M.V RAMANUJAM

ANDAMAN AND NICOBAR ISLANDS INTEGRATED DEVELOPMENT CORPORATION LIMITED (A Government Undertaking)

अ.नि.द्वी.स.वि.नि.
ANIIDCO

INVITES PROPOSALS
For
DEVELOPMENT OF M.V RAMANUJAM AS A RECREATIONAL FACILITY IN ANDAMAN AND NICOBAR ISLANDS.

The Andaman and Nicobar Islands Integrated Development Corporation Limited (the "ANIIDCO") invite proposals from International / National Legal Entities including Joint Ventures, Consortia etc for Designing, Renovation, Operation , Maintenance of M. V. Ramanujam in A&N Islands for recreational facilities including but not limited to Floating Restaurant, Mini Cinema, Theater , Restaurant –cum Cafeteria, Club house, Spa etc. M.V. Ramanujam is a sea going passenger vessel which is 52.61 meter in length and 38.4 meter in breadth having two floors and 162 Mt ton as a dead weight.

SCOPE OF WORK

Tourism Department of A&N Administration has leased M.V. Ramanujam, a sea going passenger vessel to ANIIDCO to be sub-leased to private operator for Designing, Renovation, Operation, Maintenance of M.V. Ramanujam in A&N Islands for recreational facilities including but not limited to Floating Restaurant, Mini Cinema, Theater , Restaurant –cum Cafeteria, Club house, Spa etc.. The General Manager, ANIIDCO, invites bids from interested parties to operate and maintain the M.V. Ramanujam on "as and where is condition", which shall be leased out to the successful BIDDER. The selected bidder will be responsible for Designing, Renovating, Engineering, Financing, Operation and Maintenance of MV Ramanujam with recreational facilities in A&N Islands for a period of 15 years.

HOW TO APPLY

The RFP document which is available on the website **http://www.and.nic.**in under the link "Tenders"(department :"ANIIDCO") provides information about the project, bidding process, proposal submission, qualification and financial proposal requirement. Interested Bidder(s) may send in their proposals as per the format enclosed in the RFP to:

The General Manager
ANIIDCO
Vikas Bhawan,
Port Blair-744101

LAST DATE FOR PROPOSAL SUBMISSION: 15.05.2012 at 03:30 P.M

PRE-BID MEETING will be held in Chennai on 25.04.2012 at 12:30 pm.

Venue of Pre-bid Meeting: Conference room of M/s Mahindra Consulting Engineering Ltd. ,Mahindra Towers,No 17/18, Ground Floor, Pattullous Road, Chennai-600002

FOR INFORMATION CONTACT: General Manager, ANIIDCO, Vikas Bhawan, Port Blair-744101 Ph.no:03192-232098, mailid:aniidco@gmail.com

General Manager **(ANIIDCO)**

ANDAMAN AND NICOBAR ISLANDS INTEGRATED DEVELOPMENT CORPORATION LIMITED (A Government Undertaking)

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ANIIDCO

Request For Proposal (RFP) Document
For
Designing, Renovation, Operation, Maintenance of M.V. Ramanujam in Andaman & Nicobar Islands for recreation facilities

Date of issue: ……

Issued by: ……

Cost of RFP document : ₹ 1000/-

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DISCLAIMER

The information contained in this Request for Proposal (RFP) document or subsequently provided to Bidders, whether verbally or in documentary form by or on behalf of Andaman and Nicobar Islands Integrated Development Corporation Limited or any of its employees or advisors, is provided to Bidders on the terms and conditions set out in this RFP document and any other terms and conditions subject to which such information is provided.

This RFP document is not an Agreement and is not an offer or invitation to any other party. The purpose of this RFP document is to provide the Bidders with information to assist the formulation of their Proposal submission. This RFP document does not purport to contain all the information each Bidder may require. This RFP document may not be appropriate for all persons and it is not possible for ANIIDCO and their employees or advisors to consider the investment objectives, financial situation and particular needs of each Bidder. Certain Bidders may have a better knowledge of the proposed project than others. Each recipient must conduct its own analysis of the information contained in this RFP or to correct any inaccuracies therein that may appear in this RFP and is advised to carry out its own investigation into the proposed project, the legislative and regulatory regimes which applies thereto and by and all matters pertinent to the proposed project and to seek its own professional advice on the legal, financial, regulatory and taxation consequences of entering into any agreement or arrangement relating to the proposed project.

ANIIDCO and their employees and advisors make no representation or warranty and shall incur no liability under the Law of Contract, Tort, the Principles of Restitution or unjust enrichment or otherwise for any loss, expense or damage, accuracy, reliability or completeness of the RFP document, which may arise from or be incurred or suffered in connection with anything contained in this RFP, any matter deemed to form part of this RFP, the award of the Project, the information and any other information supplied by or on behalf of ANIIDCO or their employees, any consultants or otherwise arising in any way from the selection process for the Project.

ANIIDCO may in its absolute discretion, but without being under any obligation to do so, can amend or supplement the information in this RFP document. The information that ANIIDCO is in a position to furnish is limited to this RFP and the information available at the contact addresses given in para 1.1.6, along with any amendments/ clarifications thereon.

This RFP and the information contained herein are confidential and for use only by the person to whom it is issued. It may not be copied or distributed by the recipient to third parties (other than in confidence to the recipient's professional advisor). In the event that the recipient does not continue with the involvement in the project in accordance with RFP the information contained in the RFP shall not be divulged to any other party. The information contained in the RFP must be kept confidential.

Mere submission of a responsive Bid does not ensure selection of the bidder as Sub-Lessee.

INVITATION FOR PROPOSAL

1.1 Introduction

1.1.1 Tourism Department of A&N Administration has leased M.V. Ramanujam a passenger vessel to ANIIDCO to be leased to private operator for operation and maintenance. Tourism Department of A&N Administration is instrumental in planning and providing the basic tourist infrastructure and other tourist facilities/amenities in the Union Territory. It is responsible for promoting Andaman and Nicobar Islands as a round the year tourist destination by participating in various tourist related events in India and overseas and through tourist publicity literature and other publications. As part of this endeavour the tourism department has procured M.V. Ramanujam a passenger vessel which is 52.61 Meter in length and 38.4 meter breadth having two floors and 162 Mt ton as a dead weight and the department indents to create recreational facilities not limited to floating restaurant, cinema house, club house, spa, game parlours etc.

1.1.2 This Request for Proposal (RFP) is for Designing, Renovating, Engineering, Financing, Operation and Maintenance of MV Ramanajum for recreation facilities called the **"Project "** for a pre-determined Lease Period of 15 years.

1.1.3 An Agreement will be drawn up amongst ANIIDCO and the Successful Bidder (**"the Sub-Lease Agreement"**). Revenues from the "Project" will accrue to the Successful Bidder undertaking the project (**"the Sub-Lessee"**) during the Lease Period.

1.1.4 A "Double Stage" bidding process is planned to be followed for determining the Successful Bidder. The bidders would be required to meet the minimum threshold Technical Qualification Conditions and qualify for undertaking the Project as set out in this RFP document. This qualification assessment would be carried out as part of the current bidding and evaluation process. The Financial Proposal of only those bidders that possess the minimum threshold Technical Qualification Conditions *(as laid down in Clause 3.2)* and other relevant documents *(as per formats provided in Clause 5)* would be opened and evaluated.

1.1.5 The RFP document contains information about the Project, bidding process, proposal submission, qualification and financial proposal requirement.

1.1.6 The RFP submissions must be received not later than 1530 hrs **on 15.05.2012** in the manner specified in the RFP document at the address given below and ANIIDCO shall not be responsible for any delay in receiving the proposal and reserves the right to reject any or all Proposals without assigning any reason thereof.

General Manager,
ANIIDCO,
Vikas Bhawan,
Port Blair-744101

2. PROJECT BACKGROUND

2.1 Introduction

2.1.1 The Tourism Department of A&N Administration is instrumental in planning and providing the basic tourist infrastructure and other tourist facilities/amenities in the Union Territory. It is responsible for promoting Andaman and Nicobar Islands as a round the year tourist destination by participating in various tourist related events in India and overseas and through tourist publicity literature and other publications. As part of this endeavour the tourism department has procured M.V. Ramanujam a passenger vessel which is 52.61 Meter in length and 38.4 meter breadth having two floors and 162 Mt ton as a dead weight and the department indents to create recreational facilities not limited to floating restaurant, cinema house, club house, spa, game parlours etc.

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2.1.4 MV Ramanajum is a sea going vessel with the following:

GENERAL SPECIFICATIONS	
Name	M.V. Ramanujam (OLD NAME.SCHILESWIG-HOLSTEIN)
Type of Ship	PASSENGER VESSEL (DATE OF CONVERSION-NOV,1987
Port of Registry	Mumbai
Official No.	2309
IMO No.	7217846
Call Sign	VTFX
MMSI No.	419325000
Yard No.	1418, DATE OF KEEL LAID- 18/11/1971, DATE OF BUILT-NOV/72
No. of Souls to Carry	771
Builder	Husumer Schiffswerft, Gmbh & Co. KG, Rodemis- Hallig,

Technical Specifications	
GRT	859 NEW-1212
NRT	476 NEW-364
Classification	IRS
Summer Draught	01.90 mtrs

LOA	55.87 mtrs.
LBP	51.70 mtrs.
Registered Length	52.61 mtrs.
Breadth Moulded	12.82 mtrs
Breadth O.A	13.40 mtrs
Depth	02.90 mtrs.
Draught	01.90 mtrs.
Displacement	922.98 MT
Light Ship	819.41 MT
Dead Weight	162 MT @ 1.9 Mt Draught
Fuel	HSD
Fuel Capacity (90%)	33.66 Ltrs.
Fuel Capacity(10 0%)	36700 Ltrs.
Fuel Consumption	5100 Ltrs. In 24 Hrs Approx.
Fresh Water Consumption	12 T Approx with Pax (7 T without Pax)
Average Speed	7.5 Kts.
Main Engine	M.A.N 2 Nos. Internal Combustion Marine Diesel Engineer
GM Passenger Capacity	5.30 mtrs 753 Souls
Light Draft	1.5 mtrs.

- The Successful Bidder shall develop the Project Facility as per the Standards and Specifications as submitted by the bidder along with the application in **Schedule II** of the Sub-Lease Agreement. The Successful Bidder shall make certain payments to ANIIDCO in lieu of the development and operation rights granted for specific number of years **"Lease Period"**, as elaborated later in this document and at the end of the Sub-Lease Agreement Period, the fully functional and operational property and facility will be transferred back to ANIIDCO as per the provisions of the draft Sub-Lease Agreement.

2.1.5 The proposed vessel is ideally suited for recreational facilities given its location, size and capacity. The bidders are required to develop recreational facilities on the vessel to be operated in A & N Islands and to use their ingenuity to maximize the value from the property.

2.1.6 The Bidders must note that they shall be required to strictly adhere structural safety and fire safety requirements, statutory requirements, laws of land, the principles of Good Industry Practices and other statutory norms / rules / regulations / bylaws as applicable from time to time.

2.1.7 Specification of the vessel has been detailed in para 2.14
However, the bidders are required to carry out due diligence and verification w.r.t the above provided data. ANIIDCO shall not take any kind of responsibility for the details provided.

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2.1.10 ANIIDCO proposes to select a Successful Bidder for taking up the development of the aforesaid Project and Facilities thereof (in ROMT mode i.e. Renovate, Operate, Maintain and Transfer mode) in the form of a Lease. The Lease Period for the Project shall be for a period of 15 years.

2.1.11 The proposed vessel shall be made available to the Successful Bidder for the purpose of development of the project. The Successful Bidder as Sub-Lessee shall develop the Project Facility and thereafter, operate and maintain it throughout the Sub-Lease Agreement Period. The act of granting permission to develop the Project Facility at the Project Site and to sub-lease the use of the Project Facility or any part thereof shall not vest or create any proprietary interest in the Project Facility or any part thereof including any permanent fixtures, fittings, etc installed at the location of the Project Site in favour of the sub-lessee(s).

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2.1.13 End of the Sub-Lease Agreement Period

(i) **End of the Sub-Lease Agreement Period by efflux of time** – On successful expiry of the Sub-Lease Agreement Period of 15 (Fifteen) years, However, after expiry of lease period ANIIDCO can decide to run the property on its own, or re- Sub-Lease Agreement to a third party or manage it in some other manner which ANIIDCO may deem fit. All rights given under the Sub-Lease Agreement shall cease to have effect and the Project Site and the entire Project Facilities being fully functional or operational thereof shall transfer back to ANIIDCO.

(ii) **End of the Lease Period on premature termination, for any reason whatsoever -** Refer Sub-Lease Agreement.

2.2 Development Envisaged

2.2.1 Following are the activities / components of the Project Facility
Design Renovate, operate and maintenance of MV Ramanajum for recreational facilities, which shall include but not be limited to the following:

(i) Floating Restaurant
(ii) Mini Cinema Theater Restaurant cum cafeteria
(iii) Club house
(iv) Spa

2.2.2 Successful Bidder may use or allow the use of the Project Facility for other activities, which are not envisaged at this stage, only after prior written approval of ANIIDCO. However, the decision of the ANIIDCO shall be final in this regard.

