 1 crore, JV term ≤5 years
Tier 3	Requisitioning Department at the level of Departmental Minister	Rs. 10 crore to Rs. 25 crore	All JV models	JIIDCO appraisal note; JVRC (Full or Compressed as applicable); Standard VfG Note; Finance Department concurrence
Tier 2	State level JV Committee (SJVC) sanction constitutes exercise of delegated financial power by constituent members in their individual capacities as per Rules of Executive Business	Rs. 25 crore to Rs. 500 crore	All JV models	JIIDCO appraisal note; Full JVRC; Full VfG Note; RD concurrence letter
Tier 1	Cabinet, on recommendation of HLCA	Above Rs. 500 crore; and any project requiring Cabinet sanction	All JV models	Full JVRC; Full VfG Note with independent peer review; HLCA appraisal note to Cabinet

7.2 Mandatory SJVC Minimum

The following projects shall go to SJVC (Tier 2) at minimum, regardless of project cost:

a. Projects involving Government land transfer or Government land as equity contribution shall go to SJVC (Tier 2) at minimum.

b. Projects involving Viability Gap Funding (VGF) from Central or State sources.

c. Projects involving Government cash equity contribution of any amount.

d. Concession period above 10 years, regardless of the nature of the project.

e. Projects involving the grant of revenue rights over natural resources, including water bodies, forest produce, mineral deposits, or spectrum, to a private partner.

f. Any project in respect of which, prior to the grant of approval, a formal audit observation, vigilance reference, judicial direction, or court proceeding has been received by the Competent Authority raising material concerns about the project, shall go to SJVC (Tier 2) at minimum.

7.3 Mandatory Consultation Milestones

JIIDCO shall conduct documented consultation with the Requisitioning Department at each of the following mandatory milestones. No milestone is complete without recorded RD concurrence:

Milestone	Form of Consultation	RD Output Required
Pre-feasibility	Joint scoping meeting; JV Cell and RD Nodal Officer / Secretary	Written confirmation of intent to proceed
JVRC gate submission	RD shall submit Gate documents; JV Cell shall review jointly	RD shall sign-off on Gate completeness
VfG Note	shall draft shared with RD	Written comments or concurrence
Appraisal note	shall draft shared with RD before submission to competent authority	Formal concurrence letter

DRAFT

Milestone	Form of Consultation	RD Output Required
BEC formation and evaluation	RD Nodal Officer shall chair BEC	Signed BEC scoresheet
Agreement execution	RD legal team shall review draft	RD shall execute agreement as contracting authority
Post-award shall review	RD PMU shall submit quarterly KPI reports	Signed KPI report; escalation of any breach

7.4 Processing Timelines as Recommended Service Levels

The timelines below shall be binding on both JIIDCO and the Requisitioning Department. Breaches shall be reported to the Secretary, Industries with documented reasons.

Stage	Responsible	Recommended Timeline
IPR / IPD screening	JIIDCO JV Cell	15 working days from receipt
JVRC issuance (all Gates complete)	JV Cell Director	10 working days from complete submission
Appraisal note (Tier 4 - up to Rs. 10 crore)	JV Cell	20 working days from JVRC
Tier 4 sanction (Administrative Secretary)	Administrative Secretary of RD	10 working days from appraisal note
Appraisal note (Tier 3 - Rs. 10–25 crore)	JIIDCO JV Cell	30 working days from JVRC
Tier 3 sanction	Requisitioning Department, as per Rules of Executive Business and financial delegation	20 working days from appraisal note
SJVC appraisal note (Rs. 25–500 crore)	JV Cell	45 working days from JVRC
SJVC sanction	SJVC	30 working days from agenda circulation
HLCA recommendation and Cabinet sanction (above Rs. 500 crore)	Department of Industries / HLCA / Cabinet Secretariat	45 working days from SJVC recommendation, subject to Cabinet procedure
Bidding documents issuance	JIIDCO and RD	60 days from sanction
JV / Concession Agreement execution	Requisitioning Department	90 days from bid award

8. Institutional Charges

To sustain JIIDCO's professional capacity as the State Centre of Excellence without dependence on annual budget allocations, JIIDCO shall levy a Institutional Charges on each project facilitated under this Policy. The Institutional Charges rate structure set out in Section 8.1 shall be notified separately by the Department of Industries with Finance Department concurrence, and may be revised by Government Order without formal policy amendment.

8.1 Charge Structure

Institutional Charges shall be levied at the rates below. The rate shall reduce at higher project values, subject to the maximum cap specified for each band.

Project Cost	Institutional Charges Rate	Maximum Amount
Up to Rs. 10 crore	0.5% of project cost	Rs. 5 lakh

Project Cost	Institutional Charges Rate	Maximum Amount
Rs. 10–25 crore	0.4% of project cost	Rs. 10 lakh
Rs. 25–100 crore	0.3% of project cost	Rs. 30 lakh
Rs. 100–500 crore	0.2% of project cost	Rs. 100 lakh (Rs. 1 crore)
Above Rs. 500 crore	0.15% of project cost	Rs. 5 crore

8.2 Payment Routes

a. Route A: The Requisitioning Department or PSU shall pay the Institutional Charge from project budget. This shall be the standard route for all departments with an available budget head.

b. Route B: Recovered from the successful private partner at financial closure. Applicable where the RD has no available budget head; shall be disclosed in bid documents from RFQ stage. The recovered amount shall be remitted to the Government receipts account under the applicable Major Head notified by Finance Department, and thence appropriated to JIIDCO's JV Cell operational account through the budget process.

c. Route C: The Institutional Charge shall be supported from JIIDCO's operational budget or reduced to nil by Government Order. This route shall apply for: Community JVs up to Rs. 5 crore (Institutional Charges reduced to nil by Government Order); social sector projects funded primarily by Central grants where the RD has no discretionary budget; and pilot projects in new sectors where a Government Order grants a reduction or waiver.

8.3 Payment Milestones

Institutional Charges shall be paid in two instalments as set out in the table below. The instalment structure varies by approval tier.

Tier	First Instalment	Second Instalment
Tier 4 (up to Rs. 10 crore)	100% at Tier 4 sanction	N/A
Tier 3 (Rs. 10–25 crore)	50% at Tier 3 sanction	50% at Agreement execution
Tier 2 (Rs. 25–500 crore)	50% at SJVC approval	50% at Agreement execution
Tier 1 (above Rs. 500 crore)	50% at Cabinet sanction (on HLCA recommendation)	50% at COD

DRAFT

PART B

Project Lifecycle

Sections 9–15: From identification through monitoring

DRAFT

9. Project Initiation and Eligibility

A JV project shall be initiated either by a Requisitioning Department submitting an IPR to JIIDCO, or by JIIDCO identifying an opportunity and a Department confirming interest. Initiation routes, eligibility classification, the start procedure, and market development obligations are set out in the sub-sections below.

9.1 Initiation Routes

a. Any Requisitioning Department shall submit an IPR (D0) to JIIDCO to initiate facilitation. JIIDCO shall acknowledge and screen within 15 working days.

b. JIIDCO may proactively identify JV opportunities in any sector and present a concept note to the relevant department. The department confirms interest and becomes the Requisitioning Department, or formally declines in writing within 30 days; failure to respond within 30 days shall be treated as a declination, and JIIDCO shall record the non-response on the Dashboard.

c. Where JIIDCO identifies that a proposed JV overlaps in sector and geography with an existing or pipeline JV already on the JV Dashboard, JIIDCO shall flag the overlap to SJVC before issuing a JVRC or commencing partner selection for either project. SJVC shall direct whether the proposals shall be coordinated, consolidated, or proceed independently, with documented reasons.

9.2 Eligibility Classification Opinion

Any department uncertain whether a proposed arrangement falls within this Policy (versus ordinary procurement or an excluded category under Section 4.4) shall seek a written Classification Opinion from JIIDCO's JV Cell before proceeding. JIIDCO responds within 10 working days. The Classification Opinion shall be placed on the project file and forms part of the Project Dossier.

9.3 How Any Department Starts

Any Requisitioning Department shall initiate a JV project by submitting an IPR (D0) to JIIDCO. The five steps from IPR submission to project file opening, and the sector-specific Kit guidance, are set out below.

Step	Action	By	Recommended Timeline
1	shall submit Initial Project Requisition (D0): department name, Nodal Officer, project concept, asset type, Government contribution	RD Nodal Officer	Any time
2	JIIDCO screens eligibility, assigns Relationship Officer, opens Project File, acknowledges in writing	JIIDCO JV Cell	15 working days from receipt
3	Joint scoping session: sector context, model options, preliminary scope; scoping note signed by both parties	JIIDCO (leads); RD (sector input)	10 working days of acknowledgement
4	JIIDCO shall prepare pre-feasibility report (D2): rough cost, revenue potential, Govt. exposure, recommended model, principal risks	JIIDCO JV Cell	30–45 days from scoping
5	RD shall confirm intent to proceed; JIIDCO shall issue Institutional Charges invoice (1st instalment)	Requisitioning Department	15 days of pre-feasibility report

JIIDCO shall actively develop the demand side of the JV market through the mechanisms in Sections 9.4 to 9.8. These mechanisms shall reduce investor search costs, ensure equal access to project information, and establish Jharkhand as a predictable jurisdiction for private investment.

9.4 Market Development Operational Commitments

JIIDCO shall establish and maintain a Bankable Project Shelf, an Annual Investor Conclave, a pre-bid Market Sounding process for large projects, an investor query response mechanism, and a post-transaction developer feedback survey. The format, frequency, and content of these market engagement instruments shall be prescribed in an Investor Engagement Operational Circular issued by JIIDCO, approved by the Secretary, Industries, and published on the JV Dashboard. The Operational Circular shall be updated annually.

9.5 Pre-Bid Market Sounding

For all projects above Rs. 100 crore, JIIDCO shall conduct a formal Market Sounding exercise before issuing the RFQ, comprising: publication of a project brief on the Dashboard; an open industry consultation session; a written question-and-answer process; and a Market Sounding Report documenting developer interest and JIIDCO's responses. The Report shall be available to all RFQ participants and shall inform the final RFQ design. Market Sounding does not constitute pre-qualification and confers no advantage on participants.

9.6 Investor Query Response Protocol

Any investor, developer, DFI, or institutional partner may submit a written query to JIIDCO's JV Cell regarding any project on the Bankable Project Shelf or at pre-bid stage. JIIDCO shall respond within 10 working days. Queries and responses shall be published on the Dashboard (with commercially sensitive information redacted) so that all market participants have equal access to project information.

