

Minutes of the meeting

Name of the project: **Development of OTDC Hotels at Gopalpur, Rambha, Paradeep & Puri on PPP format**

Date: 13/11/2007

Time: 15:00 hrs

Location: Conference Hall, OTDC, Bhubaneswar.

Participants:

Name	Position
Mr P K Chand	F.C Cum Secretary
Mr Bhaskar Subramanian	Principal Consultant, PWC
Mr Mihir Shah	Consultant, PWC
Mr Subrat Mishra	Consultant, PWC
Interested Bidders / representatives of Hotel Industry	1. Fortune Hotel Centre Point, Jamshedpur, 2. Hotel Holiday Resort, Puri, 3. Seagul Hotel, Puri, 4. Hotel Keshari, Bhubaneswar, 5. Polyplex Com Ltd, 6. Bengal Unitech Universal, Kolkata, 7. Country Inn & Suits, Paradeep, 8. Triumph Residency, Bhubaneswar, 9. Hotel Manorama Plaza Ltd, 10. Hotel Kaniska Raipuri, 11. Hotel Green Park, Hyderabad, 12. Park Residency, 13. Gammon Infrastructure Project Ltd, 14. Signet Consortium, 15. Mayfair Hotels & Resorts Ltd, 16. Hotel Sheela Tower Pvt Ltd, 17. ETA Star Infrastructure Ltd, 18. OMNA, 19. Hotel New Marion,

20. Swosti Group,
21. M/s Vipul Ltd,
22. Ambuja Realty
23. Parsvnath Developers Ltd,
24. Orchid(Kamat Group).
25. JAS group,
26. Silver Sands Beach Resort,
27. Ohana Group,
28. Sheela Towers.

Objective: Disseminate information regarding the project and resolve any Eol related queries of potential bidders interested in participating in the Eol process.

Key Points discussed:

At the start of the meeting, the bidders were given a brief overview of the project under consideration and the process being followed for development of the 4 properties. It was mentioned that a 2-stage bidding process is being followed with the first stage being the Eol stage during which parties satisfying the eligibility criteria would be short-listed and allowed to participate in the 2nd stage. The 2nd stage would involve financial bidding for the project alongwith submission of technical proposals. It was also mentioned that the current stage only required parties to submit their Eols – providing documentation satisfying the eligibility criteria as mentioned in the advertisement inviting the Eol.

Subsequent to the above project overview, queries from various bidders were invited. Details with regard to the same are provided as under:

Query	Remarks
<p>Details with regard to commercial terms like lease term, upfront payment etc. were inquired about</p>	<p>Commercial terms for each of the property are being worked out and would be finalised in consultation with bidders who are shortlisted as part of the Eol process. However, industry standards would be followed to ensure that the development model is mutually beneficial.</p> <p>Deliberation on the commercial terms is not warranted at the current stage i.e. Eol stage. Besides, the bidders are not required to submit / commit any information related to the commercial terms. Parties are only required to submit documents which prove their eligibility for participating in the project.</p> <p>Commercial terms would be discussed during stage 2 of the bidding process.</p>

Query	Remarks
OTDC's development model	<p>The properties are going to be developed on a long term lease model. Further various models of PPP are available e.g. JV between OTDC and the private partner etc. Optimum development would be worked out in consultation with the shortlisted bidders.</p> <p>Each of the properties would be leased out to the preferred bidder.</p>
Expectations from the private sector	<p>The private sector player will be required to develop, operate, maintain and market the same during the lease period. There will be no participation from the government's side in these activities.</p> <p>The entire objective of adopting the PPP route for developing these 4 properties is to leverage on the private sector expertise in these areas.</p>
No of properties for which bids can be placed	Any bidder can bid for either one or more properties.
Development norms	<p>All development should confirm to CRZ norms as all the properties are within CRZ-II. Considering the same, development norms would be as follows:</p> <ul style="list-style-type: none"> • FSI: 1 • Ground coverage: 33% • Height: 9 meters.

Query	Remarks
Modalities in case of a consortium	<p>In case of a consortium, all the eligibility norms need to be met by the consortium as a whole. Thus one member of the consortium may satisfy the networth requirement where as another may satisfy hotel operating experience. All the consortium members together should satisfy all the eligibility norms. Each member is not required to satisfy all the norms.</p> <p>Further the consortium will have to submit a Power of Attorney nominating one of the members to act as the Lead Member. Format of the Power of Attorney can be downloaded from OTDC website – www.panthanivas.com</p> <p>Importantly, individuals will not be allowed to form consortiums for this project. Only distinct legal entities will be allowed to bid for the project.</p>
Extent of support & contribution from OTDC	The support will be only to the extent of leasing the properties to the private player
OTDC employee related issue.	Various options are currently being explored by OTDC. The final decision on the same would be taken based on interaction with shortlisted bidders.
Whether any existing liabilities of OTDC would be transferred to the Successful Bidder?	Only land alongwith the property will be leased to the preferred bidder. No liabilities will be transferred.
What is the current ARR, Occupancy of the properties?	Operational details of the properties can be procured from OTDC. However, at the current stage, these details are not relevant.
Eligibility for participation in 2 nd stage	Only those bidders who have participated in the EoI stage will be allowed to participate in the 2 nd stage.

Query	Remarks				
Property details		#	Property	Built up area (sq ft)	No. of employees
		1	Puri	30698	36
		2	Rambha	12748	10
		3	Paradeep	11450	5
		4	Gopalpur	5575	6
Assistance in securing clearances / permission from any government agencies.	OTDC would facilitate the preferred bidder in securing necessary permissions.				