2.2.3 The development of the "Project" may be as per Schedule II and other applicable clauses of the Draft Sub-Lease Agreement.

2.3 Commercial Consideration

The Successful Bidder would pay an annual Lease Rent which shall be increased after every three years by 10 per cent of last revised rent. The annual Lease Rent shall be due from the date of taking possession of the project assets. The Sub-Lessee shall deposit the annual Lease Rent in advance on or before 5th day of April of each financial year. However, the Lease Rent of first financial year will be paid in advance at the time of taking possession of project assets **(Refer Sub-Lease Agreement).**

2.4 Statutory Clearances

2.4.1 Project development is permissible on the Project property under reference, however, the Successful Bidder shall obtain clearances and sanctions from competent authority, as per applicable regulations. It is to be clearly understood that all such clearances are to be obtained by the Successful Bidder and ANIIDCO can only provide assistance, wherever possible, on best effort basis without any binding obligation.

2.4.2 The Successful Bidder shall comply with all safety requirements as per applicable law

2.4.3 If during this period any loss of property and/or life takes place, the loss and account of the same shall be borne entirely by the Successful Bidder and ANIIDCO shall not be liable for any such claims. The Successful Bidder would be responsible for the payments arising out of any Third Party claims. The Successful Bidder is advised to procure insurance for meeting such liabilities at its own cost.

2.5 Assign ability and Encumbrances

2.5.1 Successful Bidder (Lessee) shall be entitled to assign any of his rights, title, benefits and interests in the draft Sub-Lease Agreement in favour of lenders/ Financial Institutions at any time, for raising finance for the project.

3 GENERAL TERMS AND CONDITIONS FOR EVALUATION

3.1 The evaluation of the Proposals will be completed in 2 Steps

- Step 1 – Opening of Technical Proposals
- Step 2 - Opening of Financial Proposals of technically qualified applicants

The entire bidding process has been explained elaborately in Clause 4 of this RFP Document - Section I

3.1.1 The Successful Bidder shall be issued Letter of Award(LoA). After issue of the LoA in writing and acceptance of the same by the Successful Bidder within 7 (seven) days, the Successful Bidder shall enter into a Sub-Lease Agreement (draft enclosed as Format J in the RFP document) with ANIIDCO within 30 (thirty) days of receipt of LoA and carry out his responsibilities/ obligations.

3.2 Technical Qualification Conditions

3.2.1 Interested National/ International Independent Legal entities including Joint Ventures, Consortium meeting the following criteria may submit their proposals.

3.2.2 The bidder should be legally competent to enter into contract as per prevailing Indian Laws.

3.2.3 Only those bidders meeting both of the following **"Minimum Eligibility Criteria"** and submitting **other relevant documents as per Format Clause 5 and other provisions of the RFP Document** will be considered as "Technically Qualified" for the Project.

a) Technical Capability

The applicant and any member of the applicant consortium should have experience in operation and maintenance of tourism projects such as floating restaurant, entertainment and lesuire park, tourist complex such as mall theme park, Water sports complex, Resort, Hotel etc. and have received a receipt of Rs. 1 crore within last 5 years

Or the applicant and any member of the applicant consortium should have experience in developing of tourism project such as floating restaurant entertainment and lesuire park, tourism complex such as mall, theme park, water sport complex etc. having capital cost of Rs. 1 crore within last 10 years.

b) Financial Capability

- The aggregate tangible Net Worth of the Applicant should be at least Rs. 50 lakhs as per the audited balance sheet for the year 2010-11.

Net Worth shall be calculated as per the following formula: (Paid Up Share Capital + Reserves & Surplus – (Revaluation Reserves, goodwill, miscellaneous expenses not written off and other intangible assets)).

The members of the consortium (holding at least 26% of equity in consortium and SPV) are allowed to aggregate their individual net worth to meet this criterion.

For conversion of other currencies to Indian Rupees, the rate of conversion shall be as per the Reserve Bank of India reference rate as on 1st March 2012. In case of currencies not indicated under the RBI reference rate, the same shall be converted to US$ at the conversion rate as on 1st March 2012, and the amount so derived in US$ shall be converted into Indian Rupees as per the US$ RBI reference rate of 1st March 2012

3.2.4 The Bidder must submit Audited Annual Report (Balance Sheet and Profit & Loss Account with Schedules). In case of a Consortium, the audited annual report of each member of the consortium shall be submitted.

3.3 Proposal Submitted by a Consortium / Unincorporated JV / Partnership Firm

3.3.1 The number of Consortium members should not exceed three.

3.3.2 The Consortium as a whole must satisfy both the Technical and Financial Capability requirements given in Clause 3.2.3.

3.3.3 Each consortium must specify the proposed equity shareholding and nominate a Lead Member of the Consortium. This shall be enshrined in the Memorandum of Agreement (MoA) signed by all Consortium members and submitted along with this Bid / Proposal.

3.3.4 Any material changes in the membership of a Bidder will be rejected by ANIIDCO. Proposals submitted by a Consortium must provide a written agreement (Memorandum of Agreement) to be signed by each member in that Consortium which describes the responsibilities and equity commitments of the Consortium members. One of the Consortium members would be required to be nominated as Lead Member.

3.3.5 The Consortium / Joint Venture shall, inter alias form a Special Purpose Company (SPC) registered in India for the implementation of the Project. SPC shall be formed after issuance and acceptance of Letter of Award within 30 (thirty) days preceding Agreement signing. The SPC would enter into the Agreement and subsequently carry out all the responsibilities of the Successful Bidder and undertake the Project as stipulated in the Sub-Lease Agreement. The proposed shareholding of the members of the Consortium in the SPC must be in compliance with the criteria specified in the RFP document. However, the membership structure of the Bidder shall not be changed by the Bidder without ANIIDCO's prior written approval. The aggregate equity share holding of the members / partners of the Consortium in the issued and paid up equity share capital of the SPC shall not be less than 51% (Fifty One per cent) during the entire Lease Period.

3.3.6 In addition to the above obligations, the Lead Member of the Consortium shall maintain a minimum equity component of at least 26% throughout the Lease Period, in the SPC so formed under this clause.

3.3.7 Members of the Consortium shall be liable jointly and severally for the execution of the Project in accordance with the terms of the Sub-Lease Agreement and a statement to thiseffect shall be included in the Memorandum of Agreement (MoA) mentioned under clause 3.3.3 above, as well as in the Proposal and in the Agreement. ANIIDCO may require such documents / undertakings/ indemnities as it may deem fit from consortium members before or at the time of issuance of Notice of Award/ signing of the Sub-Lease Agreement.

3.3.8 The Lead Member nominated at the time of submission of the Proposal shall continue to be the Lead Member of the SPC. Such Lead Member

shall hold authorization in the form of Power of Attorney. The Proposal must designate one or more person(s) to represent the Bidder in its dealings with ANIIDCO. Unless specifically advised to the contrary, ANIIDCO will assume that the person (s) designated is authorized to perform all tasks, including, but not limited to, providing information, responding to inquiries and entering into contractual commitments on behalf of the Company or the Consortium as the case maybe. Any and all limitations on the authority of the designated person (s) should be detailed in the Proposal.

3.3.9 Bidder(s), which are a Subsidiary and who have used the Technical Support/ Expertise of their Holding / Parent Company to satisfy the Minimum Eligibility Criteria as mentioned in clause 3.2.3, shall, at the time of submission of their bid / Proposal, be required to furnish a Agreement of Guarantee (as per Format- H enclosed in this RFP Document) from their Holding / Parent Company (including an irrevocable Board Resolution from such Holding / Parent Company) pledging their financial strength and technical support and their expertise in favour of the said Bidder / Subsidiary towards the development, implementation, operation & maintenance of the Project), apart from authorizing the said Bidder / Subsidiary to take part in the Bidding Process. Such support from the Holding / parent towards its Subsidiary shall remain valid at all times during the currency of the Sub-Lease Agreement, and even after its termination for any of the acts and liabilities of its Subsidiary prior to termination. In case the said Bidder / Subsidiary are part of SPC, the liability of such Holding / parent shall be in proportion to its Subsidiary's holding in the SPC). Failure to furnish such irrevocable Letter of Guarantee (accompanied by a Board Resolution) from the Holding / Parent Company by the Bidder / Subsidiary along- with their bid / Proposal may entail automatic disqualification of their proposals by ANIIDCO.

3.3.10 Each member of the Consortium shall submit a signed letter (on the company's Letter Head) with the Proposal, which states that, the said member:

(a) Has reviewed the entire Proposal.

(b) Is in accord with each key element of the Proposal, including, but not limited to, its technical and price components, description of the member's responsibilities and commitments to the Project, and the designated person(s) who will represent the Consortium during the negotiation process. Any substantive exception or caveat should be addressed in the enclosed letter.

(c) Has participated in only one Proposal for this Project.

(d) Each of the Consortium members will be jointly and severally liable to ANIIDCO.

3.3.11 All pertinent information that may affect the performance of the responsibilities of any Consortium member – such as ongoing litigation, financial distress, or any other such matter – must be disclosed.

3.4 Fee and Deposits to Be Paid by the Bidder

3.4.1 **Bid Security**

(i) The Bid shall be accompanied by an initial Bid Security for a value of

Rs.200,000/- (Rupees Two Lakh only) in any one of the following manners:

a) Bank Guarantee issued by a Scheduled Bank in favour of ***"ANIIDCO Ltd."*** payable at Port Blair and in the format given in Clause 5 (F) **OR**

b) Demand Draft in favour of **"ANIIDCO Ltd."** payable at Port Blair.

(ii) The Bid Security shall be valid for a minimum period of 180 days from the Bid Due date. On request from ANIIDCO, the Bidders would be required to extend the validity of the Bid Security on the same terms and conditions.

(iii)The Bid Security of the Successful Bidder will be returned on receipt of Performance Security of **Rs 1000,000/- (Rupees Ten Lakhs)** from the Successful Bidder.

(iv) Any Bid submitted without the Bid Security in the form as specified in the RFP document shall be summarily rejected.

(v) The Bid Security of Bidders whose Bid is rejected on account of being Non-Responsive or Non-Reasonable in accordance with the RFP document, will be returned / refunded within a period of sixty (60) days from the date of intimating the rejection of the Bid by ANIIDCO to the Bidder. The Bid Security shall be forfeited by ANIIDCO, in the following cases:

a) If the Bidder withdraws his Bid/ Proposal after Technical Bid opening and during the Bid validity period.
b) In case of a Successful Bidder, if the Bidder fails to sign the Sub-Lease Agreement within the specified time limit.
c) In case of a Successful Bidder, if the Bidder fails within the specified time limit to furnish the required Performance Security or fails to start the work within stipulated period.

Note: Bid Security of only H1, H2 & H3 bidders would be retained till the Sub-Lease Agreement is signed between the Successful Bidder and ANIIDCO. The "Bid Security" of the other bidders would be returned within 60 (Sixty) day of opening of Financial Bid.

3.4.2 **Performance Security**

The Successful Bidder, for due and faithful performance of its obligations under the Sub-Lease Agreement, shall be required to provide **Performance Security of Rs. 10,00,000/- (Rupees Ten Lakhs)** as per terms of the Sub-Lease Agreement to ANIIDCO within 3 weeks of receipt of the Letter of Award from the ANIIDCO.

3.5 One Bid per Bidder

Each bidder shall submit only one bid for the Project. Violation of this shall lead to disqualification of the bidder along with the consortium it is the part of.

3.6 Proposal Preparation and Cost

All Bidders are required to submit a detailed proposal (herein-after referred to as the Proposal or Bid) in accordance with the guidelines set forth in this RFP document. Bidders should provide information sought herein in the prescribed formats in order to accurately establish and interpret the information provided. The cost of preparation of Bid and related expenses shall be borne by the Bidders themselves. Besides a Demand draft of Rs 1000/-(One Thousand only) drawn in favour of "ANIIDCO Ltd." payable at Port Blair towards cost of the RFP document, if not already paid, is to be submitted along with the Bid.

3.7 Due Diligence, Inspection and Investigation

The Bidders shall be deemed to have conducted a due diligence exercise with respect to all aspects of the Project, including a detailed survey of the site and information / data provided by ANIIDCO in the RFP Document, when they submit the Bid. Interested Bidders are invited to visit and inspect the site at their own expense. Failure to investigate fully the site or subsurface conditions shall not be a valid ground to relieve the Bidder subsequently after its Bid nor shall it relieve the Bidder from any responsibility for estimating the difficulty or costs of successfully completing the Project.

3.8 Validity of Bid

3.8.1 The Bid shall remain valid for a period not less than one hundred eighty (180) days from the due date of submission ("Bid Validity Period"). ANIIDCO reserves the right to reject any Bid that does not meet this requirement. Validity of Bid shall be extended for a specified additional period at the request of ANIIDCO.

3.8.2 A bidder agreeing to the request will not be allowed to modify his Bid, but would be required to extend the validity of his Bid Security for the period of extension.