9.7 Developer Feedback Mechanism

Within 60 days of each Agreement execution, JIIDCO shall conduct a structured post-transaction feedback survey with the selected private partner covering process clarity, timeline predictability, document quality, BEC objectivity, and overall experience. Aggregated anonymised results shall be published in the Annual JV Performance Report. Where feedback identifies a systemic process issue, JIIDCO shall propose a corrective action to SJVC within 30 days.

9.8 Investor Grievance Mechanism

Any prospective investor or developer who believes a JIIDCO process step has been conducted in breach of this Policy may lodge a formal grievance with the Secretary, Industries within 30 days. The Secretary, Industries shall respond within 20 working days. Investor grievances relating to procurement are separate from the citizen grievance mechanism (Section 18.4) and post-award dispute resolution (Section 14.6).

10. Project Readiness Certification (JVRC)

No JV project shall be placed before any competent authority, and no bidding document shall be issued, without a valid JVRC issued by the JV Cell Director confirming that all applicable Readiness Gates have been cleared. JVRC categories, gates, and the issuance process are set out in the sub-sections below.

10.1 Mandatory Gate

No project may be placed before any Competent Authority, nor may any bidding document be issued, without a valid JVRC issued by the JV Cell Director. The JVRC confirms that the project has cleared all applicable Readiness Gates.

10.2 JVRC Categories

Five JVRC categories are defined below. The applicable category determines which gates shall be cleared and the target issuance timeline.

JVRC Type	Applicable Projects	Gates Required
Full JVRC	Greenfield asset creation; land-based concessions; new infrastructure in any sector;	All five gates (Gates 1–5)
Compressed JVRC	Existing asset lease or O&M; no new construction; no land transfer; Tier 4 projects	Gates 1, 4, and 5 only
Fast-Track JVRC	Community JVs up to Rs. 5 crore under Section 5.1	Gates 1, 2, and 4 only; 10 working days
Service-Readiness Certificate	IT/service/management contracts with no asset transfer and no concession period above 3 years	Gates 4 and 5 only; 7 working days
Conditional JVRC	Emergency or pilot projects; time-bound compliance conditions attached	SJVC waiver with documented justification; conditions satisfied within 90 days

DRAFT

10.3 The Five Gates Summary

Full gate-by-gate checklists with responsible parties, timing, and audit documents are set out in Annexure A1.

Gate	Subject	Core Requirement	Gate Verified By
Gate 1	Land Title and Possession	Asset identified; title verified; encumbrance-free; physical possession confirmed; authority approval for release obtained	Requisitioning Department and Revenue Dept; JIIDCO shall coordinate
Gate 2	Tribal Rights and PESA	Fifth Schedule applicability confirmed; statutory consents and certificates obtained wherever required by PESA, FRA, land law, or sector statute; DC certificate issued	DC and Tribal Welfare Dept; JIIDCO shall coordinate
Gate 3	Environmental Clearances	Before RFQ: EIA category determined and required clearance path identified; environmental risks disclosed to bidders in RFQ documents. Before RFP: material environmental risks disclosed. Before Agreement execution: mandatory statutory clearances obtained, unless specific risk is expressly allocated in the concession agreement with bidder knowledge.	Requisitioning Department and Forest / SEIAA; JIIDCO shall coordinate
Gate 4	Independent Demand Verification	Independent survey completed by agency appointed and funded by JIIDCO from its operational budget; financial model stress-tested at 60%, 75%, and 100% of surveyed demand; project remains financially viable at 75% of surveyed demand within the approved Government support envelope as documented in the VfG Note; projects with no Government support commitment shall demonstrate viability at 75% demand on private revenues alone	JIIDCO shall appoint independent agency; reviews results
Gate 5	Utility and Infrastructure Readiness	Power, water, road, and telecoms availability confirmed; utility upgrade plan and funding secured	Requisitioning Department and utility departments; JIIDCO shall coordinate

10.4 JVRC Issuance Process

The JVRC issuance process comprises five steps, set out below. It shall be completed within 10 working days of a complete Gate Checklist submission.

Step	Action	By	SLA
1	RD shall submit completed Gate Checklist (Annexure A1) with all supporting documents	RD Nodal Officer	After all applicable Gates attempted
2	JIIDCO reviews; may conduct field verification for Gates 1, 2, and 5	JV Cell Director	15 working days from submission
3	JVRC issued or Deficiency Note issued listing outstanding items	JV Cell Director	End of review period
4	RD shall resolve deficiencies; only outstanding Gates re-reviewed	RD Nodal Officer	Within 30 days of Deficiency Note
5	JVRC issued; JVRC number quoted on all subsequent approvals for this project	JV Cell Director	10 working days from complete resubmission

11. Value-for-Government (VfG) Note

Every JV project above Rs. 10 crore shall include a VfG Note as a mandatory component of the appraisal package. The VfG Note shall document the basis for the JV instrument, the value of Government's contribution, the projected return, and a sensitivity analysis. VfG Note tiers, content standards, and post-award tracking are set out in the sub-sections below.

11.1 Mandatory Requirement

Every JV project above Rs. 10 crore requires a VfG Note as a mandatory component of the appraisal package. The VfG Note provides a documented decision basis for appraisal, approval, audit, and post-award shall review. The full VfG Note template is set out in Annexure A2.

11.2 VfG Note Tiers

Four VfG Note tiers shall be defined below, scaling in analytical depth with project size. The applicable tier shall be determined by total project cost at appraisal.

Project Scale	VfG Type	Content	Preparer	Reviewer
Rs. 10–25 crore	Simplified VfG Note	Asset contribution valuation; indicative equity return to Government; qualitative risk allocation assessment; single scenario sensitivity	JV Cell internal expert	JV Cell Director
Rs. 25–100 crore	Standard VfG Note	Full asset and equity contribution valuation; equity IRR for Government; two-scenario sensitivity; alternatives analysis; JV term rationale	Empanelled Transaction Advisor	JV Cell Director and Finance Dept. rep.
Rs. 100–500 crore	Full VfG Note	All Annexure A2 parts; four-scenario sensitivity; equity IRR benchmarking; comparable JV transactions	Empanelled Transaction Advisor	JV Cell Director and Finance Dept. and independent reviewer
Above Rs. 500 crore	Full VfG Note and Peer Review	All items above, plus independent peer review by a separate agency	Independent Tier-1 Transaction Advisor	JV Cell and Finance Dept. and independent peer reviewer

11.3 JV Value Assessment

All VfG Notes (even Simplified) shall contain a documented estimate of what direct Government delivery of that project would cost and an explanation of why the proposed JV structure and partner terms represent fair value for Government. This is the minimum audit-defensible requirement.

11.4 Post-Award VfG Tracking

JIIDCO shall maintain a VfG Tracking Register for all JVs above Rs. 50 crore, comparing actual Government equity returns and JV performance against VfG Note projections at Year 1 post-commencement, at mid-term review, and at every renegotiation trigger event.

Non-Performing JV Mandatory Review: Any JV that fails to achieve 50% of its VfG Note base-case equity return projections for three consecutive annual review periods shall be placed by JIIDCO before SJVC for a mandatory determination within 60 days. SJVC shall determine one of: (a) continue with a documented corrective action plan and review date not more than 18 months hence; (b) restructure equity or governance through the Renegotiation Protocol (Section 14); or (c) initiate exit proceedings under Section 17.3. No JV shall remain in unreviewed non-performance for more than three years without a formal SJVC determination on record.

11.5 Aggregate Fiscal Exposure Statement

Every VfG Note for a project that creates any Government payment obligation - annuity, minimum guarantee, VGF, equity contribution, or guaranteed revenue share, shall include an Aggregate Fiscal Exposure Statement as a mandatory component, counter-certified by the Finance Department before the appraisal note is placed before the Competent Authority.

DRAFT

Component	Content Required	Certified By
Total outstanding Government JV payment obligations	Sum of all active annuity commitments, minimum guarantees, uncommitted VGF tranches, and equity tranches committed but not yet paid, across all active JV agreements at the date of this VfG Note	Finance Department
New obligation from this project	NPV of all Government payment obligations under the proposed JV structure over the JV term, at the Section 11.3 discount rate	JIIDCO (Transaction Advisor)
Aggregate as % of State fiscal capacity	Total obligations (existing plus proposed) as a % of the State own tax and non-tax revenue for the previous financial year from the Finance Accounts	Finance Department
Finance Department certification	Confirmation that aggregate JV fiscal exposure including this project is within assessed fiscal headroom for the current financial year	Finance Department counter-signature on VfG Note cover page

12. Selection of Private Partner

Competitive bidding whether single-stage RFP or two-stage RFQ-then-RFP, shall be mandatory for all projects where Government contributes land, equity, annuity, or revenue rights. Alternative selection methods shall be permissible only on the conditions specified in this Section.

12.1 Methods of Selection

(a) Competitive Bidding as Standard Method

Competitive bidding (single-stage RFP or two-stage RFQ-then-RFP) is the standard and preferred method for all JVs where Government contributes land, equity, or other assets. Two-stage process is mandatory for JVs above Rs. 100 crore and all SPV-model equity JVs. All JV partner selection documents shall use JIIDCO JV-in-a-Box templates (Annexure A3); deviations require JV Cell Director written approval.

(b) Expression of Interest and Empanelment

For programmatic JV programmes covering multiple similar smaller projects. An open Expression of Interest process creates an eligible panel valid for a period of three years from the date of panel notification, after which a fresh EoI process shall be conducted. Selection from an empanelled panel for a specific project shall be through project-specific mini-competition, documented rotation, or objective allocation criteria specified in the EoI document and approved by JIIDCO. Ad hoc selection from a panel without documented criteria is not permitted.

(c) Strategic Nomination

Strategic nomination shall be permitted only for JVs with Central or State Government-controlled entities, multilateral institutions, or strategic PSUs. Mandatory requirements: (i) documented reasons why competitive bidding is not suitable shall be recorded in the appraisal note and approved by the Competent Authority; for projects above Rs. 25 crore, additionally approved by SJVC; (ii) Finance Department and Law Department concurrence shall be obtained; (iii) benchmarking of proposed financial terms against comparable market rates shall be documented; (iv) SJVC approval shall be obtained for projects above Rs. 25 crore.

(d) Community and Tribal Enterprise Selection

For Community JVs, a community-driven identification process involving the Gram Sabha, BDO, and Tribal Welfare Department shall be followed. JIIDCO shall register the community entity within 30 days of identification.

