

TERM SHEET

Development of International Standard Tourism/Theme Destination in State of Punjab on Pathankot-Dalhousie Road around Ranjit Sagar Lake

1. Government of Punjab intends to develop an International Standard Tourism Project on PPP mode on Pathankot Dalhousie Road around Ranjit Sagar Lake on 74.76 acres. The Forest Clearance application was made to MoEF for the same. The In-Principle Stage-1 Forest Clearance for the cited project has been provided by MoEF vide letter no. 9-PBC303/2019-NRO, dated: 10.08.2020.
2. The government of Punjab intends to develop the state's economy by choosing a sustainable path. In order to uplift the economy of the state by sprouting employment opportunities in all parts of the state. This vision was directed for developing tourism sites in the state that have a high potential for sustaining eco-tourism. This means identifying places having highest scenic beauty in midst of pristine nature having a potential of practicing a responsible tourism. These sites would then be developed as a pilot project to promote eco-sensitive sustainable tourism. The state then identified a land area of 30.25 Ha near Ranjit Sagar Dam in Pathankot. The project site is geographically located 4Km away from the of Ravi river adjacent to the man-made Ranjit Sagar Reservoir. The land chosen towards the site identified falls in the category of 'Forest Land'. The scenic view from this identified land parcel is un-parallel in the entire region and is on the route to Dalhousie where the tourism influx is maximum in the district. Therefore, the Government of Punjab decided to initiate the development of this high tourist potential area on the terms of sustainable eco-tourism. The Government envisages for eco-sensitive low-rise eco-resorts just positioned to this natural setting while abiding all rule and regulation prescribed under Punjab Building Bye Laws and Punjab Eco-Tourism Policy. This project is geared towards it being a natural tourism site which adheres to all ecological and sustainable aspect of the devouring natural setting it is situated in. Focus of the project is to develop the site keeping view of improving the well-being of the local communities and maintaining the ecology and environment.
3. The site is approximately 37 km from the Pathankot and 57 km from Dalhousie and bordering three states Jammu, Himachal Pradesh and Punjab. The Site can be accessed by the Pathankot-Dalhousie National Highway 154A. This Project site comprises of a cumulative area of 74.76 acres or 30.25 hectares that includes an island namely Kulara and a land parcel adjacent to the water body named Naloh- Palangi. The Site elevation ranges between 500 to 645 m above MSL. This Project is intended to be established as an Eco-tourism hub with nature adventure zone and water sport activities facility..

A	Description	Details
1.	Name of Authority	Amritsar Development Authority (ADA)
2.	Project Structure	Design, Built, Finance, Operate and Transfer (DBFOT)
3.	Estimated Capital Cost of Project	i. Site 1 – INR 448.57 Crore ii. Site 2- INR 105.51 Crore
4.	Key scope of Work	i. Construction – Planning, designing, financing, constructing and marketing of the Project and Project Facilities ii. O&M- Operate and Maintain the project facilities for a period for further 57 years after 3 years of construction iii. Obtain permissions – Obtain all necessary statutory permissions and clearances as required for the Project iv. Fulfilment of Obligation - Performance and fulfilment of all other obligations of the Concessionaire in accordance with the provisions of this Agreement
5.	Concession Period	Total Concession Period is of 60 years i. Construction Period – 3 years (6 years for Site 1 -1 st , 2 nd and 3 rd year and 8 th , 9 th and 10 th year; 3 years for Site 2) ii. Operation Period – 57 years
6.	Condition Precedent Period	365 days from the signing of the agreement
	Key obligations in CP Period	<p>Authority:</p> <ul style="list-style-type: none"> i. Should procure Right of Way and grant license holding rights to Concessionaire ii. Procure transfer of user agency of the Project in the revenue record iii. Govt. to facilitate transfer of user agency from DHUD, under the provisions of Forest Conservation Rules iv. Procure grant of development rights in respect of Project Site to Concessionaire v. To facilitate Stage 2 forest clearance approval vi. Issue necessary notification under applicable byelaw for construction and implementation of project vii. Appoint Monitoring Committee <p>Concessionaire:</p> <ul style="list-style-type: none"> i. Submit to Authority detailed Layout Plans as per approved Detailed Project Report and provisions under Environmental Clearance and Forest Clearance. ii. Procure all applicable permits unconditionally iii. Executed the Financing Agreements iv. Submit Area Management Plan and Environmental Management Plan as per approved DPR
7.	Key general obligation of Concessionaire	i. Design, construct, operate and maintain the project and project facilities as per terms of the agreement and approved DPR ii. Comply with all applicable laws and permits including terms and conditions of EC, Stage 1 and subsequent Stage 2 FC iii. Comply with provisions of Eco-Tourism Policy of