3.8.3 The Bid Validity Period of the Successful Bidder shall be extended till the date of execution of the Sub-Lease Agreement.

3.9 Right to Reject Bid

3.9.1 Notwithstanding anything contained in this RFP Document, ANIIDCO reserves the right to reject any/all proposals including the highest Bid or withdraw the invitation of the Bid at any stage without citing any reason. Nothing contained herein shall confer any right upon a bidder or create any obligation / liability upon ANIIDCO of any type whatsoever.

3.9.2 **Misrepresentation / Fraud / Breach of Terms and Conditions**

If it is discovered at any point of time that the bidder has suppressed any fact or given a false statement or has done misrepresentation or fraud or has violated any of the terms of this bid/ Proposal, the bid will be cancelled by ANIIDCO. In such an event, the bidder will not be entitled to any compensation whatsoever, or refund of any other amount paid by him.

3.10 Disputes

3.10.1 All disputes between the Successful Bidder and ANIIDCO shall be settled as per the Dispute Resolution procedure elaborated in the Sub-Lease Agreement. During the bidding process no dispute of any type would be entertained. Even in such cases where ANIIDCO asks for additional information from any bidder, the same cannot be adduced as a reason for citing any dispute.

3.10.2 The courts at Port Blair alone shall have the exclusive jurisdiction to try all the cases arising out of this RFP document.

4 TENDERING PROCEDURE AND SCHEDULE

4.1 General

4.1.1 Bidders may send their queries to ANIIDCO by 24.4.2012 in writing. All the bidders will be sent clarification to queries received till the stipulated date. The queries received after the prescribed date will not be entertained by ANIIDCO.

4.1.2 Pre-Bid Meeting

(i) The purpose of the Pre-Bid Meeting will be to clarify and discuss issues with respect to the Project, the RFP document or any other related issues.

(ii) The Bidders or their authorized representatives are invited to attend the Pre-Bid Meeting at their own cost which shall take place at Conference room of M/s Mahindra Consulting Engineering Ltd. ,Mahindra Towers,No 17/18, Ground Floor, Pattullous Road, Chennai-600002 on **25.04.2012 at 12:30 p.m.**

(iii) It is preferable to attend the Pre-Bid Meeting. Subsequent to the date of the Pre-Bid Meeting, ANIIDCO may respond to questions or inquiries from any Bidder which shall be received through letter or e-mail within 7 days from the date of pre-bid meeting.

4.2 Amendment of RFP

4.2.1 At any time prior to the Proposal Due Date, ANIIDCO may, for any reason, whether at its own initiative or in response to clarifications requested by a bidder, modify the RFP through the issuance of Addendum which will be duly publicized .

4.2.2 In order to give the bidders reasonable time in which to take an Addendum into account, or for any other reason, ANIIDCO may, at its discretion, extend the Proposal Due Date.

4.3 Preparation and Submission of Proposal

4.3.1 Completed proposals shall be accepted on or before **1530 hours, on 15.05.2012** (Proposal Due Date) at ANIIDCO at the address given below.

General Manager,
ANIIDCO,
Vikas Bhawan, Port Blair-744101

4.3.2 ANIIDCO, at its sole discretion, retains the right, but is not obliged, to extend the Proposal Due Date by issuing an Addendum.

4.3.3 Bidders shall furnish the information strictly as per the formats given in Clause 5 of this document without any ambiguity. ANIIDCO shall not be held responsible if the failure of any bidder to provide the information in the prescribed formats results in lack of clarity in interpretation and consequent disqualification.

4.3.4 In case of a Consortium, wherever required, the Proposal must contain such information individually for each member of the Consortium.

4.3.5 In case of a Consortium, the members shall submit a Memorandum of Agreement (MOA) conveying their intent to jointly bid for the project, and in case the project is awarded to them, to form a 'SPC' that will subsequently carry out all its responsibilities as the 'Sub-Lessee'. The MOA shall also include the nomination of the Lead Member in the Consortium and clearly outline the proposed shareholding and responsibilities of each member at each stage.

4.3.6 All proposals / bids / offers shall be signed by the duly 'Authorized Signatory' of the Bidder. In case of a Consortium, the proposal shall be signed by the duly Authorized Signatory of the Lead Member. Bidders shall submit a supporting Power of Attorney authorizing the signatory of the Proposal to commit the bidder and agreeing to ratify all acts, Agreements and things lawfully done by the said attorney. In case of a Consortium, such Power of Attorney shall be signed by all members of the Consortium and shall be legally binding on all of them.

4.3.7 The Authorized Signatory shall initial the Proposal on each page. He shall also initial all the alterations, omissions, additions, or any other amendments made to the Proposal.

4.3.8 All witnesses and sureties shall be the persons of status and probity and their full names and addresses shall be stated below their signatures. All signatures in the Proposal documents shall be dated.

4.3.9 Bidders are required to submit only one original set of the Proposal, including the Original RFP issued to them and clearly marked as "ORIGINAL".

4.3.10 Any Bidder, who submits or participates in more than one Proposal for the said project shall be disqualified and shall also cause the disqualification of all the Consortia in which he/she is a member.

4.4 Language and Currency

4.4.1 The Proposal and all related correspondence and documents shall be written in English language. If any supporting document attached to the bid is in any other language, the same will be supported by an English translation and in case of any ambiguity the translation (original as translated by ANIIDCO) shall prevail.

4.4.2 The currency for the purpose of the Proposal shall be Indian National Rupee (INR).

4.5 Bidder's Responsibility

4.5.1 It would be deemed that prior to the submission of Proposal, the bidder has made a complete and careful examination of:

a. The requirements and other information set forth in this RFP document.

b. The various aspects of the Project including, but not limited to the following:

- The Project Site, existing facilities and structures, access roads and

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public utilities in the vicinity of the Project Site;

- All other matters that might affect the Bidder's performance under the terms of this RFP, including all risks, costs, liabilities and contingencies associated with the project.

4.5.2 **Project Site Visit**

a. The bidders prior to submitting their bid for the project, are expected to visit and examine the vessel project site and the surroundings being offered on "**as is where is**" basis, at their own expenses, and ascertain on their own responsibility information, technical data, traffic data, market study, etc. including actual condition of existing services which may or may not have to be shifted/removed/replaced etc.

b. It shall be assumed that all these factors were accounted for by the bidder while quoting his bid. The bidder shall be deemed to have full knowledge of the site whether he inspects it or not.

4.5.3. ANIIDCO shall not be liable for any mistake or error or neglect by the bidder in respect of the above. Proposals that are not substantively responsive to the requirements of this RFP document will be rejected.

4.6 **Sealing and Marking of Proposals**

4.6.1 The Proposals shall be sealed, marked and submitted as explained below:

a) **Envelope No.1** containing the Bid Security shall be marked as **"Bid SECURITY DEPOSIT**" as per Format F

b) **Envelope No. 2**, duly marked as "**TECHNICAL PROPOSAL**" shall contain the following :

* Relevant documents(like audited financial statements and evidence of experience like client certificate, etc) confirming the "Technical Qualification Conditions" laid down in Clause 3.2.
* Letter of Application and Interest (As per Format A)
* General Information of the Bidder (As per Format B)
* Power Of Attorney for Signing of Application (as per Format E)
* Affidavit (As per Format D)
* Original RFP Document duly signed (on each page) by an authorized representative as a token of acceptance.
* Power of Attorney by Each Member in case of Consortium in Favour of Lead Member (as per format G)
* Agreement of Guarantee (as per Format H)
* Letter from consortium members as per clause 3.3.10.
* All required submissions, if the Bidder is applying through Consortium and as stated in the RFP Document
* Proposed project facilities in Schedule-II of the Sub-Lease Agreement

c) **Envelope No. 3**; containing the Financial bid (as per Format C)shall be duly marked as "**FINANCIAL PROPOSAL**".

d) All the above envelopes shall be enclosed in an outer cover / envelope marked as **"RFP for Designing, Renovation, ,Operation, Maintenance of MV Ramanajum for recreational facilities, in A&N Islands"**

e) The Outer envelope shall be addressed to:
General Manager,
ANIIDCO,
Vikas Bhawan, Port Blair-744101

4.6.2 If any envelope is not sealed and marked, as instructed above, ANIIDCO assumes no responsibility for the misplacement or premature opening of the Proposal submitted. In that case, the prematurely opened proposals will be rejected.

4.6.3 Any Proposal received by ANIIDCO after 1530 hours on the Proposal Due Date will be liable for rejection.

4.7 Modification and Withdrawal of Proposals

4.7.1 No Proposal shall be modified or withdrawn by the bidder after the Proposal Due Date.

4.7.2 Withdrawal of a Proposal during the interval between Proposal Due Date and expiration of the Proposal Validity Period would result in forfeiture of the proposal security.

4.8 Opening of Proposals

4.8.1 The Technical Proposals received shall be opened by the Committee constituted by ANIIDCO in the presence of the Bidders who choose to attend at **1630 hours** on **15.05.2012**, unless intimated otherwise. The date for opening of Financial Proposals shall be intimated in advance to the technically qualified bidders.

4.8.2 ANIIDCO reserves the right to reject any Proposal and forfeit the proposal security, if:

1. It is not signed, sealed and marked as stipulated in Clause 4.6.
2. The information and documents have not been submitted as requested and in the formats specified in the RFP.
3. There are inconsistencies between the Proposal and the supporting documents.
4. It does not mention the validity period as set out in Clause 3.8.

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5. There are conditions proposed with the Technical and/or Financial Proposals.
6. It provides the information with material deviations.
7. If any Clause/ Word is added/omitted in the RFP issued by the ANIIDCO.

4.8.3 A material deviation or reservation is one:

a) Which affects in any substantial way, the scope, quality, or performance of the Project, or
b) which limits in any substantial way, inconsistent with the RFP document, ANIIDCO's rights or the Bidder's obligations, or
c) which would affect unfairly the competitive position of other Bidders' presenting substantially responsive bids.

4.8.4 No request for modification or withdrawal shall be entertained by ANIIDCO in respect of such Proposals.

4.8.5 To facilitate evaluation of Proposals, the Authority may, at its sole discretion, seek clarification in writing from any Bidder.

4.9 Evaluation of Proposals

The evaluation will be done in two steps as explained below:

4.9.1 In Step - I, the Proposal Security in Envelope 1 shall be first checked. Proposals without the appropriate Proposal Security will be rejected. Then the submission(s) in Envelope 2 shall be checked. All bidders passing Step I of the evaluation will be considered responsive enough to be considered for the next step.

4.9.2 In Step– II of evaluation, the Financial Proposals in Envelope 3 of only those bidders who have passed Step I shall be opened in presence of the nominees of the bidders, who choose to attend the same. Bidders shall be ranked H1, H2, H3 etc. in decreasing order of their Financial Proposals. **The selection will be made on the basis of the highest Annual Lease Rent (H1). The bidder quoting the highest annual Lease Rent will be invited to sign the agreement.**

4.9.3 Even if only a single proposal is received (and technically qualified) or a single bid amongst several is technically qualified, ANIIDCO retains the right to open his Financial Proposal and award the Project.

4.9.4 In the event that the highest Bidder withdraws or is not selected for any reason in the first instance, ANIIDCO may invite the remaining Bidders in accordance to their rank in decreasing order of their Financial Proposals to match the Proposal of the aforesaid highest Bidder.

4.9.5 The Proposal (Financial Proposal and Technical Proposal) should be unconditional and any conditionality attached with the Proposal may result in the rejection of the proposal.

4.9.6 Financial Proposals of bidders who do not qualify in the Step-I of evaluation will not be opened and will be returned unopened.

4.9.7 To assist the examination, evaluation and comparison of bids, the LESSOR may, at their discretion, ask any Bidder for clarification on his/her bid. The request for clarification and the response shall be in writing or by cable but no change in the price or substance of the bid shall be sought, offered, or permitted.

4.10 Confidentiality

4.10.1 Information relating to the examination, clarification, evaluation and recommendation for the short-listed bidders shall not be disclosed to any person not officially concerned with the process. ANIIDCO will treat all information submitted as part of all proposals in confidence and will insist that all who have access to such material treat it in confidence. ANIIDCO will not divulge any such information unless it is ordered to do so by any Government authority that has the power under law to require its disclosure or due to statutory compliances.

4.11 Acceptance of the Proposal

4.11.1 ANIIDCO shall issue Letter of Award(LoA) to the selected bidder for the Project.

4.11.2 The selected bidder is required to send his acceptance of the LoA within seven (7) days from the date of its receipt.

4.11.3 ANIIDCO shall retain the right to withdraw the LoA in the event of the selected bidder's failure to accept the LoA within the time limit specified in the above clause.

4.11.4 In this event, ANIIDCO shall forfeit the Proposal Security of the selected bidder.

***4.12* Execution of Sub-Lease Agreement**

4.12.1 The Successful Bidder is required to sign the Sub-Lease Agreement within 30 days of conveying his acceptance of the LOA to ANIIDCO in writing. But prior to signing of the Agreement, the bidders must satisfy the following conditions. ANIIDCO shall not execute the Sub-Lease Agreement until these conditions have been satisfied.