(e) Swiss Challenge or Unsolicited Proposals

Permitted only where all three conditions are met: (i) sector not readily accessible through standard competitive bidding; (ii) proposal involves proprietary technology, intellectual property, or unique methodology unavailable through competitive bidding; (iii) the arrangement would not create a monopoly. Additional safeguards: public challenge period of minimum 45 days; all incentives and right-to-match terms disclosed in challenge

DRAFT

documents from day one; original proponent advantage limited to right-to-match; SJVC prior approval mandatory; Finance and Law concurrence required.

12.2 Eligibility Requirements

a. Legal Constitution: Registered company, LLP, trust, cooperative, or statutory body under Indian law.
b. Financial Capacity: Net worth and turnover thresholds specified in RFQ or EoI.
c. Technical Experience: Demonstrated sectoral experience verified through references.
d. Compliance: The bidder shall not be debarred or blacklisted by any competent authority, and shall have no pending conviction for fraud.
e. Beneficial Ownership Disclosure: Ultimate beneficial owner(s) declared as per the Government norms.
f. Foreign Investment Compliance: Where any bidder or consortium member is a foreign company or foreign-controlled entity, JIIDCO shall verify FDI eligibility for the relevant sector under the current FDI Policy and FEMA before issuing the shortlist. Sectors where FDI is prohibited or subject to Government approval shall not be opened to foreign bidders without prior approval under FEMA and the FDI Policy. The bidder shall furnish a self-declaration of FDI compliance at RFQ stage.
g. Consortium: Lead member in a legally binding joint bidding agreement meeting at least 60% of eligibility criteria.

12.3 Bid Evaluation Committee (BEC)

JIIDCO shall constitute a BEC for each project comprising: Requisitioning Department's Nodal Officer (Chairperson); JIIDCO representative (Member-Secretary); Legal expert; Financial expert; Sectoral expert. All BEC members shall sign a Conflict of Interest declaration before commencement. BEC minutes and signed scoresheets shall be uploaded to the Government (restricted) Dashboard within 15 working days of award. Public disclosure on the public dashboard shall be limited to the award result and a selection summary, unless the Competent Authority directs fuller disclosure or it is required by law.

12.4 Post-Selection: Agreement Execution

JIIDCO shall draft all agreements - JV Agreement and SHA, for review by the Requisitioning Department's legal team. Every SHA shall include the following mandatory provision governing insolvency of the private partner: (a) the admission of the private partner or its parent entity into a Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 shall constitute a change of control event triggering Government's pre-emptive right to acquire the private partner's JV equity at independently assessed fair market value (using the Section 16.1 TPA mechanism) before the Resolution Professional may transfer, assign, or encumber that equity; (b) Government shall exercise or waive this pre-emptive right within 60 days of written notice of CIRP admission; (c) where Government waives the right, the Resolution Professional or incoming transferee shall be bound by all SHA obligations including the Renegotiation Protocol and TBSP commitments; (d) liquidation of the private partner's JV entity shall be treated as an exit for cause under Section 17.3 with no compensation to the defaulting party. The Renegotiation Protocol (Section 14) shall be a mandatory Schedule to every agreement above Rs. 10 crore. The Requisitioning Department (or its designated PSU) executes the agreement as the Government contracting party. The JV entity, where applicable, shall be incorporated and registered before release of any Government contribution.

12.5 Post-Facto Registration for Pre-Policy Arrangements

JV arrangements formed before this Policy's notification date shall be registered with JIIDCO within 12 months. JIIDCO shall classify each arrangement as: (a) compliant; (b) partially compliant with a corrective action plan; or (c) high-risk requiring escalation to the concerned Administrative Secretary. Wind-down shall be initiated only where legally permissible, contractually viable, and approved by the Competent Authority. Compulsory SJVC ratification and 6-month wind-down are not mandated; JIIDCO's classification and corrective action plan govern.

13. Risk Allocation

DRAFT

Each risk in a JV project shall be borne by the party best placed to manage and price it. The baseline risk matrix and sector-calibrated overlays are set out in the sub-sections below.

13.1 Standard Risk Matrix

The table below assigns each risk category to its primary party and identifies the governing policy provision. The project-specific DPR shall customise this matrix for sector conditions.

Risk Category	Primary Party	Key Provision
Land / asset availability and title	Government / RD	JVRC Gate 1 shall verify this before market; RD shall be accountable for delivery
Statutory clearances	RD (principal) with JIIDCO facilitation	Single Window coordination shall apply; delay compensation, if any, shall apply only where the delay is attributable to Government-controlled obligations expressly committed in the Agreement, and not to delays caused by independent statutory authorities, courts, or environmental processes
Design and construction	Private Partner	Performance guarantees mandatory; no Government liability
Financing	Private Partner	Financial closure within 180 days (or up to 90 additional days on SJVC approval); cure period then termination
Revenue / demand	Allocated in the DPR and concession agreement according to the sector calibration in Section 13.3	Minimum guarantee or HAM annuity for social infrastructure projects as defined in Section 13.3; full private demand risk for commercial infrastructure projects as defined in Section 13.3
Operational performance	Private Partner	KPI-linked SLA; step-down financial penalties; Government step-in rights upon three consecutive quarterly KPI shortfalls exceeding the threshold specified in the concession agreement
Environmental and social	Shared with specific allocation	Government shall handle resettlement and pre-existing site contamination (if any, disclosed at JVRC Gate 3); private partner shall bear all environmental liability arising from construction and operations including remediation, penalties, and third-party claims; Government's liability as shareholder is limited to its equity contribution unless the environmental damage resulted from a Government-directed Board decision documented in Board minutes
Technology	Private Partner	Proven technology required; no Govt. liability for technology obsolescence
Political / policy risk	Government	Stabilisation clause; Change in Law is a Renegotiation Protocol trigger (Section 14)
Force majeure	Shared	Extended force majeure >180 cumulative days is a Renegotiation Protocol trigger (Section 14)
Tribal land and PESA delays	Government	Government shall bear delay risk from Gram Sabha processes; no penalty shall apply to the private partner for PESA delays within Govt.-controlled timeline

13.2 Insurance

All JV entities shall maintain: Construction All-Risk Insurance (construction phase); Public Liability Insurance; Property and Equipment Insurance; and Business Interruption Insurance where applicable. Government shall be indemnified against third-party claims arising from partner negligence or violation of applicable laws.

13.3 Sector-Calibrated Parameters by Project Type

The table below sets out calibration overlays for the three broad project categories prevalent in Jharkhand. These overlays shall supplement the baseline risk matrix in Section 13.1; they shall not replace it.

Parameter	Social Infrastructure (Health, Education, Water, Sanitation)	Commercial Infrastructure (Logistics, Tourism, Industrial, IT)	Natural Resource Infrastructure (Mineral processing, Forest, Irrigation, Energy)
Gate 4 demand viability threshold	60% of surveyed demand; annuity or Government support envelope may close the viability gap	75% of surveyed demand without additional Government shall support beyond approved VGF	80% of surveyed demand; Letter of Intent from anchor off-taker(s) mandatory before RFQ
Equity IRR benchmark range (VfG Note Part F)	12–15% (social; lower return given assured Government revenue; VfG Note to document any upward adjustment for Jharkhand-specific project risks)	15–20% (commercial; full market risk; VfG Note to document risk premium for tribal area or land complications)	16–22% (natural resource; higher for extraction; lower for processing; VfG Note to document project-specific risk premium)
Revenue model default	HAM annuity or O&M concession; Government as principal revenue source; user charges with affordability protection	Revenue-share or BOT; private partner as principal demand risk bearer	Revenue-share with minimum floor or equity dividend; resource royalty or throughput-linked payment to Government
Demand risk allocation	Government (through annuity or minimum guarantee)	Private Partner (full demand risk)	Shared; Government shall bear resource/geology risk; private bears processing and market risk
Concession period range	10–25 years (longer for capital-intensive hospital or water projects)	5–15 years (tourism, logistics); up to 25 years (greenfield industrial)	15–30 years (mineral processing); 10–20 years (energy); 5–10 years (forest assets)
KPI emphasis	Service quality, access, and affordability metrics	Revenue performance, utilisation, and asset maintenance	Production volumes, environmental compliance, royalty accuracy, community benefit delivery
TBSP requirement	Mandatory for Fifth Schedule area projects; community employment and service access focus	Mandatory for Fifth Schedule area projects; employment and local procurement focus	Mandatory for ALL projects regardless of Fifth Schedule status; revenue share and community infrastructure investment required

14. Renegotiation Protocol

Every JV Agreement, Lease Agreement, and Concession Agreement above Rs. 10 crore shall include the Renegotiation Protocol in Section 14 of this Policy as a mandatory Schedule. Trigger events, process, modification boundaries, and approval authorities are set out in this Section.

14.1 Mandatory Inclusion

This Protocol is a mandatory Schedule to every JV Agreement, Lease Agreement, and JV Agreement above Rs. 10 crore. Its presence in the Agreement is not an invitation to renegotiate, it ensures that when contract modification becomes unavoidable, it happens through a documented process with proper authority. No modification to concession terms shall be processed, recommended, approved, or acted upon by any Government authority except through this Protocol. Any deviation shall be treated as a serious procedural irregularity, reported to the Competent Authority, and placed before the competent vigilance authority for such disciplinary or legal action as may be warranted under applicable service rules or law.

14.2 Trigger Events

Renegotiation is permissible only on the occurrence of one of the six trigger events below. No other event, however commercially significant, constitutes a valid trigger under this Protocol.

Trigger	Definition	Invoker	Evidence Required
Change in Law	Central or State legislation, regulation, or judicial order enacted after Agreement execution that materially increases private partner cost, materially reduces private partner revenue, or materially increases Government obligations beyond 5% of project NPV	Either party	CA-certified financial impact statement
Extended Force Majeure	Force majeure event lasting more than 180 cumulative days in any 12-month period	Either party	Event documentation + 180-day cumulative log
Sustained Demand Shortfall	Revenue below 60% of VfG Note base case for 24 consecutive months, only for projects with Govt. revenue support commitment	Private Partner only	Audited revenue statements for 24 months
Government Contribution Delay	Govt. fails to deliver land or statutory clearances per agreed milestones, causing verifiable cost overrun exceeding 10% of capital cost	Private Partner only	Milestone log and independent engineer report
Material Adverse Effect	Event outside either party's control (contamination, archaeological find, geological surprise) increasing cost >15% and not covered by insurance	Either party	Independent engineer report and insurance rejection
Macro-Economic Dislocation	CPI increase >400 bps above indexation assumption for any 36-month period, only for projects with fixed revenue formula	Either party	RBI CPI data and financial model impact

Events Explicitly Not Triggers

a. Demand shortfall within the sensitivity range tested in the VfG Note.

b. Cost overruns arising from the private partner's own design, construction, or management shall not constitute a trigger event.

c. A change in the private partner's financing costs or equity return expectations shall not constitute a trigger event.

d. Competitive pressure from other projects or operators.

e. Input cost changes unless a specific protection clause was included in the Agreement.