		<p>Government of Punjab, operational guideline of Ministry of Tourism etc.</p> <p>iv. Ensure all Minimum Mandatory Obligations are met</p> <p>v. Selected Bidder/Consortium shall hold 100% stake as on the date of the agreement till end of CP and commencement of Concession Period. Subsequently, will be allowed to reduce such that overall stake of the Selected Bidder/Consortium is not less than 51%</p> <p>vi. No consortium member shall have less than 26% of the subscribed and paid-up capital and has to maintain it till 5th anniversary of COD.</p> <p>vii. Concessionaire may subject to the terms of agreement, grant sub-license and/or service provider rights to reputed agencies for carrying out activities under the agreement.</p> <p>viii. In consultation with Monitoring committee prepare Maintenance Manual 60 days prior to COD or Phase Completion</p>
8.	Key general obligation of Authority	<p>i. Provide all reasonable support and assistance to the Concessionaire in procuring Applicable Permits</p> <p>ii. Assist Concessionaire in obtaining access to all necessary infrastructure facilities and utilities for the Project at general available rates</p> <p>iii. Grant authority to Concessionaire to regulate visitor to or on the Project Site</p> <p>iv. Support, cooperate with and facilitate the Concessionaire in the implementation and operation of the Project in accordance with the provisions of this Agreement</p>
9.	Monitoring of Construction	<p>Monitoring Committee shall be appointed by the Authority to discharge duties as per agreement</p> <p>Monitoring Committee shall inspect Project Facilities at least once a month and make an inspection report</p> <p>Direct the Concessionaire to carry out necessary tests</p>
10.	Payment of Upfront Fee	<p>The Upfront Fee proposed by the Selected Bidder during the Bidding stage has to be paid on or before signing of the agreement. 50% can be paid upfront and rest 50% within 15 days of First Anniversary of Signing of Agreement.</p>
11.	Payment of Lease Rent	<p>Lease Rent shall be due and payable on an annual basis on or before 15th day of start of the succeeding financial year. The first of such payment shall become due for the financial year in which the COD falls and payable on the first day of financial year immediately succeeding the financial year in which COD is achieved.</p>
12.	Termination Clause due to Force Majeure	<p>Either party may in discretion to terminate the agreement if Force Majeure subsists for more than 180 days within a continuous period of 365 days</p>
13.	Termination Payment due to Force Majeure	<p>i. If Termination occurs due to non-political event (flood, earthquake etc.) concessionaire shall be entitled to the proceeds of any amount under insurance policies</p>

	event	<ul style="list-style-type: none"> ii. If Termination occurs due to indirect political event, the Concessionaire will be entitled to a sum of 50% of fair market value or book value of the immovable and movable assets of the Project brought in by the Concessionaire upto that date less Debt Due, iii. In case of political event, Concessionaire shall be entitled to payment as if it were a Authority Default
14.	Major Concessionaire Events of Default	<ul style="list-style-type: none"> i. Fails to provide O&M performance security on achievement of COD ii. Fails to maintain Performance Security for the stipulated period iii. Unable to replenish or provide new Construction/O&M Performance security after the earlier is encashed. iv. Unable to rectify default within a cure period of 30 days v. Concessionaire abandons construction or operation of project facilities vi. Mandatory project components are not completed within the scheduled completion date vii. COD is not achieved within 120 days from Scheduled Completion Date viii. Fails to pay annual concession payment within the period specified in the agreement ix. Concessionaire is adjudged bankrupt or insolvent x. The Concessionaire is in repeated default/ breach of the Maintenance Requirements or the Safety Requirement
15.	Termination Payment due to Concessionaire event of default	<ul style="list-style-type: none"> i. Termination happens before COD – Client shall not make any payments to Concessionaire ii. Termination happens after COD – Client shall make payment to Concessionaire an amount equal to: <ul style="list-style-type: none"> a. 90% of Debt Due (not exceeding 70% of Total Project Cost) b. Less: Insurance Cover, provided that if insurance claims are not admitted and paid, then 80% of such unpaid claims shall be included in the computation of the Debt Due
17.	Termination Payment due to Authority Default	<p>Client shall make payment to Concessionaire an amount equal to:</p> <ul style="list-style-type: none"> a. 100% of Debt due (not exceeding 70% of the Total Project Cost) b. Plus: 100% of Adjusted Equity c. Less: Insurance Cover, provided that if insurance claims are not admitted and paid, then 80% of such unpaid claims shall be included in the computation of the Debt Due