(a) The Successful Bidder has submitted the requisite Performance Security to ANIIDCO.

(b) The Successful Bidder, if a consortium, has formed a SPC, as per provisions laid down in Clause 3.3.5. **OR** if the Successful Bidder, being a single/ individual bidder, is willing to form a SPC, then the same shall be formed after issuance and acceptance of Letter of Award and within 30 (thirty) days preceding Agreement signing.

(c) The Successful Bidder, if it is a Subsidiary of a Holding / Parent Company or part of an SPC, it shall be required to furnish a Letter of Guarantee from its Holding / Parent Company (including a Board Resolution of such Holding / Parent Company) pledging such Holding / Parent Company's irrevocable Financial strength and Technical support to its Subsidiary (in case of SPC - in proportion to its Subsidiary's holding in the SPC), at all times during the concurrency of the Sub-Lease Agreement, and even after its termination for any of the acts and liabilities of its Subsidiary prior to termination. **{as per format provided in (H)}**

(d) The Successful Bidder, if an individual/ single bidder and forms a SPC, it shall be required to furnish a Agreement of Guarantee in favour of SPC. **(as per format provided in (I))**

4.12.2 Failure to meet the above conditions will result in a breach and ANIIDCO shall be entitled to cancel the award without being liable, in any manner whatsoever, to the bidder and to appropriate the Proposal Security and any other amount deposited till that time as 'Damages'.

4.12.3 The cost of stamp duty, if any for execution of Sub-Lease Agreement, registration charges and any other related legal documentation charges and other incidental charges will be borne by the Successful Bidder.

4.12.4 In case of failure to sign the Sub-Lease Agreement within the stipulated time, ANIIDCO shall retain the right to cancel the Award and forfeit the bidder's Proposal Security and any other amount deposited till that time without being liable in any manner whatsoever to the bidder.

4.13 Proposals of other Bidders

4.13.1 ANIIDCO shall return the proposal security received from the bidders who have not qualified in Step I of the evaluation, within 180 (One hundred eighty) days of opening of the Technical Proposal. The Proposal Security shall be returned without payment of any interest.

4.13.2 Bid Security received from all the short listed bidders after Step – II of evaluation (except H1, H2 and H3) will be returned within 60 (Sixty) days from the date of opening of financial proposal, and returned thereafter, without payment of any interest.

5. PRESCRIBED FORMATS

A. Letter of Application & Interest

(To be submitted and signed by the Bidder's authorised signatory)

General Manager,
ANIIDCO,
Vikas Bhawan, Port Blair - 744101

Subject: RFP for Designing, Renovation ,Operation, Maintenance of MV Ramanajum for recreational facilities in A&N Islands

Sir,

1. Being duly authorized to represent and act for and on behalf of ……Hereinafter referred to as **"the Applicant"**), and having studied and fully understood all the information provided in the bid document, the undersigned hereby apply as a bidder for **"Designing, Renovation ,Operation, Maintenance of MV Ramanajum for recreational facilities in A&N Islands"** according to the terms & conditions of the RFP Document issued by ANIIDCO.
2. Our Technical & Financial Proposals are as per the requisite formats along with the supporting documents, duly filled and signed on each page and are enclosed in separate sealed envelopes as specified.
3. The Proposal Security is enclosed in the Envelope 1 marked "Bid Security Deposit".
4. ANIIDCO and its authorized representatives are hereby authorized to conduct any inquiries / investigation to verify the statements, documents and information submitted in connection with the application and to seek clarification from our banker regarding any financial and technical aspects. This letter of application will also serve as authorization to any individual or authorized representative of any institution referred to the supporting information, to provide such information deemed necessary and as requested by yourselves to verify statements and information provided in the application or with regard to the resources, experience and competence of the present applicant.
5. ANIIDCO and its authorized representatives may contact the following persons for any further information:

   Name of the person (s) : ……
   Address:
   …….. Phone:
   ……..; Fax: ……
6. This application is made with full understanding that:
   (a) ANIIDCO reserves the right to reject or accept any bid, cancel the bidding process, and / or reject all bids.
   (b) ANIIDCO shall not be liable for any of the above actions and shall

be under no obligation to inform the applicant of the same.

7. We, the undersigned, declare that the statements made and the information provided in the duly completed application forms enclosed herewith, are complete, true and correct in every detail.
8. We, hereby confirm that we have read, understood and accepted all the detailed terms and conditions of this RFP and Project related Information as required for the Proposal. We havealso visited the project site for the assessment and have made our own due diligence and assessment regarding the project.
9. We agree to keep our Bid/proposal valid for one hundred eighty (180) days from the date of submission of Proposal thereof and not to make any modifications in its terms and conditions not acceptable to the ANIIDCO. Should this Bid/Proposal be accepted, we hereby agree to abide by and fulfill all the terms, conditions and provisions of the aforesaid documents.

10. This application is made with the full understanding that the validity of proposal submitted by us will be subject to verification of all information, terms and conditions submitted at the time of bidding and it's final acceptance by ANIIDCO. We agree that, without prejudice to any other right or remedy, ANIIDCO shall be at liberty to forfeit the said Bid/Proposal Security absolutely.

11. No Clause is changed in the application as provided in the RFP document issued by the ANIIDCO.

Authorized signatory Date

Name and seal of Bidder Plac:

Encl:

1. The Bid/Proposal Security of Rs._____(Rupees _____) in the form of Demand Draft/Bank Guarantee bearing No. __drawn upon _____ (bank) dated _____(as per Format F).
2. Power Of Attorney for Signing of Application and Board resolution authorizing the signatory (Suggested Format at Annexure E)
3. Memorandum of Agreement (MOA) in case of a Consortium.
4. Relevant Submissions as per the given Formats

B. General Information of the Bidder

1. (a) Name :
   (b) Country of incorporation :
   (c) Address of the corporate headquarters and its branch office(s), if

2. Details of individual(s) who will serve as the point of contact / communication for
   ANIIDCO within the Company:
   (a) Name :
   (b) Designation :
   (c) Company :
   (d) Address :
   (e) Telephone Number :
   (f) Fax Number :
   (g) E-Mail Address :

3. In case of Consortium:
   a. The information above (1 & 2) should be provided for all the members of the consortium.
   b. Information regarding role of each member should be provided:

Sl. No.	Name of Member	Proportion of Equity to be	Role*
1			
2			
3			

* Specify whether Lead Member / Ordinary Member

Signed (Name of the Authorized Signatory)

For and on behalf of (Name of the bidder) Designation
Place: Date

Documents to be enclosed:

1. Documents certifying Bidder's legal status
2. Certificate of incorporation / registration
3. In case of a Consortium, MOU & Power of Attorney signed by each Consortium partner, clearly indicating the lead partner
4. Latest brochures/ organization profiles, etc.

C. Format for Financial Proposal

(To be submitted and signed by the Bidder's authorised signatory)

General Manager,
ANIIDCO,
Vikas Bhawan,
Port Blair - 744101

Sub: **RFP for *Designing, Renovation ,Operation, Maintenance of MV Ramanajum for recreational facilities*, in A&N Islands.**

We hereby submit our Financial Proposal for the captioned project. If the project is awarded to us, we agree to make the following payments to ANIIDCO as per the terms given in the Request for Proposal (RFP) Document.

S. No.	Description	Amount (in Rs.)
I	Annual Lease Rent*	( ) in words

* The applicable taxes if any would be charged and same will have to bear by sub lessee only

We are making this unconditional proposal after taking into consideration all the terms and conditions stated in the RFP document (including provisions related to "Annual Lease Rent" of the draft Sub-Lease Agreement) and after careful assessment of the Project Assets, all risks and contingencies and all other conditions that may affect the financial proposal.

We agree to keep our offer valid for 180 (One Hundred and Eighty) days from the due date of submission of this Proposal. We undertake to abide by all the terms and conditions of the RFP Document.

Authorised signatory Date :
Name and seal of Bidder Place :

D. Affidavit

(To be given separately by each consortium member in case of a consortium or otherwise by the Bidder on a Stamp Paper of Rs. 10)

I, _____s/o _____, resident of _____, the _____(insert designation) of the _____(insert name of the single bidder / consortium member, if the bidder is a consortium), do solemnly affirm and state as under :

1. **That** I am the authorised signatory of ……..(insert name of company / consortium member) (hereinafter referred to as "Bidder / Consortium Member") and I am duly authorised by the Board of Directors of the Bidder / Consortium Member to swear and depose this Affidavit on behalf of the Bidder / Consortium member.
2. **That** I have submitted information with respect to our eligibility for ANIIDCO proposal for **Designing, Renovation ,Operation, Maintenance of MV Ramanajum for recreational facilities,** in A&N Islands (hereinafter referred to as "Project") and I further state that all the said information submitted by us is accurate, true and correct and is based on our records available with us.
3. **That** I hereby affirm to furnish any information, which may be requested by ANIIDCO to verify our credentials / information provided by us under this tender and as deemed necessary by ANIIDCO.
4. **That** if at any point of time including the Sub-Lease Agreement Period, in case ANIIDCO requests any further/additional information regarding our financial and/or technical capabilities, or any other relevant information, I shall promptly and immediately make available such information accurately and correctly to the satisfaction of ANIIDCO.
5. **That** I fully acknowledge and understand that furnishing of any false or misleading information by us in the RFP document shall entitle us to be disqualified from the tendering process for the said project. The costs and risks for such disqualification shall be entirely borne by us.
6. I state that all the terms and conditions of the Request for Proposal (RFP) Document have been duly complied with.

VERIFICATION :-

DEPONENT

I, the above named deponent, do verify that the contents of paragraphs 1 to 6 of this affidavit are true and correct to the best of my knowledge. No part of it is false and nothing material has been concealed therein.

Verified at ……, on this …… .day of……..……., 2012.

DEPONENT

E. Format for Power of Attorney for Signing of Application

Know all men by these presents, we …… (name and address of the registered office)do hereby constitute, appoint and authorize Mr./Ms……..(name and residential address) who is presently employed with us and holding the position of …….as our attorney, to do in our name and on our behalf, all such acts, Agreements and things necessary in connection with or incidental to our bid for the Project envisaging **Designing, Renovation ,Operation, Maintenance of MV Ramanujum for recreational facilities**, in A&N Islands including signing and submission of all documents, applications, bids, participation in pre-bid conferences and providing information / responses to ANIIDCO, representing us in all matters before ANIIDCO and generally dealing with ANIIDCO in all matters in connection with our bid for the said project.

We hereby agree to ratify and confirm all acts, Agreements and things lawfully done by our said attorney pursuant to this Power of Attorney and that all acts, Agreements and things done by our aforesaid attorney shall always be deemed to have been done by us.

In witness whereof, we _____the above named Principal have executed this Power of Attorney on this _____Day of ___2012.

Accepted

……...(Signature)

(Name, Title and address) of the Attorney

Note:
For……

- The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required the same should be under common seal affixed in accordance with the required procedures

F. Format for Proposal Security (Bank Guarantee)

PROPOSAL SECURITY FORMAT

UNCONDITIONAL AND IRREVOCABLE BANK GUARANTEE

Bank Guarantee No.: _____ **Dated:**_____

Issuer of Bank Guarantee:

_____(Name of the Bank)

_____

_____

(hereinafter referred to as the "Bank")

Beneficiary of Bank Guarantee:

ANIIDCO Ltd.

Nature of Bank Guarantee:

Unconditional and irrevocable Bank Guarantee.

Context of Bank Guarantee:

In pursuance of Clause _ of Section 1 of the Request for Proposal Document dated_____

_____

(hereinafter referred to as the "RFP" inclusive of draft Sub-Lease Agreement **Designing, Renovation ,Operation, Maintenance of MV Ramanujum for recreational facilities** in A&N Islands (hereinafter referred to as the "Project"), provided however, such context of the Bank Guarantee or reference to the Agreement in this Bank Guarantee shall in no manner to relied upon at any stage to adversely affect or dilute the unconditional and irrevocable nature of this Bank Guarantee. The Contract of Bank Guarantee is an independent Contract between the Bank and ANIIDCO and is not dependent upon execution or performance of any Agreement between ANIIDCO and ___(name of the bidder).

Operative part of the Bank Guarantee:

1. At the request of the _____(Bidder's name and address), we (name and address of the bank), (hereinafter referred to as the "Bank"), do hereby unconditionally and irrevocably affirm and undertake that we are the Guarantor and are responsible to the ANIIDCO i.e. the beneficiary on behalf of the Bidder, up to a total sum of Rs.2 lakh (Two Lakh Only), such sum being payable by us to the ANIIDCO immediately upon receipt of first written

demand from ANIIDCO.