14.3 Renegotiation Process

On confirmation of a valid trigger event, the renegotiation shall proceed through the eight steps below. JIIDCO shall act as designated neutral facilitator throughout.

Step	Action	By	Timeline
1	Formal Renegotiation Request with Trigger Event identified, evidence attached, modification sought	Requesting party	Day 0
2	JV Cell shall assign Renegotiation Reference Number (RR number); RD notified	JV Cell Director	Day 3
3	JV Cell Director issues a written Trigger Event Eligibility Determination; the Determination is binding on both parties unless either party appeals in writing to SJVC within 15 working days of receipt; the SJVC shall decide the appeal at its next meeting and its decision shall be final and binding	JV Cell Director	Day 30

Step	Action	By	Timeline
4	If trigger valid: JIIDCO shall commission updated VfG Assessment from Transaction Advisor (cost borne by JIIDCO from operational budget and recoverable from the invoking party where agreed)	JIIDCO JV Cell	Day 60
5	Structured negotiation within VfG Assessment parameters; JV Cell shall present at all sessions	JV Cell and RD and Private Partner	Days 60–90
6	Proposed modification presented to Competent Authority in same tier as original approval or higher	JV Cell	Days 90–120
7a	Approved: Amendment Agreement executed, registered, uploaded to Dashboard	Requisitioning Department	30 days post-approval
7b	Declined: Status quo prevails; parties may invoke Dispute Resolution under Section 14.6	JV Cell shall inform parties	10 days post-decision

14.4 Modification Boundaries

May Be Modified

a. Concession period: up to +20% of original period; for Change in Law trigger, the extension shall not exceed such period as is reasonably required to restore the private partner to its pre-Change in Law financial position, as determined by the updated VfG Assessment and approved by the Competent Authority.

b. Revenue share: ±10 percentage points of originally agreed rate.

c. Government VGF may be increased up to the lesser of 15% of original project cost or the applicable ceiling.

d. Milestone timelines may be extended where the Government Contribution Delay trigger applies.

e. User fee indexation: revision for Macro-Economic Dislocation trigger.

May Not Be Modified Through Renegotiation

a. Any changes to fundamental JV model type shall requires re-tender.

b. Any changes to Bid evaluation criterion or terms material to competitive selection shall requires re-tender.

c. Any changes to Government's step-in rights or Golden Share rights

d. Any changes to Tribal Benefit-Sharing Plan commitments

e. Any changes to land area committed.

14.5 Authority by Modification Scale

Approval authority for modifications under this Protocol shall be determined by financial scale and structural significance, as set out below. Authority shall be at the original competent authority tier or higher.

Modification Scale	Authority	VfG Required	Disclosure
Cost impact < Rs. 5 crore; extension ≤10%	Original Competent Authority or higher; JV Cell Director may only certify trigger eligibility and prepare updated VfG Assessment	Updated VfG Assessment	JV Dashboard within 15 days
Cost impact Rs. 5–25 crore; extension >10%	Original Competent Authority or SJVC, whichever is higher	Standard VfG Note	Dashboard shall update and SJVC record
Cost impact Rs. 25–100 crore; VGF increase	Original Competent Authority or SJVC with Finance Department, whichever is higher	Full VfG Note and sensitivity	Dashboard shall update and Annual Report
Cost impact > Rs. 100 crore; structural change	Cabinet, on recommendation of HLCA; HLCA does not itself sanction	Full VfG Note and peer review	Dashboard and Gazette Notification and Assembly disclosure if required by law or Cabinet direction

14.6 Dispute Resolution

a. Stage 1 (Conciliation): A committee of equal representation shall be constituted. The conciliation process shall be completed within 30 days. Existing Agreement terms shall remain operative throughout.
b. Stage 2 (Mediation): By mutually agreed independent mediator (optional, by consent). 45 days.
c. Stage 3 (Arbitration): Binding, under the Arbitration and Conciliation Act, 1996. Seat in Ranchi. Three-member tribunal.
d. If the arbitral award is not complied with within 60 days, the non-defaulting party may exercise such contractual remedies as are available under the Agreement, including step-in rights, performance security encashment, or asset reversion, where legally and contractually permissible.

15. Implementation and Monitoring

From the date of Agreement execution, the private partner, the Requisitioning Department's PMU, and JIIDCO shall each assume the defined obligations set out in this Section. Mandatory implementation milestones, the KPI monitoring regime, the officer handover protocol, and the audit framework are set out in the sub-sections below.

15.1 Implementation Milestones

Four mandatory implementation milestones apply from Agreement execution to Commercial Operation Date. Responsibility and service levels for each are set out below.

Milestone	Responsible	SLA
SPV incorporation (equity JV models)	Private Partner and RD / PSU (JIIDCO shall facilitate)	60 days of Agreement execution
Financial closure with debt and equity committed; insurance in place	Private Partner (JIIDCO shall monitor; escalates if delayed)	180 days of Agreement (extendable by up to 90 days on SJVC approval with documented reasons)
Construction commencement; RD PMU established	Private Partner (shall execute); RD PMU (shall provide oversight)	Per project schedule
COD declared; SLA monitoring activated; VfG tracking begins	RD PMU (declares); JIIDCO (Dashboard shall update)	Per concession schedule

15.2 Performance Monitoring

a. The RD PMU shall submit quarterly KPI reports to JIIDCO. JIIDCO shall review the reports, flag non-compliance, and escalate persistent breaches.
b. JIIDCO shall conduct bi-annual performance reviews, chaired by JIIDCO and attended by the Administrative Secretary of the Requisitioning Department.
c. For projects above Rs. 50 crore, JIIDCO shall maintain a VfG Tracking Register comparing revenue actuals against VfG Note projections.

15.3 Project Continuity and Handover Protocol

Upon every change in the incumbent officer responsible for a project in JIIDCO or the RD's PMU, the outgoing incumbent officer prepares a structured Project Handover Note and the successor officer countersigns the Handover Note within 15 working days of assuming charge. No successor officer shall exercise any contract management function, approve any payment, or issue any notice under any JV agreement until this requirement is fulfilled. The Handover Note is filed in Project Dossier Section 7. No successor officer assumes any contract management responsibility without completing this step.

15.4 Audit

a. Statutory Audit: An annual CA audit of the JV entity shall be conducted; the report shall be submitted to the RD and JIIDCO.
b. CAG Audit: Mandatory where Government equity is 51% or more, or where otherwise applicable under law. Nothing in this Policy shall restrict CAG audit of Government expenditure, VGF disbursement, land

contribution, revenue share received or foregone, concession decisions, or performance of the Requisitioning Department under applicable law, irrespective of equity holding.

c. Special Audit: JIIDCO (with Finance Department) may initiate special audits for project delays, revenue shortfalls, land use deviations, or persistent KPI failures. Findings placed before SJVC.

DRAFT

PART C

Financial, Legal and Governance

Sections 16–22: Incentives, asset contribution, revenue sharing, audit, integrity, and transition

DRAFT

16. Government Support and Incentives

Government may contribute to a JV through land or built asset contribution, direct capital equity infusion, viability gap funding, or fiscal and non-fiscal incentives. Conditions, valuation standards, and approval requirements applicable to each form of contribution are set out in the sub-sections below.

16.1 Land and Built Asset Contribution

Government-owned land or built assets may be contributed to a JV as equity or on lease or revenue share.

Valuation Standard

All Government land and built asset contributions shall be valued by an independent Third Party Appraiser (TPA) registered as a valuer under the IBBI (Registered Valuers and Valuation) Rules, 2017 in the asset class Land and Building. The valuation shall be at fair market value; circle rate is the mandatory minimum floor and no contribution shall be recorded below the applicable circle rate. The valuation report shall be independently signed off by the Finance Department before inclusion in the VfG Note and before the equity structure is placed before any Competent Authority.

TPA Appointment

The TPA shall be appointed by JIIDCO from the panel constituted and notified by the Revenue Department within 180 days of this Policy's notification. Until such panel is notified, JIIDCO shall appoint a qualified IBBI-registered valuer directly, with Finance Department concurrence on the appointment. The Requisitioning Department shall have no role in appointing or instructing the TPA.

Valuation Dispute Resolution

Where the private partner disputes the TPA's valuation of Government's contribution, the following mechanism shall apply: (a) the private partner shall submit a written objection to JIIDCO within 21 days of receiving the TPA report, supported by an alternative valuation from an IBBI-registered valuer engaged at the private partner's cost; (b) JIIDCO shall refer both valuations to a Dispute Valuer, a third IBBI-registered valuer jointly agreed by both parties within 14 days, or failing agreement, appointed by the President of the Institution of Valuers, India, within a further 14 days; (c) the Dispute Valuer's determination shall be final and binding on both parties and shall be independently countersigned by the Finance Department before the equity structure is finalised; (d) the cost of the Dispute Valuer shall be shared equally between the parties. No JV agreement shall be executed and no equity shall be committed on a disputed valuation pending the Dispute Valuer's determination. The Finance Department's sign-off is mandatory at each stage of this process.

All contributions shall be supported by verified title documents, encumbrance-free certification, and the authority approvals required under Section 7.

16.2 Capital Equity Infusion

Government equity contribution may be in the form of common equity shares, preference shares (convertible or non-convertible), or convertible debentures. Finance Department concurrence is required for Government equity contribution above the limits specified in the Government of Jharkhand financial delegation orders in force at the relevant time. Capital is released in tranches against milestone-linked progress reports.

16.3 Viability Gap Funding (VGF)

a. Central VGF: JIIDCO shall coordinate with DEA on behalf of the Requisitioning Department; all applications shall be processed through JIIDCO.

b. State VGF: Where applicable to a JV project, State VGF may be provided through a dedicated budgetary provision approved by the Cabinet or Finance Department. State VGF is not a standard instrument for JV projects under this Policy; its use in a JV context requires specific SJVC recommendation with documented justification for why VGF is warranted alongside Government equity participation.

c. VGF Conditions: Total VGF (Central + State) shall not exceed limits prescribed under the Central VGF Scheme. VGF approval triggers Risk Trigger Override (Section 7.2) regardless of project cost.