Other Terms

A	Description	Details
1	Bidding System	Single stage, two packet system e-bidding
2.	RFP Document	Rs. 20,000 (inclusive of GST) in form of DD

	Fee	
3.	Bid Security	i. Rs 4.49 Crore for Project 1 ii. Rs 1.06 Crore for Project 2 (1% of Capital Cost)
4.	Bid Validity Period	180 days from the Bid Due Date
5.	Performance Security (Construction Period)	i. Rs 22 Cr valid till COD, renewed annually. ii. Rs 5 Cr valid till COD, renewed annually (5% of Capital Cost)
6.	Performance Security (Operation Period)	i. Rs 22 Cr valid till initial period of 30 years and enhanced by equivalent amount after every 30 years ii. Rs 5 Cr valid till initial period of 30 years and enhanced by equivalent amount after every 30 years (5% of Capital Cost)
7.	Bid Parameter	Upfront Premium + Lease Rental (annually fixed payment with 5% escalation)
8.	Evaluation process	i. Step 1 – Opening of Technical Proposal to check for responsiveness ii. Step 2 – Opening of Financial Proposal of Technically responsive bidder and declaring Bidder offering highest payment as “Selected Bidder”

ELIGIBILITY: The Selected Bidder (the “Concessionaire”) shall through a Special Purpose Vehicle (“SPV”) (to be incorporated after selection) be responsible for designing, engineering, financing, procurement, construction, operation and maintenance of the Project in accordance with the provisions of a long-term concession agreement (the “Concession Agreement”) to be entered into between the Selected Bidder and the Client.

Minimum Eligibility Criteria

1. Bidder shall be a company registered under the Companies Act, 1956/ 2013 as amended/modified/replaced from time to time or undertakes to incorporate as such prior to execution of the Concession Agreement. The intending bidders may also bid by way of Consortium. The total number of members in a Consortium shall be limited to 3(three). However, no Bidder applying individually or as a member of a Consortium, as the case may be, can be member of another Consortium. Bidders to note that any bidder from a country which shares a land border with India will be eligible to bid, only if the bidder is registered with the Competent Authority specified in Annexure – I of Order (Public Procurement No. 6/18/2019-PDD dated 23rd July 2020.) For details, the bidders are advised to refer to the aforementioned order. Noncompliance with the requirements set-forth in the said Order will cause the bid of bidder to be rejected outrightly.

2. Technical Capacity:

a. For demonstrating technical capacity and experience (the “Technical Capacity”), the Bidder shall, over the past 5 (five) financial years preceding the Bid Due Date,

must have met the minimum technical eligibility criteria mentioned below for each of the Project it is applying: i. Paid for or received payment related to 'Development with or without Operation and Maintenance of projects related to hotels/ resorts/ residential/ retail/ sports/ institutional infrastructure' of a minimum amount of INR 673 Crore,

if the Bidder is applying for Project 1. ii. Paid for or received payment related to 'Development with or without Operation and Maintenance of hotels/ resorts/ residential/ retail/ sports/ institutional infrastructure' of a minimum amount of INR 158 Crore,

if the Bidder is applying for Project 2. iii. Paid for or received payment related to 'Development with or without Operation and Maintenance of hotels/resorts/residential/retail/sports/institutional infrastructure' of a minimum amount of INR 673 Crore,

if the Bidder is applying for both Project 1 and Project 2.

b. Eligible Experience: (i) The capital cost for each of the project(s) whose experience is being claimed in terms of (a) above, should not be less than INR 90 Crore (Rupees Ninety Crore only) for Project 1 and INR 21 Crore (Rupees Twenty One Crore only) for Project 2 and INR 90 Crore (Rupees Ninety Crore only) if applying for both the Projects.

(ii) The Bidder should furnish the details of Eligible Experience for the last 5 (five) financial - years immediately preceding the Bid Due Date.

3. Financial Capacity:

a. The applicant shall have the following minimum Net Worth (the "Financial Capacity") as on March 31, 2020 for each of the Project the Bidder is applying; in case the Bidder is applying for both the Projects, the Bidder needs to meet cumulative Net Worth for both the Project :

(i) Net Worth required for applying for Project 1: INR 112 Crores

(ii) Net Worth required for applying for Project 2: INR 26 Crores

(iii) Net Worth required for applying for Project 1 and Project 2: INR 138 Crores

• For the purpose of considering the Financial Capacity of the prospective Bidder, the Net Worth of the all the members in the Consortium would be considered.

NOTE: The above document is a draft and is subject to change by the Authorities.