2. We unconditionally and irrevocably undertake to pay to the ANIIDCO on an immediate basis, upon receipt of first written demand from the ANIIDCO and without any cavil or argument or delaying tactics or reference by us to Bidder and without any need for the ANIIDCO to convey to us any reasons for invocation of the Guarantee or to prove the failure on the part of the Bidder to repay the amount of Rs. 2 Lakh (Rupees Two Lakh Only) or to show grounds or reasons for the demand or the sum specified therein, the entire sum or sums within the limits of Rs. 2 Lakhs (Rupees Two Lakh Only).
3. We hereby waive the necessity of the ANIIDCO demanding the said amount from Bidder prior to serving the Demand Notice upon us.
4. We further agree and affirm that no change or addition to or other modification to the terms of the Agreement, shall in any way release us from any liability under this unconditional and irrevocable Guarantee and we hereby waive notice of any such change, addition or modification. We further agree with the ANIIDCO that the ANIIDCO shall be the sole and the exclusive judge to determine that whether or not any sum or sums are due and payable to it by the Bidder, which are recoverable by the ANIIDCO by invocation of this Guarantee.
5. This Guarantee will not be discharged due to the change in constitution of the Bank or the Bidder. We undertake not to withdraw or revoke this Guarantee during its currency/ validity period, except with the previous written consent of the ANIIDCO.
6. We unconditionally and irrevocably undertake to pay to the ANIIDCO, any amount so demanded not exceeding Rs. 2 Lakh (Rupees Two Lakh Only), notwithstanding any dispute or disputes raised by Bidder or anyone else in any suit or proceedings before any dispute review expert, arbitrator, court, tribunal or other authority, our liability under this Guarantee being absolute, unconditional and unequivocal. The payment so made by us under this Guarantee to the ANIIDCO, shall be a valid discharge of our liability for payment under this Guarantee and the Bidder shall be a valid discharge of our liability for payment under this Guarantee and the Bidder shall have no claim against us for making such payment.
7. This unconditional and irrevocable Guarantee shall remain in full force and effect and shall remain valid until ____(180 days from the proposal due date).

Notwithstanding any contained herein:

1. Our liability under this Bank Guarantee shall not exceed Indian Rs. 2 Lakh (Rupees two Lakh Only).
2. This unconditional and irrevocable Bank Guarantee shall be valid w.e.f. _____ (Date of Submission of Bid) to _____.

We are liable to pay the guaranteed amount or any part thereof under this unconditional and irrevocable Bank Guarantee only and only if ANIIDCO Ltd., serves upon us a written claim or demand on or before .....

Authorized Signatory

_____

For Bank

G. Power of Attorney by Each Member of the Consortium in Favour of Lead Member

Dated _____

POWER OF ATTORNEY

TO WHOMSOEVER IT MAY CONCERN

WHEREAS we have decided to participate in the bidding process for the "**Designing, Renovation ,Operation, Maintenance of MV Ramanajum for recreational facilities** (the "Project") and we __(name of authorising company/agency) as independent member of _____(name of the Consortium), incorporated under the laws of the registered address of which is lawfully authorize (name of the member) to represent and act on our behalf as the Lead Member of the Consortium to sign any qualification statement, proposal, conduct negotiations, sign contracts, incur liabilities and receive instructions on our behalf and to execute all other necessary matters in connection with the Project. We hereby confirm that we are jointly and severally liable, together with other members of the Consortium, to ANIIDCO for all of the obligations of the Consortium in respect of our qualification statement, technical and financial proposal for the project, in accordance with the RFP document for the Project issued on _____and the addendums issued subsequently.

We hereby ratify and confirm that all acts done by our said attorney ___.....(name of lead member) shall be binding on us as if the same has been done by us personally. We hereby also ratify and confirm that if we are selected as Successful Bidder, we shall incorporate a Company under The Companies Act, 1956 as per the following shareholding pattern:

Party	**% Shareholding**

IN WITNESS WHEREOF, we have hereunto set our respective hands ……this day of ……. 2012 in the presence of the following witnesses

Witness 1		Witness 2	
Signature	----------	Signature	----------
Name	----------	Name	----------
Address	----------	Address	----------

By ---------- (the Authorizing Company)

Signature ---------- (Signature of authorized signing officer)

Name ---------- (Name of authorized signing officer)
Title ---------- (Title of authorized signing officer)

H. Format of Parent / Holding Company Guarantee

Format of Parent / Holding Company Guarantee
(To Be Made on Stamp Paper of Requisite Value and Notarized)

AGREEMENT OF GUARANTEE

THIS AGREEMENT OF GUARANTEE executed at __this ____day of _____by M/s …….(mention complete name) a company duly organized and existing under the laws of _____(insert jurisdiction / country), having its Registered Office at _____ hereinafter called "the Guarantor" which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns.

WHEREAS

A. Andaman and Nicobar Islands Integrated Development Corporation Limited hereinafter called "ANIIDCO", which expression shall unless excluded by or repugnant to the context thereof, be deemed to include its successor and assigns, had invited Bids / proposals for the "Project" – **Designing, Renovation ,Operation, Maintenance of MV Ramanajum for recreational facilities** in A&N Islands by issuing Request For Proposal ("RFP") document (including its addendums) to the prospective "Bidders" to implement the said Project for and on behalf of the ANIIDCO.

B. M/s _____(mention compete name), a company duly organized and existing under the laws of India (insert jurisdiction / country), having its Registered Office at _____(give complete address) hereinafter called "the Subsidiary", which expression shall, unless excluded by or repugnant to the subject or context thereof, be Agreemented to include its successor and permitted assigns, * is a Subsidiary of the Guarantor, which has in response to the above mentioned RFP document (including its addendums) invited by the ANIIDCO is submitting its Bid / proposal _____to Andaman and Nicobar Islands Integrated Development Corporation Limited (hereinafter called "ANIIDCO" or the "Confirming Party") to fulfill the condition that the Subsidiary shall arrange a guarantee from its Parent / Holding company, guaranteeing due and satisfactory performance of the work covered under the said RFP document (including its addendums) or any change made in may be deemed appropriate by the ANIIDCO at any stage.

C. The Guarantor represents that they have gone through and understood the requirement of the above said RFP document (including its addendums) and are capable of and committed to provide technical, financial and such other supports as may be required by the Subsidiary for the successful execution of the same.

* Subsidiary shall mean and include – in case of a company or corporation, which is directly or indirectly owned by the Guarantor / Parent / Holding Company, by way of ownership of more than 50% (fifty per cent) of the voting shares of such Subsidiary company. Incase of a person (which is not a company or corporation), the power to direct the management and policies of such person, whether by operation of law or by contract or otherwise.

D. The Guarantor is executing this Agreement of Guarantee in favour of ANIIDCO, wherein the Guarantor and the Subsidiary shall be jointly and severally liable towards the Project and the Guarantor shall also be pledging / providing technical, financial and such other supports as may be necessary to the Subsidiary for performance of the work relating to the said Project as per the RFP document (including its addendums) and as per the Sub-Lease Agreement contained in the RFP document.

E. Accordingly, at the request of the Subsidiary and in consideration of and as a requirement for ANIIDCO to enter into agreement(s) with the Subsidiary, the Guarantor hereby agrees to give this guarantee and undertakes as follows:

1. The Guarantor (Parent / Holding Company) unconditionally agrees that in case of non-performance by the Subsidiary of any of its obligations in any respect, the Guarantor shall, immediately on receipt of notice of demand by ANIIDCO, take up the Project without any demur or objection, in continuation and without loss of time and without any cost to ANIIDCO and duly perform the obligations and responsibilities of the Subsidiary to the satisfaction of ANIIDCO. In case the Guarantor also fails to discharge its obligations herein and is not able to complete the Project satisfactorily, ANIIDCO shall have absolute rights for effecting the execution of the Project from any other person at the risks and costs of the Guarantor. The Guarantor also undertakes to make good any loss that may be caused to ANIIDCO for any non-performance or unsatisfactory performance by the Guarantor or the Subsidiary of any of their obligations.

2. The Guarantor agrees that the Guarantee herein contained shall

remain valid and enforceable till the satisfactory execution and completion of the Project (including discharge of the warranty obligations) awarded to the Subsidiary till the completion of the Sub-Lease Agreement Period (including any extension).

3. The Guarantor shall be jointly with the Subsidiary, as also severally responsible for the satisfactory execution and performance of Project during the currency of the "Sub-Lease Agreement" to be entered between the Subsidiary and ANIIDCO.

4. The liability of the Guarantor, under this Guarantee, shall be limited to the value / scope of the Sub-Lease Agreement to be entered between the Subsidiary and ANIIDCO. Incase the Subsidiary is part of any SPC (to be so formed for the Project), the liability of the Guarantor shall be limited to its Subsidiary's proportional share in any such SPC. In no event shall the Guarantor's liability hereunder, either in its capacity of Guarantor or as a Sub-Leasee should it perform the contract agreement(s) in the event of the Subsidiary's non-performance as per Para / Point 1 hereinabove, exceed that of the Subsidiary's liability under the mutually agreed Project contract awarded to the Subsidiary. This will, however, be in addition to the forfeiture of the Performance Guarantee furnished by the Subsidiary.

5. The Guarantor represents that this Guarantee has been issued after due observance of the appropriate laws in force in India. The Guarantor hereby undertakes that the Guarantor shall obtain and maintain in full force and effect all the governmental and other approvals, permits and consents that are necessary and do all other acts and things necessary or desirable in connection therewith or for the due performance of the Guarantor's obligations hereunder.

6. The Guarantor also agrees that this Guarantee shall be governed and construed in accordance with the laws in force in India and subject to the exclusive jurisdiction of the courts of only Port Blair, India.

7. The Guarantor hereby declares and represents that this Guarantee has been given without any undue influence or coercion from any person and that the Guarantor has fully understood the implications of the same.

8. The Guarantor represents and confirms that the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and

observations of the obligations hereunder do not contravene any existing law or any judgment.

9. The Guarantor represents and confirms that in pursuance to Para / Point 8, the Guarantor has submitted and provided to ANIIDCO (with this Agreement of Guarantee), a valid Board Resolution duly authorizing the Guarantor to pledge / provide technical, financial and such other supports as may be necessary for performance of the work relating to the said Project as per the RFP and Sub-Lease Agreement.

For & on behalf of (Parent / Holding Company) M/s_____

Witness:
1.

2.

I. Format of Individual / Single Bidder Guarantee towards SPC

Format of Individual / Single Bidder Guarantee towards SPC (if applicable & after LOA) (To Be Made On Stamp Paper of Requisite Value And Notarized)

AGREEMENT OF GUARANTEE

THIS AGREEMENT OF GUARANTEE executed at ……..this ……..day of _ ……..by M/s _____(mention complete name) a company duly organized and existing under the laws of _____(insert jurisdiction / country), having its Registered Office at ___ hereinafter called "the Guarantor" or the "Successful Bidder", which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns.

WHEREAS

A. Andaman and Nicobar Islands Integrated Development Corporation Limited; hereinafter called "ANIIDCO", which expression shall unless excluded by or repugnant to the context thereof, be deemed to include its successor and assigns, had invited Bids / proposals for the "Project" – **Designing, Renovation ,Operation, Maintenance of MV Ramanujum for recreational facilities** in A&N Islands by issuing Request For Proposal ("RFP") document (including its addendums) to the prospective "Bidders" to implement the said Project for and on behalf of the ANIIDCO.

B. M/s _____(mention compete name), a company duly organized and existing under the laws of India (insert jurisdiction / country), having its Registered Office at _____(give complete address) hereinafter called the Special Purpose Company "the SPC", which expression shall, unless excluded by or repugnant to the subject or context thereof, be deemed to include its successor and permitted assigns, is a Subsidiary of the Guarantor, and has been formed for the development of the Project with one of the condition that the SPC shall arrange a guarantee from its Parent / Holding Company, i.e. Guarantor, guaranteeing due and satisfactory performance of the work covered under the said RFP document (including its addendums) or any change made in may be deemed appropriate by the ANIIDCO at any stage.

C. The BID / Proposal submitted by the Guarantor was accepted by Andaman and Nicobar Islands Integrated Development Corporation Limited (hereinafter referred as "ANIIDCO") and this Guarantor was declared the "Successful Bidder". Accordingly, the Guarantor is executing

this Agreement of Guarantee towards / in favour of its SPC after the issuance of Letter of Award (LOA) dated __by ANIIDCO to the Guarantor / Successful Bidder.

* Subsidiary shall mean and include – in case of a company or corporation, which is directly or indirectly owned by the Guarantor / Parent / Holding Company, by way of ownership of more than 50% (fifty per cent) of the voting shares of such Subsidiary company. Incase of a person (which is not a company or corporation), the power to direct the management and policies of such person, whether by operation of law or by contract or otherwise.

D. The Guarantor represents that it has gone through and understood the requirement of the above said RFP document (including its addendums) and are capable of and committed to provide technical, financial and such other supports as may be required by the SPC for the successful execution of the same.

E. The Guarantor is executing this Agreement of Guarantee in favour of ANIIDCO, wherein the Guarantor and the Subsidiary shall be jointly and severally liable towards the Project and the Guarantor shall also be pledging / providing technical, financial and such other supports as may be necessary to the Subsidiary for performance of the work relating to the said Project as per the RFP document (including its addendums) and as per the Sub-Lease Agreement contained in the RFP document.