DRAFT

16.4 Fiscal Incentives

a. Stamp duty and registration fee reimbursement on assets allotted by Government shall be available to the extent provided under applicable State industrial or fiscal incentive policies.
b. Capital subsidy linked to investment in plant, machinery, or infrastructure.
c. SGST reimbursement for eligible manufacturing or service units.
d. Interest subvention on project loans from scheduled banks and DFIs.
e. Employment-linked subsidy for local, tribal, and women employment.

16.5 Non-Fiscal Support

a. Single Window System: All approvals and NOCs through the State Single Window Portal with time-bound SLAs.
b. Land Facilitation: Priority allocation from notified Government land banks across all departments and sectors shall be provided to JV projects approved under this Policy.
c. Tribal Area Priority: A dedicated facilitation desk shall be maintained within JIIDCO's JV Cell for PESA, FRA, and DMF alignment for tribal area projects.

17. Revenue Sharing and Exit

Every JV Agreement shall specify the applicable revenue sharing structure, the exit mechanism, and where applicable, the Golden Share terms and Tribal Social Return obligations. Permissible structures, exit mechanisms, and measurement requirements are set out in the sub-sections below.

17.1 Revenue Sharing Principles

Revenue sharing terms shall be determined by: the form, value, and risk level of Government's contribution; the projected financial returns to the private partner as modelled in the VfG Note; and any sector-specific revenue norms prescribed by a competent regulatory authority or notified by Government Order for that sector. All Government land or assets used for commercial purposes shall yield a defined return to the State, unless explicitly exempted for non-profit or social objectives.

17.2 Permissible Structures

The applicable revenue sharing structure shall be one of the six set out in the table below. It shall be specified in the VfG Note and recorded in the JV Agreement and SHA at execution.

Structure	Description	Typical Use
Fixed Revenue Share	Predetermined % of gross or net revenue paid to Government periodically	Tourism, commercial real estate, transport terminals
Variable with Minimum Guarantee	Fixed floor + additional share above a revenue threshold	Logistics, warehousing, commercial parks
Annuity / Lease Rent	Periodic fixed payments with 5–8% annual escalation	Industrial sheds, skill centres, existing Government assets
Dividend-Based	Proportionate to equity. The SHA shall contain a binding dividend covenant specifying: (i) minimum annual distribution of not less than 20% of distributable profits in any profitable year after debt service, applicable from the fifth year of commercial operations or the year in which cumulative distributable profits first exceed cumulative equity contributed, whichever is later; (ii) enforceability as a contractual obligation independent of Board or shareholder resolution; and (iii) Government right to seek specific	Models 1 and 2

DRAFT

Structure	Description	Typical Use
	performance through Section 14.6 Dispute Resolution if unpaid for two consecutive years. A policy aspiration alone is insufficient; the operative instrument is the SHA covenant.	
Outcome / Social Return	Returns reinvested in community assets in lieu of cash dividend	Community JVs, SHG enterprises
Deferred Revenue	Revenue sharing begins after partner's capital recovery as documented in the SHA and verified against audited accounts; the deferred period shall not exceed the period specified in the VfG Note and in no case exceed 10 years from COD; any extension requires SJVC approval	Long-gestation greenfield projects

17.3 Exit Mechanisms

a. **Voluntary Exit:** After the lock-in period specified in the SHA, which shall not be less than three years from COD. Subject to notice, independent valuation, and right of first refusal.

b. **Strategic Exit (Government):** Government may exit non-strategic JVs in phases after service milestones. SJVC approval up to Rs. 500 crore; Cabinet above.

c. **Exit for Cause**: For default, fraud, persistent non-performance, or prolonged force majeure. Cure period 60–90 days; no compensation to defaulting party.

d. **Policy-Driven Exit**: For strategic disinvestment or legal directive. SJVC / Cabinet approval mandatory; independent valuation required.

e. **JV Employee Protection**: Every JV Agreement shall contain a provision specifying that on early termination of the JV for any reason, the private partner bears primary liability for all retrenchment compensation, provident fund settlement, and other statutory obligations to workers employed by the JV entity, in accordance with applicable labour law including the Industrial Disputes Act, 1947 and the Contract Labour (Regulation and Abolition) Act, 1970. This provision shall be expressly reflected in the SHA and shall survive termination of the JV Agreement. In JVs in Fifth Schedule areas, unfulfilled TBSP employment commitments as at the date of early termination shall be addressed through a settlement payment calculated as the NPV of unfulfilled commitments for the remaining JV term, payable to the District Mineral Foundation or equivalent tribal community fund designated by the Deputy Commissioner.

f. **Exit Valuation:** Independent TPA from the Revenue Department empanelled panel appointed by JIIDCO, or until such panel is notified, an IBBI-registered valuer jointly agreed by both parties. Valuation methodology (EBITDA multiple, DCF, or NAV) and the basis for selecting among methodologies shall be specified in the SHA at formation. The exit valuation report shall be independently signed off by the Finance Department before any exit transaction is concluded. Where either party disputes the exit valuation, the Dispute Valuer mechanism in Section 16.1 shall apply.

17.4 Golden Share

In JVs involving strategic assets (critical minerals, public utilities, essential services), Government shall retain a Golden Share entitling it to veto any change in control, any material change in the business purpose of the JV entity, or any dilution of Government equity below the threshold specified in the SHA at the time of formation. Golden Share rights survive equity dilution unless explicitly waived by Cabinet decision.

Indirect Change of Control: A change of control event for purposes of this Policy and the SHA includes any transaction resulting in a change in the ultimate beneficial owner of more than 26% of the private partner entity's equity, whether effected directly or through intermediate holding entities. The private partner shall notify JIIDCO within 15 working days of completion. Government's Golden Share veto rights apply equally to direct and indirect change of control events.

17.5 Tribal Social Return

For every JV project in a Fifth Schedule area, or involving a Tribal Community JV under Section 5.1, the Tribal Benefit-Sharing Plan (TBSP) is a binding contractual obligation. The following measurement and disclosure obligations apply throughout the concession period:

DRAFT

Obligation	Responsible	Frequency	Disclosure
Employment: number of tribal and local employees by category (skilled, semi-skilled, unskilled, management) as % of total project workforce	Private Partner / JV entity	Annual	Public Dashboard and Dossier Section 5
Local procurement: value of goods and services from local and tribal enterprises as % of total O&M expenditure	Private Partner / JV entity	Annual	Public Dashboard and Dossier Section 5
Community investment: DMF contribution disbursed and community infrastructure created against TBSP commitments	Private Partner and DMF Officer	Annual	Dossier Section 5; Annual JV Performance Report
Revenue share verification: actual revenue share or royalty paid against VfG Note projections; any shortfall and recovery action	JIIDCO (from RD data)	Quarterly	Restricted Dashboard; SJVC annual review
Gram Sabha feedback: structured annual consultation on project impact, concerns, and TBSP compliance	RD PMU with Tribal Welfare Dept.	Annual	Dossier Section 6; summary in Annual JV Performance Report

18. JV Dashboard, Public Disclosure, and Project Dossier

JIIDCO shall maintain a real-time two-tier JV Dashboard, a permanent Project Dossier for every project above Rs. 10 crore, and a three-tier grievance mechanism. Disclosure obligations, dossier contents, and grievance timelines are set out in the sub-sections below.

18.1 JV Dashboard and JV Register

JIIDCO shall maintain a real-time JV Dashboard and State JV Register. Disclosure is in two tiers:

Dashboard Tier	Accessible To	Information Published
Public Dashboard	Any person, without requirement of registration or login	Project name; Requisitioning Department; sector; approval stage; private partner name; project cost; concession period; commercial operation status; grievance contact
Government Dashboard	SJVC, Finance Dept., CAG, JIIDCO, RD Secretary	All public information plus: VfG Note finding and assumptions; revenue performance against VfG model; renegotiation history with RR numbers; legal notices and correspondence; KPI actuals; corrective action status

18.2 Project Dossier as Institutional Memory

Every project above Rs. 10 crore shall maintain a live Project Dossier held permanently by JIIDCO. It constitutes the permanent institutional record of the project, held independently of any individual officer's tenure.

Section	Contents	Updated By	Frequency
Section 1 :Genesis	IPD, JVRC certificate, VfG Note, competent authority approval order with conditions	JIIDCO	At each major milestone
Section 2: Agreements	Signed Agreement, SHA, all Schedules including Renegotiation Protocol; all Amendment Agreements	RD and JIIDCO	On any amendment
Section 3 ; Decision Log	Chronological record of every material decision with signatory, date, and authority cited	JIIDCO	Within 15 working days of each decision
Section 4: Financial Tracking	Revenue received against VfG modelled; VGF disbursed; equity contributed; Institutional Charges paid	JIIDCO (from RD data)	Quarterly

Section	Contents	Updated By	Frequency
Section 5: KPI Register	KPI targets against actuals; penalty history; cure notices; step-in trigger log	RD PMU (to JIIDCO)	Bi-annual
Section 6: Correspondence	Index of all significant correspondence between parties	JIIDCO	Ongoing
Section 7: Handover Notes	Structured note prepared by the outgoing incumbent officer; countersigned by the successor officer	Outgoing incumbent (JIIDCO / RD)	On every change of incumbent officer responsible for the project

18.3 Grievance Redressal

Grievances shall be addressed through the three tiers set out below. Each tier has a defined authority, scope, and resolution timeline. Unresolved grievances escalate automatically to the next tier.

Tier	Authority	Scope	Timeline
Tier 1	JV Entity Grievance Officer	Operational and partner-level grievances	15 working days
Tier 2	RD Nodal Officer / PMU	Land, utilities, revenue, compliance disputes	30 working days
Tier 3	JIIDCO JV Cell or State Grievance Panel	Complex, multi-agency, or unresolved escalations	60 working days

18.4 Citizen Grievance Mechanism

The grievance tiers in Section 18.3 address operational and partner-level disputes. This Section creates a separate public-facing mechanism for citizens and communities who believe a JV project is harming their rights, reducing service quality, imposing excessive charges, or violating applicable law.