F. Accordingly, at the request of the Subsidiary and in consideration of and as a requirement for ANIIDCO to enter into agreement(s) with the SPC, the Guarantor hereby agrees to give this guarantee and undertakes as follows:

1. The Guarantor (Parent / Holding Company) unconditionally agrees that in case of non-performance by the SPC of any of its obligations in any respect, the Guarantor shall, immediately on receipt of notice of demand by ANIIDCO, take up the Project without any demur or objection, in continuation and without loss of time and without any cost to ANIIDCO and duly perform the obligations and responsibilities of the SPC to the satisfaction of ANIIDCO. In case the Guarantor also fails to discharge its obligations herein and is not able to complete the Project satisfactorily, ANIIDCO shall have absolute rights for effecting the execution of the Project from any other person at the risks and costs of the Guarantor. The Guarantor also undertakes to make good any loss that may be caused to ANIIDCO for any non-performance or unsatisfactory performance by the Guarantor or the SPC of any of their obligations.

2. The Guarantor agrees that the Guarantee herein contained shall remain valid and enforceable till the satisfactory execution and completion of the Project (including discharge of the warranty obligations) awarded to the SPC till the completion of the Sub-Lease Agreement Period (including any extension).

3. The Guarantor shall be jointly with the SPC, as also severally responsible for the satisfactory execution and performance of Project during the currency of the "Sub-Lease Agreement " to be entered between the SPC and ANIIDCO.

4. The liability of the Guarantor, under this Guarantee, shall be limited to the scope of the Sub-Lease Agreement to be entered between the SPC and ANIIDCO. In no event shall the Guarantor's liability hereunder, either in its capacity of Guarantor or as a Sub-Lessee – should it perform the contract agreement(s) in the event of the SPC's non-performance as per Para / Point 1 hereinabove, exceed that of the SPC's liability under the mutually agreed Project contract awarded to the SPC. This will, however, be in addition to the forfeiture of the Performance Guarantee furnished by the SPC.

5. The Guarantor represents that this Guarantee has been issued after due observance of the appropriate laws in force in India. The Guarantor hereby undertakes that the Guarantor shall obtain and maintain in full force and effect all the governmental and other approvals, permits and consents that are necessary and do all other acts and things necessary or desirable in connection therewith or for the due performance of the Guarantor's obligations hereunder.

6. The Guarantor also agrees that this Guarantee shall be governed and construed in accordance with the laws in force in India and subject to the exclusive jurisdiction of the courts of only Port Blair, India.

7. The Guarantor hereby declares and represents that this Guarantee has been given without any undue influence or coercion from any person and that the Guarantor has fully understood the implications of the same.

8. The Guarantor represents and confirms that the Guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and

observations of the obligations hereunder do not contravene any existing law or any judgment.

9. The Guarantor represents and confirms that in pursuance to Para / Point 8, the Guarantor has submitted and provided to ANIIDCO (with this Agreement of Guarantee), a valid Board Resolution duly authorizing the Guarantor to pledge / provide technical, financial and such other supports as may be necessary for performance of the work relating to the said Project as per the RFP and Sub-Lease Agreement.

Witness : 1.
2.

For & on behalf of (Parent / Holding Company) M/s____

J. FORMAT OF SUB- SUB-LEASE AGREEMENT

This Sub-Lease Agreement is made at Port Blair on this ……. day of ……by and between ANIIDCO ltd., Vikas Bhawan Port Blair, represented by its General Manager (hereinafter called "LESSOR" which expression shall, unless repugnant to the context and meaning thereof, be deemed to include its successors and permitted assigns) of the ONE PART

AND

……, a company within the meaning of Section 3 of the Companies Act, 1956, having its Registered Office at …… (hereinafter referred to as "SUB-LESSEE" represented by the ……, Shri … …… which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns), of the OTHER PART,

WHEREAS :

(A) The A&N Administration has leased M V Ramanujam, a sea going passenger vessel to LESSOR to be sub-leased to private operator for for Designing, Renovation, Operation , Maintenance of M. V . Ramanujam in A&N Islands for recreational facilities including but not limited to Floating Restaurant, Mini Cinema, Theater , Restaurant –cum Cafeteria, Club house, Spa etc..

(B) The LESSOR is desirous to sub-lease the M V Ramanujam, a sea going passenger vessel and transferring back the vessel after the lease period of 15 years, and invited competitive tenders vide tender no……..dated …….. with the condition that the annual lease rent for the M.V. Ramanujam is …… (at present) and payable every year in advance on or before the 5th working day of April from the date of taking possession of the fish processing plant and with an enhancement of 10 per cent over and above the last revised rent every three years thereafter; the Letter of Award of work was issued vide the letter no…….. dated ……. to the SUB-LESSEE, who has quoted the highest lease rental of ` _____ (Rupees _____only) subject to the terms and conditions stipulated in the tender document.

(C) The Successful Bidder has since promoted and incorporated the Special purpose Company(SPC) as a limited liability company under the Companies Act 1956, and has requested the Lessor to accept the SPC as Sub-Lessee as the entity which shall undertake and perform the obligations and exercise the rights of the Consortium under the LOA, including the obligation to enter into this Sub-Lessee pursuant to the LOA for executing the Project.

(D) By its letter dated ***, the Sub-Lessee has also joined in the said request of the Successful Bidder to the Lessor to accept it as the entity which shall undertake and perform the obligations and exercise the rights of the Consortium including the

obligation to enter into this Lease Agreement pursuant to the LOA. The Sub-Lessee has further represented to the effect that it has been promoted by the Consortium for the purposes hereof.

(E) The Lessor has agreed to the said request of the Successful Bidder and the Sub-Lessee, and has accordingly agreed to enter into this Sub-Lease Agreement with the Sub-Lessee for execution of the Project, subject to and on the terms and conditions set forth hereinafter.

AND WHEREAS,

1. In pursuance of the said tender ……dated …….. and in consideration of the lease rent mentioned there in and covenants hereinafter mentioned, LESSOR hereby demise unto ……. and its successors and assigns (SUB-LESSEE) the Project Assets, to hold the Project Assets unto for a period of 15 years commencing from the date of execution of this Sub-Lease Agreement, at a annual lease rent of **₹……..**(Rupees……Only) payable in advance for the financial year …….. due on or before the 5th April, till ……, and with an enhancement of 10 per cent over and above the last revised rent every three years thereafter;

2. The payment of the said lease rent will be made by ……(SUB-LESSEE) prior to taking possession of the said property in the first year, and within 5th days of the anniversary of the execution of the Agreement in subsequent years.

3. The LESSOR shall transfer the possession of the Projects Assets to the SUB-LESSEE within 7 calendar days upon execution hereof.

4. The SUB-LESSEE has furnished the Performance Security to the Lessor as provided for in the LOA:

5. The SUB-LESSEE shall commence the maintenance of the project assets/M.V. Ramanujam with in 30 calendar days from the date of execution of this Sub-Lease Agreement and upon handing over of the Projects Assets after obtaining all necessary statutory approvals for the commencement of operation and maintenance. The SUB-LESSEE shall commence commercial operation of the proposed project facilities/recreation facilities as specified at Schedule II of this Sub-Lease Agreement, within one year. However, the LESSOR may extend the time if required, depending upon the merit of the case. In the event of any delay directly attributable to the SUB-LESSEE for commencement of taking over beyond the aforesaid period and any extensions given by the LESSOR, the SUB-LESSEE shall pay Rs. 1 lakh per month for every month of delay for a maximum period of one year, after which the Sub-Lease Agreement may be cancelled, unless mutually agreed by both parties for further extension. The amount due to LESSOR shall be recovered from the Security Deposit provided by the SUB-LESSEE.

NOW THEREFORE in consideration of the foregoing and the respective covenants and agreements set forth in this Sub-Lease Agreement, the sufficiency and adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1.0 DEFINITIONS AND INTERPRETATIONS

Definitions

In this Sub-Lease Agreement, the following terms shall have the meaning hereby assigned to them except where the context otherwise requires;

"Contract" means the contract agreement, these conditions, Sub-Lease Agreement, bid documents/RFP document and the further documents (if any) which are listed in the contract agreement.

"SUB-LESSEE" shall mean the person, firm or company who has entered into agreement for the repair, maintenance & operation of the project assets/M.V. Ramanujam and shall include their executors, successors and permitted assigns.

"Work" shall mean the works to be executed in accordance with the contract.

"Applicable Permit" means all clearances, permits, authorization, consents and approvals required to be obtained or maintained under applicable laws in connection with the repair, engineering, procurement, additional works, operation, maintenance, marketing and managing the recreational facilities in M.V. Ramanujam during the lease period.

"Project" means the "Design, Renovate, Operate, Maintain and Transfer" of M. V. Ramanujam owned by the Tourism Department of Andaman & Nicobar Lessor at Port Blair, Andaman & Nicobar Islands and leased to the LESSOR.

"Project Assets" means M. V. Ramanujam sub-leased by the LESSOR and developed recreational facilities in M.V. Ramanujam for the purpose of this contract. (Detail specifications of M.V. Ramanujam are given in Schedule I.)

"Lease Period" means a period of 15 years from the date of signing the Agreement, for which the Project Assets will be leased out to the SUB-LESSEE by the LESSOR as per the Agreement and in case of termination of Agreement by the LESSOR, the period up to the date of such termination from the date of agreement.

"Transfer" means actual delivery of possession of the project assets in accordance with this agreement by the SUB-LESSEE to LESSOR or its nominee on expiry of Sub-Lease Agreement.

"Development" shall include, unless the context otherwise requires, investigation, design, renovation, engineering procurements, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the development.

"Operation and Maintenance" means all works necessary to keep the recreational facilities on M. V. Ramanujam functioning satisfactorily during the lease period.

"Recreational Facilities" shall mean and include but not be limited to the following :

(a) Floating Restaurant cum cafeteria

(b) Mini Cinema Theater

(c) Club House

(d) Spa

"Appointed Date" means the date of which:

a) Signing of Sub-Lease Agreement and handing over of the site without encumbrance.

b) Taking possession of the project assets.

"Drawings" means all of the drawings, calculations and documents pertaining to the project and shall include "as built'' drawings of the Project.

"Good Industry Practice" means those practices, methods, techniques, standards, skill, diligence and prudence which are generally and reasonably expected of and accepted internationally from a reasonably skilled and experienced operator engaged in the same type of undertaking as envisaged under this Agreement and would mean good engineering practices in the design, engineering, and production management and which would be expected to result in the performance of its obligations by the SUB-LESSEE and in the operation and maintenance of the project assets in accordance with this Agreement, applicable laws, applicable permits, reliability, safety, environment protection, economy and efficiency.

"Lessor" means Government of India or Tourism Department or any Department of A & N Lessor of Andaman & Nicobar Islands.

"O & M" means the Operation and Maintenance of the M.V. Ramanujam during the lease period.

"Rs." or "Rupees" means the lawful currency of the Republic of India.

"Scope of Project" shall have the meaning ascribed there to in Clause 2.1 of the bid document.

"Specifications and Standards" means the specifications and standards relating to the quality, capacity and other requirements for the M.V. Ramanujam and any modifications thereof, or additions thereto as included in the design and engineering for the renovation of M.V. Ramanujam submitted by the SUB-LESSEE to and expressly approved by LESSOR.

"Taxes" means any Indian taxes on corporate income, sales tax, excise duties, customs duties and local taxes and any impost of like nature (whether Central, State or local) charged, levied, imposed on the goods, materials, equipment and services incorporated in and forming part of the Project on the construction operation and maintenance thereof and on the Project Assets, and all taxes/duties, sales tax, turnover taxes, VAT, CST, GST, etc. on raw materials and finished goods, etc. but excluding any interest, penalties and other sums in relation thereto imposed to any account whatsoever.

"Termination" means the termination of this Agreement.

"Termination Date" means the date on which this Agreement is terminated by a Termination Notice.

"Termination Notice" means the communication issued in accordance with this Agreement by the party terminating this Agreement to the other.

1.2 Interpretations

Agreement unless the context otherwise requires

i. Any reference to a statutory provision shall include such provision as it is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder.

ii. Reference to Indian law shall include the laws, acts ordinances, orders, rules, regulations, bye laws or other instruments which have the force or law of any State or Union Territory forming part of the Union of India.

iii. The words importing singular shall include plural and vice versa, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal entity).

iv. The headings are for convenience of reference only and shall not be used in and shall not affect the construction or interpretation of this Agreement.

v. Terms beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein and the terms defined in the Schedules and used therein shall have the meaning ascribed thereto in the Schedules.

vi. The words "include" and "including" are to be construed without limitation.

vii. Any reference to any period of time shall mean a reference to that according to Indian Standard Time.

viii. Any reference to day shall mean a reference to a calendar day.

ix. Any reference to month shall mean a reference to a calendar month of Gregorian calendar.

x. The Schedule to this Agreement forms an integral part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement.

xi. Any reference at any time to any agreement, Agreement, instrument, licence or document of any description shall be construed as reference to that agreement, Agreement, instrument, license or other document as amended, varied, supplemented, modified or suspended or the time of such reference, provided that this clause shall not operate so as to increase liabilities or obligations of LESSOR hereunder or pursuant hereto in any manner whatsoever.

xii. Reference to Recitals, Articles, Clauses, Sub-Clauses, paragraphs, or Schedules in this Agreement shall, except where the context otherwise requires, be deemed to be reference to Recitals, Articles, Clauses, Sub-clauses, paragraphs and schedules of or to this Agreement.

xiii. Any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or by any party or the Consultant shall be valid and effectual only if it is in writing under the hands of duly authorized representative of such party.

xiv. Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates; and

xv. Unless otherwise expressly provided in this Agreement, any Documentation required to be provided or furnished by the SUB-LESSEE to LESSOR shall be provided free of cost and in three copies and if LESSOR is required to return any such Documentation with their comments and / or approval, they shall be entitled to retain two copies thereof.