Stage	Authority	Scope	SLA	Escalation
Stage 1	JV Entity Citizen Grievance Officer (name and contact on public Dashboard)	Service quality, user charges, access denials, minor environmental concerns	15 days acknowledgement; 30 days resolution	Stage 2 if unresolved
Stage 2	Requisitioning Department Nodal Officer / PMU	TBSP violations, service access failures, statutory compliance concerns, land use deviations	30 days resolution	Stage 3 if unresolved
Stage 3	JIIDCO JV Cell as Citizen Grievance Panel (chaired by Joint Secretary rank, independent of project team)	Unresolved escalations; systemic failures; constitutional or statutory rights violations	45 days; written order with reasons	Statutory remedies: RTI, PESA tribunals, courts, NHRC/SHRC as applicable

a. All citizen grievances shall be registered with a unique Grievance Reference Number and tracked on the public Dashboard.

b. For grievances from tribal communities or Gram Sabhas relating to PESA or FRA compliance, Stage 3 shall include mandatory consultation with the Tribal Welfare Department and the Deputy Commissioner.

c. The Annual JV Performance Report shall disclose total grievances received, resolved, and pending by project and sector.

d. Nothing in this Section shall limit any citizen's right to approach courts, NHRC, SHRC, CAG, or any other statutory authority under applicable law.

19. JV-in-a-Box as Department Execution Kits

JIIDCO shall maintain complete template packages for the core JV models most relevant to Jharkhand. Full kit contents and the Kit A walkthrough are in Annexure A3.

Kit	Model	Primary Use Cases
Kit A: Equity JV (SPV)	Equity JV for Joint Sector, Associate Sector, or Escort Sector (Section 5.2)	Sector partnerships requiring Government equity participation in industrial clusters, hospitals, anchor investor parks, mineral processing, energy projects
Kit B: Tribal Community JV	Community JV (Section 5.1)	NTFP processing, artisan clusters, FPO-linked agri-infrastructure, eco-tourism

20. Integrity, Conflict of Interest, and Debarment

Conflicts of interest shall be prevented at every stage of the JV process. Advisor restrictions, bidder declaration requirements, BEC conflict protocols, bidder contact rules, and post-award audit trail obligations are set out in the sub-sections below.

20.1 Advisor Restrictions

a. Any consultant, firm, or individual engaged as Transaction Advisor, DPR consultant, or independent demand surveyor for a project under this Policy shall be ineligible to participate in that project's bidding process, whether as bidder, consortium member, or bidder's consultant.

b. For projects above Rs. 50 crore: the DPR consultant and the independent demand surveyor (Gate 4) shall be separate legal entities, with no common ownership, directorship, or sub-contracting arrangement between them. JIIDCO verifies this before engaging either.

c. Success fees as advisor compensation contingent on deal completion or award, shall be prohibited in all JIIDCO empanelment agreements and in all JIIDCO-funded consultancy engagements.

d. Cooling-Off Restriction: No Transaction Advisor, DPR consultant, independent demand surveyor, or any entity in which any of them holds a beneficial ownership interest exceeding 10%, or any entity controlled by or under common control with any of them, shall advise, represent, or provide services to any bidder or prospective bidder in that project for a period of three (3) years from the date of bid award; or, where the project is formally cancelled before award, from the date of such cancellation.

20.2 Bidder Declarations

a. All bidders shall submit: (i) a beneficial ownership disclosure naming ultimate beneficial owners (UBOs) as per PMLA norms; (ii) a debarment / blacklisting self-declaration; (iii) a related-party disclosure identifying any relationship with the RD, JIIDCO, or any Government agency involved in the project.

b. False declaration by any bidder shall result in immediate disqualification, forfeiture of bid security, and referral for debarment action in accordance with applicable State procurement rules as notified by the Finance Department, or where no State-specific mechanism exists, in accordance with the General Financial Rules as applicable to the State. JIIDCO shall maintain a register of referred cases and report to SJVC annually.

20.3 BEC Member Declarations

Every BEC member from JIIDCO, the Requisitioning Department, and external experts shall sign a Conflict of Interest declaration before the BEC's first meeting. Any member with a financial, familial, or professional relationship with any bidder shall recuse and be replaced. Recusal is recorded in BEC minutes.

20.4 Bidder Contact Protocol

After issue of RFQ or RFP, all contact between Government / JIIDCO and any bidder or prospective bidder shall occur only through: (i) published pre-bid meetings (minutes circulated to all registered bidders within 3 working days); or (ii) written queries submitted through the official procurement portal and answered in

DRAFT

published corrigenda. Unofficial bilateral contact with any bidder by any JIIDCO or RD officer is a serious procedural irregularity reportable to the competent vigilance authority / Vigilance Department, as applicable, and shall be placed before that authority for such disciplinary or legal action as may be warranted under applicable service rules or law.

20.5 Post-Award Integrity

a. The Institutional Charges register, VfG Note, BEC scoresheets, and Project Dossier constitute the primary audit trail for every project. Any attempt to alter, suppress, or deny access to these documents shall be treated as a serious procedural irregularity and placed before the competent vigilance authority for such disciplinary or legal action, including referral for criminal proceedings where warranted, as may be applicable under law.

b. All Amendment Agreements executed under the Renegotiation Protocol shall be disclosed on the applicable dashboard layer in accordance with Sections 14.5 and 18.1, with redaction of commercially sensitive information where legally required, within 30 days of execution.

21. Transition, Sunset, and Savings

Pre-policy JV arrangements shall be registered and classified within 12 months of notification. The Policy shall remain in force for five years and may be extended by Government Order. Structural amendments require SJVC recommendation before notification. The Annual JV Performance Report is the primary public accountability instrument.

21.1 Transition for Pre-Policy Arrangements

JV arrangements formed before this Policy's notification shall be registered with JIIDCO within 12 months. JIIDCO classifies each arrangement within 60 days of registration and prepares a corrective action plan within a further 30 days for arrangements classified as partially compliant or high-risk. Wind-down requires explicit Competent Authority approval and is subject to existing contractual rights. Compulsory termination without contractual basis is not permitted.

21.2 Policy Sunset

This Policy is valid for five (5) years from notification. All operational agreements remain in force after policy expiry, governed by their contractual terms. Projects for which an IPR has been accepted and a pre-feasibility report has been completed prior to the date of Policy expiry shall remain eligible for sanction within twelve (12) months of the date of expiry, provided all other Policy requirements are met.

21.3 Amendments

Structural amendments , to the approval architecture, JVRC gates, VfG methodology, Renegotiation Protocol triggers, or the Institutional Charges structure, require SJVC recommendation before Government Order notification. Clarificatory and operational amendments may be issued by JIIDCO as JV Cell Circulars with SJVC ratification at the next quarterly meeting.

21.4 JIIDCO Process Audit

JIIDCO's JV Cell operations including JVRC issuance timelines, VfG Note quality, partner selection management, Dashboard maintenance, and Institutional Charges collection and utilisation, shall be subject to an annual independent process audit. The audit shall be conducted by a firm appointed by the JIIDCO Board on the recommendation of the Finance Department, with terms of reference approved by SJVC. The audit report shall be placed before SJVC within 90 days of the close of each financial year and published on the public JV Dashboard. Findings of systemic process failure shall be escalated by SJVC to the Secretary, Industries for corrective action within 60 days.

21.5 Annual JV Performance Report

JIIDCO shall publish an Annual JV Performance Report within 90 days of the end of each financial year, beginning with the year of policy notification. The Report shall be placed before SJVC at its first quarterly

DRAFT

meeting of the subsequent year; published on the public Dashboard; and submitted to Finance, Planning, and Department of Industries.

Report Section	Content Required
Pipeline Status	IPRs received and screened; JVRCs issued by type; projects at each lifecycle stage; departments with and without active projects
Deal Flow	Projects sanctioned by tier, sector, and model; agreements executed; SPVs incorporated; financial closures achieved
Private Investment	Total private investment committed; sector-wise breakdown; comparison against Section 9.4 targets
Revenue to Government	Revenue share and lease rent received by project; comparison against VfG Note projections; shortfalls and recovery actions
VfG Actuals against Projections	For all projects above Rs. 50 crore post-COD: actual revenue, investment, and KPI performance against VfG Note base case
Renegotiation Register	Total renegotiations by trigger type; modifications approved or declined; structural modifications requiring legislative disclosure
Tribal and Community Outcomes	Employment, local procurement, and community investment data by project; Gram Sabha feedback summary; TBSP compliance status
Citizen Grievances	Grievances received, resolved, and pending by stage, sector, and project; systemic issues and corrective actions
Climate and Sustainability	Energy and carbon performance where disclosed; projects with climate KPIs and compliance status
JIIDCO Operational Performance	SLA compliance rate; Institutional Charges collected and operational facilitation expenditure; staff strength; advisor capacity; training delivered
Investor Feedback	Aggregated post-transaction survey results; Market Sounding outcomes; investor query response metrics
Year Ahead Outlook	Projects expected at bidding stage in the next year; major pipeline risks

21.6 Policy Hierarchy

In case of inconsistency between this Policy, JIIDCO JV Cell Circulars, model documents (JV-in-a-Box Kits), and project-specific bid documents, this Policy shall prevail. A deviation from model documents or templates is permissible only where: (i) the deviation has been expressly approved in writing by the JV Cell Director (for Tier 4 and Tier 3 projects) or by SJVC (for Tier 2 and Tier 1 projects); and (ii) the deviation and its rationale are disclosed in the project appraisal note placed before the Competent Authority. No undisclosed deviation from a model document or Kit template shall be valid against the Policy.

21.7 Policy and Agreement Hierarchy

Where any provision of a JV Agreement, Concession Agreement, or SHA executed under this Policy conflicts with a provision of this Policy, the Policy shall prevail to the extent of the inconsistency; the conflicting contractual provision shall be of no effect to that extent, and shall be construed as if it incorporated the corresponding Policy provision in place of the conflicting term. However, once an agreement is duly executed, its terms bind the parties as contractual obligations subject to: (a) the Renegotiation Protocol (Section 14); (b) the Dispute Resolution mechanism (Section 14.6); and (c) applicable law including the Indian Contract Act, 1872 and the Specific Relief Act, 1963. The Government shall not invoke this Policy as a superior instrument to avoid its own contractual obligations; the Policy and the Agreement are complementary instruments and shall be read harmoniously.

21.8 Overriding Effect

This Policy supersedes all previous circulars and orders of the Department of Industries relating to JV formation, to the extent of inconsistency. Where Central guidelines, sector-specific regulations, or externally-aided project procedures are more stringent, those shall prevail for the relevant projects.

21.9 Savings

Nothing in this Policy shall limit the authority of any court, tribunal, CAG, or statutory body exercising jurisdiction under applicable law.

DRAFT

ANNEXURES

Reference Templates and Checklists

A1–A7: Operational instruments, checklists, and standard documents

DRAFT

Annexure A1: JVRC Gate Checklists

JIIDCO shall maintain a live version of these checklists as Document D3 (Gate Tracker) for each project. All applicable checkboxes shall be marked before a JVRC is issued.

Gate 1 : Land Title and Possession Security

Checkpoint	Responsible	Timing	Audit Document
Land / asset identified and demarcated; survey number(s) or asset register entry recorded	Revenue Dept / Requisitioning Department	Before DPR	Survey records, land map, or asset register entry
Encumbrance Certificate obtained (last 30 years minimum)	Revenue Dept	Before DPR	Sub-Registrar EC
Title vested in Government / RD / PSU with no pending dispute in any court or revenue forum	Legal Cell and Revenue Dept	Before DPR	Revenue records and HC search certificate
For PSU-owned assets: Board resolution of PSU authorising asset contribution to the JV / concession	MD / CEO of concerned PSU	Before IPR submission	Certified Board resolution
For Government-owned land or built assets: appropriate authority approval for release to the JV (Govt. Order or Cabinet decision as applicable)	Secretary of Requisitioning Department	Before SJVC / competent authority note	Govt. Order or Cabinet resolution
Physical possession confirmed with no encroachment, occupation, or dispute on ground	Revenue Dept / Field team	Before RFQ	Field verification report by a licensed surveyor or Revenue Department official, including boundary sketch, photographs, and GPS-tagged coordinates of boundary pillars
Zoning clearance for intended use for industrial / commercial / health / tourism / residential / mixed (as applicable)	Urban Devt. / Revenue Dept	Before RFQ	Zoning certificate or land-use order

Gate 2 : Tribal Rights and Statutory Compliance

Applicable to all projects in Fifth Schedule areas wherever required by PESA, FRA, applicable State rules, land acquisition law, forest law, or sector-specific statute. For non-Fifth Schedule projects: JV Cell Director shall certify 'Gate 2 N/A' in writing, citing the MHA notification.

Checkpoint	Responsible	Timing	Audit Document
Fifth Schedule applicability determined against MHA Schedule V notification	JIIDCO JV Cell	At IPR stage	MHA notification reference on project file
Traditional village boundaries and Gram Sabha jurisdiction mapped in project area	Revenue Dept and Tribal Welfare Dept	Before community engagement	DC-notified boundary maps
Gram Sabha(s) formally notified and convened where required by statute; quorum confirmed by BDO	BDO and Gram Sabha President	Before any ground survey	Gram Sabha notice and signed attendance register verified by BDO; video or audio recording of proceedings maintained by BDO and available to DC and JIIDCO on request
Gram Sabha consent resolution obtained where required by applicable law for project purpose, land area, and compensation framework agreed	Gram Sabha	Before DPR finalisation	Certified resolution

Checkpoint	Responsible	Timing	Audit Document
FRA individual and community rights survey completed in project area (where land is involved)	Sub-Divisional Officer	Before DPR finalisation	FRA survey report
Outstanding FRA claims: (a) resolved with SDLC order on file; or (b) remaining claims identified and documented by SDLC, disclosed to bidders as an environmental and social risk in the RFQ, and expressly allocated in the concession agreement	SDLC and Forest Dept	Before RFQ	SDLC resolution order or SDLC status certificate; RFQ disclosure clause where claims remain outstanding
Tribal Benefit-Sharing Plan (TBSP) calibrated to project type and scale to be prepared and shared with Gram Sabha	Requisitioning Department and Tribal Welfare Dept	Before RFQ	TBSP document and Gram Sabha acknowledgement
Deputy Commissioner certificate confirming statutory compliance for the specific project	DC of concerned district	Before JVRC issuance	DC certificate on official letterhead

Gate 3 : Environmental and Forest Clearances

Checkpoint	Responsible	Timing	Audit Document
Environmental sensitivity screening: EIA category (A / B1 / B2 / exempt) determined	Requisitioning Department and environmental consultant	At DPR stage	MoEFCC / SEIAA screening letter
For Category A / B1 projects: Terms of Reference obtained from SEIAA; EIA study initiated	Requisitioning Department	Before RFQ	SEIAA ToR letter
For forest land: FC application filed; Stage 1 forest clearance obtained from competent authority	Forest Dept	Before RFQ	Stage 1 clearance order
Pollution Control Board in-principle NOC (industrial, healthcare, agri-processing, where applicable)	Requisitioning Department	Before RFQ	PCB in-principle letter
Heritage / wetland / eco-sensitive zone clearance (where project area is in or adjacent to such zones)	Requisitioning Department	Before RFQ	Clearance order from competent authority
Environmental Management Plan (EMP) prepared; confirmed as annex to RFP	Requisitioning Department and consultant	Before RFP	EMP document

Gate 4 : Independent Demand Verification

Checkpoint	Responsible	Timing	Audit Document
Independent demand surveyor appointed and funded by JIIDCO from its operational budget; no financial interest in the project proceeding; engaged on a pre-fixed fee schedule published by JIIDCO in its Operational Circular and updated annually	JIIDCO JV Cell (appoints and manages)	Before DPR finalisation	Appointment letter and signed ToR
Survey methodology approved by JV Cell Director, shall include primary data collection; desk estimates alone are insufficient	JV Cell Director	Before survey begins	Methodology approval note on file
Survey report received; findings not overridden by DPR consultant without documented justification reviewed by JV Cell	JIIDCO JV Cell	After survey completion	Survey report and JV Cell shall review note

Checkpoint	Responsible	Timing	Audit Document
Financial model stress-tested at 60%, 75%, and 100% of surveyed demand; project remains viable at 75% demand within the approved Government shall support envelope, if any	Transaction Advisor / JIIDCO	Before VfG Note	Financial model with sensitivity tabs
For revenue concessions: documented expressions of interest from a minimum of three prospective anchor users or investors for industrial and cluster projects before RFQ, in a format prescribed by JIIDCO (may be non-binding; substantiated demand evidence from industry associations or Government scheme data is acceptable with JV Cell Director approval)	Requisitioning Department and JIIDCO	Before RFQ	LoI copies on investor letterhead
For social sector projects (health, education, water supply): willingness-to-pay survey complete; affordability mechanism designed; survey cost funded by JIIDCO from its operational budget where RD has no available budget	Requisitioning Department and JIIDCO (JIIDCO funds survey where required)	Before RFP	WTP survey report and mechanism note

Gate 5 : Infrastructure and Utility Readiness

Checkpoint	Responsible	Timing	Audit Document
Power availability confirmed with load sanctioned or in-principle agreement from JBVNL / DVC / applicable utility	Energy Dept nodal officer	Before RFQ	Load sanction or in-principle letter
Water source, quantity, and connection timeline confirmed by competent authority	PHED / Irrigation Dept	Before RFQ	Source confirmation letter from competent authority
Road connectivity assessed; upgrades and funding confirmed or budgeted by the relevant department	Roads Dept / Requisitioning Department	Before RFQ	Connectivity assessment and budget confirmation
Telecommunications / broadband availability confirmed (for IT, logistics, health, skilling projects)	IT Dept / telecom provider	Before RFQ	Connectivity confirmation letter from provider
Utility upgrade plan and funding source confirmed as in project cost or separately budgeted and sanctioned	Requisitioning Department and Finance Dept	Before RFQ	Budget provision or Finance Dept. confirmation letter

Annexure A2: Value-for-Government (VfG) Note : Template

JIIDCO shall maintain pre-populated versions of this template (as Document D6) for common JV types. The Simplified VfG Note (for JVs Rs. 10–25 crore) shall cover Parts A, B, C, and G only.

Part A : Project Header

Field	Content Required
Project Name and JVRC Number	
Requisitioning Department and Nodal Officer	
JV Model (Section 5.2 Classification)	
Total Project Cost (Rs. crore)	
Government Contribution : itemised (land / equity / VGF / guarantee; value each separately)	
Concession Period	
Competent Authority (Tier 1/2/3/4)	
Prepared by	JIIDCO JV Cell with Transaction Advisor (where engaged). Signed COI declaration and no-success-fee confirmation attached.

Part B : Government Contribution Valuation

Component	Methodology	Source
Land and built asset contribution	TPA report by JIIDCO-appointed IBBI-registered valuer; circle rate as mandatory minimum floor; Finance Department independent sign-off mandatory before VfG Note is finalised	TPA valuation report and Finance Dept. sign-off letter; if disputed, Dispute Valuer determination (Section 16.1)
Cash equity contribution (if any)	Face value; Finance Department concurrence on amount	Finance Department approval order
In-kind contributions (clearances, infrastructure, utilities)	Assessed at avoided cost to the JV entity if procured commercially	Transaction Advisor estimate
Total Government Contribution as Fair Market Value	Sum of above; NPV where contributions are phased	Financial model and IBBI valuation

Part C : JV Equity Return and Value to Government

Component	Methodology	Source
Projected equity return to Government (dividend projections at base, low, and high demand scenarios; discounted at the Section 11.3 discount rate)	Financial model and Transaction Advisor	JV Cell / Transaction Advisor
Value of risk transfer to private partner	Risk matrix as probability × impact for each risk transferred	JV Cell risk table
Efficiency gain from private management (a positive efficiency gain shall be demonstrated and evidenced from comparable sector data; the 10% indicative threshold is a guide, not an automatic floor; the VfG Note shall document the specific evidence base and the JV Cell Director shall certify adequacy of the benchmark for the sector and scale of the project)	Sector benchmarks	International / peer state benchmarks
Non-financial value (quality, speed, innovation BEC scores 1–5 across four criteria)	BEC scoresheet	BEC evaluation

Component	Methodology	Source
VfG = (Equity Return to Government + Risk Transfer Value + Non-Financial Value) relative to Fair Market Value of Government Contribution	Sum	Financial model summary

Part D : Sensitivity Analysis (Standard and Full VfG Notes Only)

Scenario	Parameter Change	Required Finding
Base Case	As modelled	JV delivers positive value to Government (equity return + non-financial value exceed fair market value of contribution)
Low Demand	Revenue 25% below survey projection	Project viable without additional Govt. support beyond what shall be approved
Capital Cost Overrun	Capex 20% above DPR estimate	Concession structure remains bankable; no additional VGF required
Macro Shock	Discount rate +200 bps; CPI +2% above assumption	VfG remains positive or Govt. exposure stays within approved VGF ceiling

Part E : Alternatives Analysis (Standard and Full VfG Notes Only)

Alternative Considered	Why Rejected / Why Chosen Structure Is Superior
Alternative 1 (describe e.g., O&M instead of equity JV)	
Alternative 2 (describe e.g., BOT instead of revenue-share)	
Chosen Structure	Summary of why this structure delivers superior VfG

Part F : Concession Term Justification (Full VfG Notes Only)

a. IRR benchmarking: Private partner's projected equity IRR within the sector-calibrated ranges in Section 13.3, adjusted for Jharkhand-specificrisk factors (land, tribal area, regulatory, demand) as documented in the VfG Note. The 14–18% generic range is a reference point only; the VfG Note shall document the project-specificrisk premium and the JV Cell Director shall certify its adequacy. IRR materially above the applicable sector range shall be justified by documented risk evidence.

b. Comparable transactions: Minimum two comparable JV transactions in India with source : similar sector, scale, and model.

c. Bid variable rationale: The financial variable used in competitive selection shall be most sensitive to Government value optimisation. Justification documented.