1.3 **Priority of contract documents and errors/discrepancies**

The several documents forming this Agreement are to be taken as mutually explanatory to one another and, unless otherwise expressly provided elsewhere

in this Agreement, the priority of the following documents shall in the event of any conflict between them be in the order they are set out:

(i) Sub-Lease Agreement

(ii) Bid Document

2. SCOPE OF WORK

2.1 The scope of the Project shall be as described in project particulars (Clause 2.1.4 of Bid document) of the Bid document read with this Agreement and shall include performance and execution by the SUB-LESSEE of all design, renovate, engineering, financing, repair, maintenance, procurement, additional works, required to be performed for the development of M.V. Ramanujam as a recreational facility in Andaman and Nicobar Islands, the operation and maintenance of the unit, marketing and any other performance and fulfillment of other obligations of the SUB-LESSEE under this Agreement.

3. LEASE PERIOD

The lease period of 15 years shall commence on the date of signing of the agreement. On termination of lease period, the Projects Assets shall be transferred to the General Manager, ANIIDCO Ltd. failing which depreciated value @ 10% per annum on written down value method shall be charged, and the SUB-LESSEE shall not be entitled to any compensation. However, if the extension is not granted then ANIIDCO can decide to run the property on its own, or re- Sub-Lease Agreement to a third party or manage it in some other manner which ANIIDCO may deem fit. All rights given under the Sub-Lease Agreement shall cease to have effect and the Project Assets and the entire Project Facilities being fully functional or operational thereof shall transfer back to ANIIDCO in good working condition.

4. OCCUPATION AND USE OF M.V. RAMANUJAM

The SUB-LESSEE shall be granted permission in connection with the project including:-

i. Rights of way from public jetty to the site.

ii. Permission/license to enter into and utilize the M.V. Ramanujam for design, renovate, operate and maintenance in accordance with this Agreement.

iii. Rights to obtain power connections and draw lines.

iv. Maintain and manage the project assets.

v. Receive profits and other service charges from the operation of recreational facilities in M.V. Ramanujam during the lease period.

Provided, however, that the development activities shall not be taken up without the prior approval of local authority and under written intimation to the LESSOR.

5. ASSIGNMENT OR SUB-LETTING OF CONTRACT

The SUB-LESSEE shall not assign or sub-let the contract or any part thereof or allow any person to become interested therein, in any manner whatsoever without prior permission in writing of the LESSOR except maintenance of project assets. The permitted sub-letting of work by SUB-LESSEE shall not establish any contractual relationship between the Sub-contractor and the LESSOR and shall not relieve the SUB-LESSEE of any responsibility under the contract.

6. SECURITY DEPOSIT

To ensure due and faithful performance of its obligation during the project period provided, the SUB-LESSEE shall furnish a Security Deposit of ₹ 10 Lakhs in the form of bank guarantee from any Scheduled Bank in the form set forth in Format F of Bid, in favour of ANIIDCO Ltd., Port Blair within 21 days of the date of letter of acceptance to the LESSOR. Security Deposit (In the form of Bank Guarantee) should be valid for the period of lease plus six months. In the event of the SUB-LESSEE being in default in the due and faithful performance of its obligations under the agreement during the maintenance and operation period or fails to remedy the fault within a reasonable period, the LESSOR shall, without prejudice to its other rights and remedies hereunder, be entitled to forfeit or enhance the security deposit as damages for such default.

7. REGISTRATION OF SUB- LEASE AGREEMENT

All the requisite Agreement between LESSOR and SUB-LESSEE may be registered at Port Blair. All the costs and charges associated with the registration of Agreement shall be borne by the SUB-LESSEE.

8. LEASE RENT

The SUB-LESSEE has to pay the LESSOR the lease rent as specified in its financial proposal from the date of taking possession of the project assets. The lease rent shall be payable every year in advance on or before the 5th working day of April in the form of Demand Draft/ Banker's Cheque issued by a Scheduled Bank in favour of General Manager, ANIIDCO Ltd., payable at Port Blair, from the date of taking possession of the project assets. However, the Lease Rent of first financial year will be paid in advance at the time of taking possession of the project assets. The lease rent shall be increased after every three years by 10 per cent of last revised rent. An interest of 18 per cent per annum shall be payable for any delay in the payment of rent. Any dues towards lease rent and interest on unpaid lease rent will be adjusted against Security Deposit.

9. CONSULTANCY FEE

If the LESSOR incurs additional expense for checking the designs for additional works, electrification, etc. by a 3rd party, the LESSOR has the right to get additional fee towards such expenses.

10. UTILITIES

The existing utilities available at M.V. Ramanujam can be used by the SUB-LESSEE against payment of actual basis. Any additional requirement of utilities will be met by the SUB-LESSEE.

11. WASTE DISPOSAL

SUB-LESSEE shall not discharge any waste in sea and comply with the standards laid down by the Pollution Control Board and/or by the LESSOR.

12. INDEMNITY AND LIABILITY

The SUB-LESSEE will indemnify, defend and hold LESSOR harmless against any and all proceedings and actions and 3rd party claims, losses, damages, accidents, loss of life and expenses of whatever nature arising out of the design, renovation, engineering, construction, procurement, operation and maintenance of the project assets or arising out of any breach by the SUB-LESSEE or sub-contractor of any of its obligations under this Agreement or subsequent agreement executed by the SUB-LESSEE. The SUB-LESSEE shall also fully indemnify and hold harmless and defend the LESSOR including its officers, servants, agents and authorities representatives from or against any and of loss and damages arising out of or with respect to:-

a. Non-compliance with applicable laws, clearances and applicable permit by SUB-LESSEE.

b. Non-payment of tax relating to works, sub-contractors, suppliers, etc. or tax required in connection with operation and maintenance service tax or any other tax to be paid by the SUB-LESSEE or

c. Non-payment of amount due as a result of materials or services furnished to the SUB-LESSEE or any of his Sub-SUB-LESSEEs which are payable by the SUB-LESSEE or any of its agencies.

d. Any acts done by the SUB-LESSEE during the pendency of the lease period.

13. RELICS

Relics of gold, silver, oil and other materials of any description and all precious stones, coins, treasures, relics, antiquaries and other similar things, which may be found in or up on the site shall the property of the LESSOR and the SUB-LESSEE shall duly preserve the same to the satisfaction of the LESSOR and shall from time

to time deliver the same to such person or persons as the LESSOR may appoint to receive the same.

14. PATENT RIGHT

The SUB-LESSEE shall fully indemnify LESSOR or the agent/servant or employee against any action, claim or proceedings relating to infringement or the use of any patent or design and shall pay any royalties which may be payable in respect of any article or part thereof included in the contract.

15. a) STATUTORY ASPECTS

The SUB-LESSEE shall obtain all relevant statutory registrations, approvals, permissions, licence and other compliance under sales tax, central excise, custom, provident fund, ESI, CRZ etc in its own name and the LESSOR shall not be liable for any of the non-compliances and liabilities arising thereby.

b) TAX AND DUTIES

All charges on account of octroi, excise or sales tax, compensations and/or other duties or any levy as the case may be on the operation and maintenance of M.V. Ramanujam shall be borne by the SUB-LESSEE.

16. BYE-LAWS

a) The SUB-LESSEE shall comply with all bye-laws and regulations of local and statutory authorities having jurisdiction over the works and shall be responsible for obtaining prior approval, if any, and payment of all fees and other charges, giving and receiving of all necessary notices and keeping the LESSOR informed of the said compliance with the bye-laws, payments made, notices issued and received.

The SUB-LESSEE shall indemnify LESSOR against all claims in respect of royalties, patent rights, design trade marks of name or other protected rights in respect of any plant, machine, work or materials used for or in connection with the work or temporary works and from and against all claims, demands proceedings, costs, charges and expenses whatsoever in respect of or in relation thereto. The SUB-LESSEE shall defend all actions arising from such claims and shall himself pay all royalties, licence fees, damages, costs and charges of all and every sort that may be legally incurred in respect thereof.

b) The SUB-LESSEE shall comply with proper and legal orders and directions of the Lessor and abide by their rules and regulations and pay all fees and charges which he may be liable.

17. INSURANCE

The SUB-LESSEE shall insure against liability for any loss, damage or body injury, which may occur to any physical property or to any person which may arise out of the performance of the contract and during the operation and maintenance period.

The SUB-LESSEE shall insure the Project Assets for not less than its full cost mentioned in the bid. This insurance shall be effective from the date of taking over of the Project Assets. The SUB-LESSEE shall keep all the documents relating to the insurance and shall be made available for the inspection of the LESSOR. The expiry date of effective insurance policy will be 6 months after the transfer of project assets to the LESSOR.

The SUB-LESSEE while insuring the Project Assets, shall incorporate suitable provisions in the insurance policy, such that the insurance proceeds towards the same, if any, are paid to the LESSOR by the insurance provider.

18. LABOUR

The successful BIDDER will be free to engage his own labour in the project assets.

The SUB-LESSEE shall be responsible for the safety of all employees employed by him on the project assets, and shall report any serious accident to any of them, whatever and wherever, occurring on the works to the concerned authorities and shall make every arrangement to render all possible assistance.

The SUB-LESSEE shall make at his own expense adequate arrangements for the housing, supply of drinking water, food, provision of latrines and urinals for his staff.

The SUB-LESSEE shall conform to all laws, bylaws and rules and regulations for the time being in force pertaining to the employment of local or imported labour and shall provide the needed ESI cover to the workers employed by him. The SUB-LESSEE shall pay rates of wages and observe conditions of labour, which are not lower than those established for the trade or industry subject to payment of minimum wages as fixed by the A&N Administration time to time.

The SUB-LESSEE shall comply with all the relevant laws applicable to the industry including laws relating to the employment, health, safety, welfare, immigration and emigration and shall allow them all their legal rights.

The LESSOR shall be kept indemnified under the policies of insurance by the SUB-LESSEE against liability for claims, damages, losses and expenses (including legal fees and expenses) arising from injury, sickness, disease or death of any person employed by the SUB-LESSEE or any other of the SUB-LESSEE's personnel. The insurance shall be maintained in full force and effect during the whole time that these personnel are assisting in the execution of the works. The workers engaged

by the SUB-LESSEE shall not be entitled to claim any benefit from the LESSOR on account of any act of the SUB-LESSEE.

On completion of the lease period or termination of Sub-Lease Agreement, the SUB-LESSEE shall settle all the claims and liabilities of the employees/labourers employed by him. The LESSOR shall not provide any employment to any of the employees/ labourers who are employed by the SUB-LESSEE for the project and the SUB-LESSEE will be solely responsible for redeploying or suitably compensating them upon completion of lease period or termination of the Sub-Lease Agreement. The LESSSOR will not and shall not regularize or take over any of the appointments made by the SUB-LESSEE for the project.

19. FINANCING OF THE PROJECT

The SUB-LESSEE shall raise all the funds necessary for the successful development, marketing, operation and maintenance of the project assets. Additional funds, if any, required for the completion shall be arranged by the SUB-LESSEE. The SUB-LESSEE shall indicate the funding pattern and resources with sufficient proof along with the technical bid.

The SUB-LESSEE shall not mortgage/pledge/hypothecate Projects Assets. However, the Sub-Lessee can mortgage or pledge its leased hold right for financing purpose.

No structures, temporary or permanent, shall be made on the jetty without the permission from LESSOR.

None of the parties shall be liable to the other party for any special, indirect, incidental losses or consequential damages, including damages due to lost profits, loss of opportunities, data, goodwill, image or savings in connection with or arising out of or under this Sub-Lease Agreement.

20. OBLIGATIONS OF LESSOR

The LESSOR shall perform the following:

i. So long as the SUB-LESSEE is not in breach of his obligations under this Agreement, LESSOR agrees to the faithful use of the facilities, operation and maintenance of the M.V. Ramanujam by the SUB-LESSEE.

ii. Enable access of the SUB-LESSEE to the concerned jetty and project assets.

iii. Assist the SUB-LESSEE in procuring such of the applicable permits as required by law in accordance with and subject to the SUB-LESSEE complying with applicable laws.

21. RIGHTS OF LESSOR

The LESSOR shall have the following rights:

i. To enter in to the Project assets at all times
ii. To examine any documents maintained by the SUB-LESSEE on the day to day management of project assets.

iii. To examine the day-to-day management of project assets and to give suggestions for improving performance of the day to day management and the SUB-LESSEE shall incorporate such suggestions in his working within reasonable time.

iv. To demand the replacement of any person employed by the SUB-LESSEE if his character is unsatisfactory in the opinion of the LESSOR and the SUB-LESSEE shall act immediately on such occasions.