Part G Conclusion and Sign-Off (all VfG types)

Field	Content
VfG Finding	Positive (equity return and non-financial value justify contribution) / Marginal (borderline; conditions imposed) / Negative (JV does not offer fair value for Government contribution)
Risk Transfer Assessment	Adequate / Partial / Inadequate
Sensitivity Result	Pass / Conditional / Fail (N/A for Simplified VfG)
Recommendation	Proceed as structured / Modify structure (specify) / Do not proceed
Transaction Advisor Sign-off	Name, designation, firm seal, signed COI declaration and no-success-fee confirmation (N/A for Simplified JV Cell expert signs)
JIIDCO JV Cell Director shall sign-off	Name, date confirms methodology compliance, IBBI valuation adequacy, no success fee, and that the VfG Note provides a defensible basis for the proposed equity commitment

DRAFT

Annexure A3: JV-in-a-Box as Department Execution Kit

A3.1 Kit A Walkthrough for Equity JV (SPV)

Kit A shall be the recommended starting point for any department proposing a new equity JV with a private or institutional partner. The target is 32–40 weeks from IPR to signed JV Agreement and SHA.

Step	Requisitioning Department Does	JIIDCO JV Cell Does	Output	Target Week
1	shall submit IPR (D0): asset name, location, current use, ownership, approximate area, PESA flag	shall screen eligibility; assign Relationship Officer; open Project File; acknowledge	IPR accepted or returned with comments	1–2
2	shall provide asset documents: title / survey records, current occupancy / tenancy data, maintenance history	Verify Gate 1 (title, possession) and Gate 5 (utilities) with relevant agencies; open D3 Gate Tracker	Gates 1 and 5 cleared	2–4
3	shall confirm Fifth Schedule status of asset location	shall issue Gate 2 N/A certificate (non-Fifth Schedule) or initiate PESA process	Gate 2 cleared or PESA process opened	3–6
4	shall provide existing occupancy / tenancy waiting list / usage data as demand evidence	shall review data; confirm Gate 4; commission independent survey from JIIDCO operational budget if needed	Gate 4 cleared	4–8
5	Nothing required at this stage	shall prepare Simplified or Standard VfG Note (D6) using Kit A pre-filled benchmarks (Government contribution valuation = independently assessed fair market value of asset contributed)	VfG Note completed; shared with RD for concurrence	6–8
6	shall review draft RFQ (D4): confirm yellow fields for asset description, minimum lease rent, concession term, performance conditions	shall issue RFQ; manage pre-bid queries; evaluate submissions; shortlist bidders	Shortlisted private partners	8–16
7	Nodal Officer shall chair BEC; review draft Lease Agreement	shall issue RFP (D5 with Section 14 Protocol as mandatory Schedule); run BEC; prepare Appraisal Note (D7) for Tier 4 or Tier 3 sanction	Sanction obtained; Lease Agreement executed by RD	16–24
8	shall hand over asset to private partner; establish PMU; monitor monthly lease rent receipts and quarterly site visits	shall upload deal to JV Dashboard; open Project Dossier (Section 18.2); set bi-annual review calendar; issue 2nd Institutional Charges instalment invoice	Asset operational under private management	24–28

A3.2 Standard Documents D0–D7

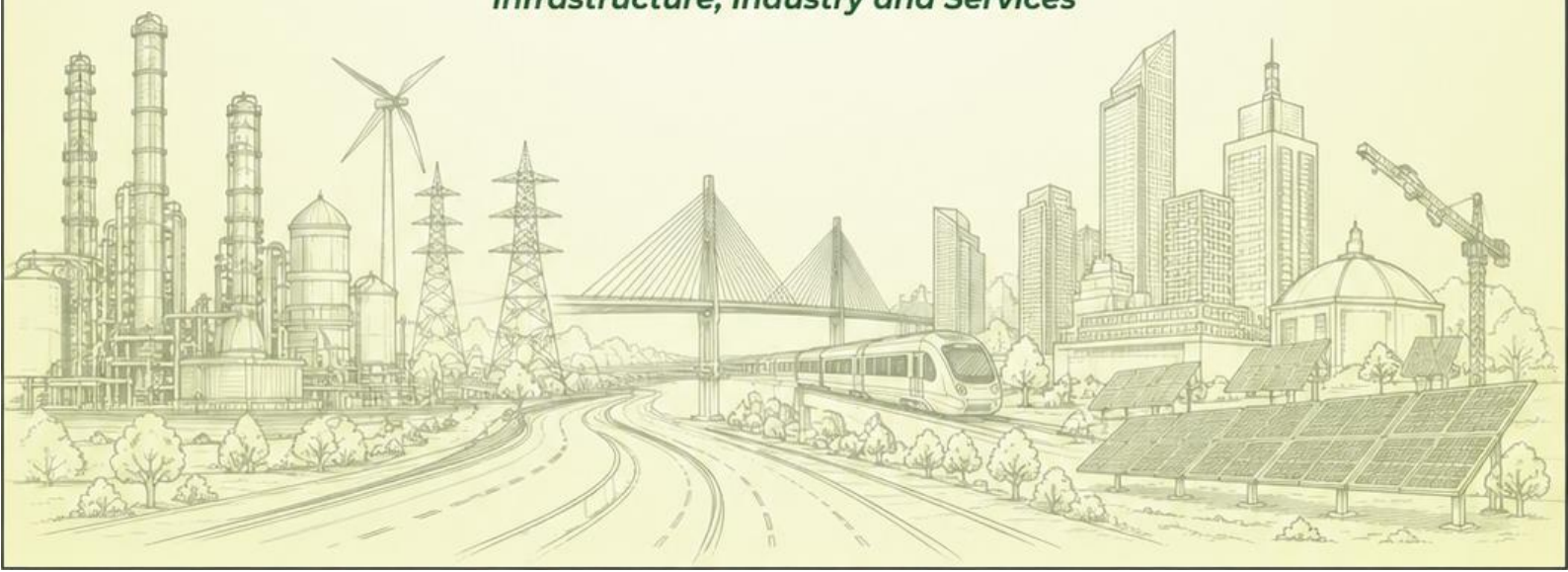
Doc	Name	Prepared By	Stage
D0	Initial Project Requisition (IPR)	Requisitioning Department Nodal Officer	Before JIIDCO engagement
D1	Initial Project Document (IPD)	JIIDCO (with RD input)	After IPR acceptance
D2	Pre-Feasibility Report	JIIDCO JV Cell (funded from operational budget where needed)	After joint scoping session
D3	JVRC Gate Tracker (live)	JIIDCO (RD shall provide documents)	From IPR to JVRC

Doc	Name	Prepared By	Stage
D4	Model RFQ	JIIDCO template and RD fills yellow fields	After JVRC; bidding stage
D5	Model RFP and Draft Agreement (with Section 14 Protocol as mandatory Schedule)	JIIDCO template and RD and Legal Cell fill yellow fields	After shortlisting
D6	VfG Note (Simplified / Standard / Full per Section 11.2)	Transaction Advisor / JIIDCO and RD concurrence	After DPR; before appraisal note
D7	Appraisal Note	JIIDCO shall draft; RD shall provide Sections 1–3	Before Competent Authority

A3.3 Audit Scenario Reference

Audit Scenario	Standard Finding	Policy Mitigation	Document on Record
Project went to market before land ready	Govt. could not deliver; project failed	Section 10 JVRC Gate 1 (Annexure A1) mandatory before RFQ	JVRC with Gate 1 certification
Demand overestimated in DPR	Revenue projections unrealistic; VGF loss	Section 10 Gate 4 for independent survey; Section 11 for VfG stress test at 75%	Demand survey and VfG sensitivity analysis
JV formed without documented value assessment	No documented decision basis	Section 11 VfG Note for contribution valuation and equity return assessment mandatory (Annexure A2)	VfG Note with valuation and return analysis
Concession terms too generous; IRR excessive	Exchequer loss	Section 11 / Annexure A2 Part F for IRR benchmarking mandatory for Full VfG	VfG Note Part F for IRR table
Post-bid modification without authority	Undue benefit; process vitiated	Section 14 for no modification outside Renegotiation Protocol; same-tier or higher authority	RR number and competent authority modification order
Tribal land without statutory compliance	Constitutional violation	Section 10 Gate 2 (Annexure A1) for DC certificate and statutory documents mandatory	DC certificate and Gram Sabha documents
Revenue share not collected	Exchequer loss	Government Dashboard shall track actuals against VfG model; JIIDCO shall issue recovery notices	Revenue reconciliation and JIIDCO recovery correspondence
No post-COD monitoring	KPIs unenforced; public interest not protected	Section 15.2 bi-annual reviews; Dossier Section 5; JIIDCO special audit power	shall review minutes and KPI register
JV partner changed without Govt. approval	Change of control without consent	SHA transfer restriction; Golden Share (Section 17.4); SJVC approval for >26% transfer	SHA clause and approval order
Advisor conflict of interest	Biased advice	Section 21.1 for advisor bar from bidding; no success fees; COI declaration mandatory	Advisor appointment letter and signed COI declaration
BEC not objective	Favouritism alleged	Section 12.3 for RD Nodal Officer shall chair; BEC COI declarations; scoresheets on Dashboard	BEC minutes and scoresheets and Dashboard shall upload
Officer approved without authority	Ultra vires decision	Section 7.1 for four-tier matrix; Risk Trigger Override (Section 7.2); approval cites Policy section	Approval order citing Policy tier and section

Department of Industries
Government of Jharkhand

Jharkhand Industrial Infrastructure Development Corporation (JIIDCO)

Enabling Structured Partnerships for
Infrastructure, Industry and Services