22. WARRANTS AND COVENANTS

(a) The LESSOR is the warrants and covenants to the SUB LESSEE as follows

(i) The LESSOR has full right, absolute authority and good power and good title to execute this Agreement/Agreement for causing grant of lease in respect of the Project Assets.
(ii) The SUB-LESSEE shall hold and enjoy the Project Assets for the entire lease period of 15 years without any interruption, disturbance, claims or demand whatsoever by the LESSOR or any person claiming under or through or in trust of the LESSOR, subject to the SUB-LESSEE observing and performing the covenants, conditions and stipulations herein contained and on its part to be observed and performed.

(iii) The lease period shall not be extended, on any ground or under any circumstance, after the termination of the lease period.
(iv) The possession of the Project Assets free from all encumbrances shall be handed over to the SUB-LESSEE within 7 working days after execution of this Sub-Lease Agreement.
(v) During the lease period the LESSOR shall not terminate the lease save and except as expressly set out herein.
(vi) That during the subsistence of the lease, the LESSOR shall not permit anything whereby the rights of SUB-LESSEE hereunder over the Project Assets are adversely or prejudicially affected, violated or extinguished.

(b) The SUB-LESSEE warrants and covenants to the LESSORS as follows:

(i) The SUB-LESSEE shall pay annual lease rent of `____ (Rupees _____ only) to the LESSOR payable in advance for the financial year ……. Due on fifth day of April that financial year from the date of signing of the Sub-Lease Agreement, and at the enhanced rate for subsequent years, as agreed up on earlier in this Agreement.

(ii) The SUB-LESSEE shall be entitled on their own to apply for all permissions, clearances and or licenses for the repair, construction, electrification, water supply, internet facility, telephone connectivity, cable laying or any other related activity for the effective implementation of the project, from all statutory, local or Government authority, Pollution Control Board, Fire & Rescue Department or such other similar service providers. The LESSOR shall not be held liable for providing any assistance for obtaining such approvals/clearances/permissions. The cost for providing required facilities for supply of power, water and communication lines to the Project Assets shall be borne by the SUB-LESSEE. All utilities charges shall be borne by the SUB-LESSEE.

(iii) All expenditure for the repair, overhauling, maintenance, operation shall be borne by the SUB-LESSEE. The maintenance of the Projects assets shall be undertaken by the SUB-LESSEE directly or through reputed agencies. Upkeep and maintenance of the project assets and project site shall be as per the normal practice of facility maintenance.

(iv) The SUB-LESSEE shall insure the Project Assets for not less than its full cost mentioned in the bid. This insurance shall be effective from the date of taking over of the Project Assets. The expiry date of effective insurance policy will be 6 months after the transfer of project assets to the LESSOR.

(v) The SUB-LESSEE shall insure against liability for any loss, damage or body injury, which may occur to any physical property or to any person which may arise out of the performance of the contract and during the operation and maintenance period and keep the LESSOR indemnified at all times in respect of these matters.

(vi) The SUB-LESSEE shall market the services of developed recreational facilities in the project assets/M.V. Ramanujam directly without involving LESSOR. The SUB-LESSEE shall also not use the name or label of LESSOR. The SUB-LESSEE shall use its own license, approval, registration and trade mark etc.

(vii) The SUB-LESSEE shall not cause any loss or damage to the project assets allow to be used as specified in Schedule I.

(viii) It has the financial standing and capacity to undertake the Project in accordance with the terms of this Agreement;

(ix) There are no actions, suits, proceedings, or investigations pending or, to its knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may result in the breach of this Agreement or which individually or in the aggregate may result in any material impairment of its ability to perform any of its obligations under this Agreement;

(x) It has no knowledge of any violation or default with respect to any order, writ, injunction or decree of any court or any legally binding order of any Government Instrumentality which may result in any material adverse effect on its ability to perform its obligations under this Agreement and no fact or circumstance exists which may give rise to such proceedings that would adversely affect the performance of its obligations under this Agreement;

(xi) It has complied with Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal

liabilities which in the aggregate have or may have a material adverse effect on its ability to perform its obligations under this Agreement;

(xii) The Successful Bidder and its Associates have the financial standing and resources to fund the required Equity and to raise the debt necessary for undertaking and implementing the Project in accordance with this Agreement;

(xiii) Successful Bidder or each Consortium Member is duly organised and validly existing under the laws of the jurisdiction of its incorporation, and has requested the Lessor to enter into this Agreement with the Sub-Lessee pursuant to the Letter of Acceptance, and has agreed to and unconditionally accepted the terms and conditions set forth in this Agreement;

(xiv) All its rights and interests in the Project shall pass to and vest in the Lessor on the Transfer Date free and clear of all liens, claims and encumbrances, without any further act or deed on its part or that of the Lessor, and that none of the Project Assets shall be acquired by it, subject to any agreement under which a security interest or other lien or encumbrance is retained by any person, save and except as expressly provided in this Agreement;

(xv) No representation or warranty by it contained herein or in any other document furnished by it to the Lessor or to any Government Instrumentality in relation to Applicable Permits contains or will contain any untrue or misleading statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading;

(xvi) No sums, in cash or kind, have been paid or will be paid, by it or on its behalf, to any person by way of fees, commission or otherwise for securing the Concession or entering into this Agreement or for influencing or attempting to influence any officer or employee of the Lessor in connection therewith; and

(xvii) The Sub-Lessee shall ensure that the personnel engaged by it in the performance of its obligations under this Agreement are at all times properly trained for their respective functions. Further, the Sub-Lessee shall ensure that a minimum of 60% (sixty percent) of the Project staff engaged/employed by it in the performance of its obligations under this Agreement shall be the natives/local residents of the Andaman & Nicobar Islands.

(xviii) During the Lease Period, the Sub-Lessee shall operate and maintain the vessel and the Project Assets in accordance with this Agreement either by itself, or through the O&M Contractor and if required, modify, repair or otherwise make improvements to the Project Assets to comply with the provisions of this Agreement, Applicable Laws and Applicable Permits, and conform to Good Industry Practice. The obligations of the Sub-Lessee hereunder shall include:

(a) The Sub-Lessee may undertake operations and maintenance of the Project Assets by itself or through a Contractor possessing requisite technical, financial and managerial expertise / capability, provided Sub-Lessee shall be solely responsible for implementation and operation and maintenance

of the Project in accordance with the provisions of this Agreement and it shall not relieve the Sub-Lessee of its obligations and liabilities under this Agreement in any manner of collecting and appropriating the User Charges;

(b) The Sub-Lessee shall carry out periodic preventive maintenance of the Project Facilities;

(c) The Sub-Lessee shall undertake routine maintenance, major maintenance such as vessel repairs and refurbishment to ensure operations of the Project Assets;

(d) The Sub-Lessee shall with due diligence carry out all necessary and periodical tests in accordance with the applicable regulations and Applicable Laws. The Sub-Lessee shall maintain proper record of such Tests and the remedial measures taken to cure the defects or deficiencies, if any, indicated by the Test results;

(e) The Sub-Lessee shall prevent, with the assistance of concerned law enforcement agencies, any unauthorised use of the Project Assets;

(f) The Sub-Lessee shall be entitled at its own costs, expenses and consequences to perform the following:

i. Institution and supervision of operating policies, principles, systems and procedures for all departments including purchasing, accounting, credit management and maintenance, personnel, etc.

ii. Instituting, conducting, defending, compromising, referring to arbitration and abandoning any legal or other proceedings, claims and disputes in which the said Project is concerned.

iii. To issue its receipts and invoice in its own name;

(g) The Sub-Lessee shall ensure protection of the environment and provision of equipment and materials;

(h) The Sub-Lessee will take professional indemnity insurance in respect of the negligence of its Project staff members, employees, executives, authorities in the operation and management of the Project. The Sub-Lessee shall throughout the term of this Agreement maintain the Professional Indemnity Insurance and from time to time regularly bear and pay the insurance premium in this regard;

(I) The Sub-Lessee shall bear and pay all expenses, taxes, due and payable in respect of the operation and management of the Project, including sales tax, VAT where applicable, service tax, luxury tax and the like and will ensure that these are paid in time and no defaults are made in respect of the same. Further the Sub-Lessee shall ensure that all returns in this regard are filed before the due date as per Applicable Laws;

(J) The Sub-Lessee shall comply with Safety Requirements conforming to Good Industry Practice for securing the safety of the Users;

(K) The Sub-Lessee shall not in the operation of the Project do any act or omission which shall be unlawful in nature and throughout the term abide by all the law, rules, orders, regulations and other requirements as applicable for the operation and management of the Project from time to time;

(L) The Sub-Lessee shall keep and maintain all such books, records and reports as are required to be maintained under Applicable Laws and shall submit or cause to be submitted to appropriate authorities, all information and reports as are legally required;

(M) The Sub-Lessee will furnish to the Lessor such information as required by the Lessor with respect to operation and management of the Project;

(N) Notwithstanding anything contained herein, the Sub-Lessee shall be solely responsible for all the claims or proceedings filed with respect to the management and operation of the Project whether with regard to any negligence committed in the Project or by reason of deficiency in the service at the Project or otherwise for any reason whatsoever whether intentionally or unintentionally and the Lessor shall not be responsible or liable for the same whether vicariously or otherwise and the Sub-Lessee shall always keep the Lessor indemnified in this regard;

(O) The Sub-Lessee will ensure that the highest service standards and good hospitality industry practices and leisure tourism services of similar standing will be adopted and followed in the said Project throughout the Concession Period;

(P) The Sub-Lessee shall make sure that all the electronic systems installed in the Project Assets, including but not limited to the computer systems relating to

accounts, billings, etc are functioning in a proper manner and are transmitting true and correct data of revenue and expenditure;

In the event the Sub-Lessee has failed to operate and maintain the Project in accordance with the Good Industry Practices and as per the provisions of this Agreement, a notice to that effect will be issued by Lessor to the Sub-Lessee. The Sub-Lessee shall take all steps to address the concerns raised by Lessor in the said notice within reasonable period/cure period as specified in this agreement.

(Q) The Sub-Lessee may subcontract operations / operation and maintenance of parts of the Project, provided however, that it shall be obligatory upon the Sub-Lessee to provide copies of all such Project Agreements entered into from time to time with Third Parties to the Lessor, with incorporated Clauses, in all Project Agreements with such respective Third Parties, that:- (i) the period of the Project Agreement shall be co-terminus with the Term of this Concession Agreement and (ii) in case of Termination of this Concession Agreement (by efflux of time or pre-mature), all proceeds / rentals, arising out from such Project Agreements of the Project, incase they continue to accrue, shall henceforth be accrued / appropriated to the Lessor;

(R) In terms with the provisions of this Agreement, the Sub-Lessee shall make timely payment to Lessor, wherever required and applicable;

(S) The Sub-Lessee shall abide by the statutory port rules at all times during the subsistence of this Agreement;

(T) The vessel shall be operated such that it should be within the limits of Andaman and Nicobar sea area

23. FINAL AUTHORITY

Notwithstanding any of the conditions mentioned above, the final authority on any matter connected with the project vests with the Managing Director, ANIIDCO. The vessel shall remain be registered under the name of Andaman & Nicobar Administration.

24. TERMINATION

The LESSOR shall have the right to terminate the Sub-Lease Agreement without paying any compensation to the SUB-LESSEE in case of breach of contract or

default by the SUB-LESSEE. Following events shall constitute events of breach of contract or default by SUB-LESSEE.

i. SUB-LESSEE fails to commence the proposed project facilities/recreation facilities as specified at Schedule II of this Sub-Lease Agreement, within the prescribed date i.e. one year or extended date from the date of signing of Sub-Lease Agreement.

ii. SUB-LESSEE abandons the project or any of its material obligations under the contract.

iii. SUB-LESSEE commits default in complying with any of terms and conditions of the contract/agreement and fails to rectify the same within 30 days on receipt of notice in this behalf from LESSOR.

iv. SUB-LESSEE fails to maintain the project to the satisfaction of LESSOR during the operation period.

v. SUB-LESSEE fails to pay the utility charges for the project assets, namely for electricity etc at the appropriate tariffs and the dues for such services are outstanding for more than 3 months.

vi. SUB-LESSEE fails to pay the liabilities with respect to workmen namely payment of wages, EPF contribution and all similar liabilities and such liabilities are outstanding for more than 3 months.

vii. SUB-LESSEE delays any payment that has fallen due under this contract and if such delay exceeds 30 days.

viii. SUB-LESSEE fails to act on any instructions issued by LESSOR as per clause 21 within a reasonable period to the satisfaction of LESSOR.

ix. SUB-LESSEE commits any alterations/modifications/additional constructions without permission of LESSOR during the operation period.

x. SUB-LESSEE fails to keep the project assets, project site, structures, installations and equipments in good condition and under safe custody.

xi. SUB-LESSEE uses the project assets for any purpose not related to the business of developed recreational facilities in M.V. Ramanujam or make any alteration or additions or constructions without prior approval of the LESSOR during the operation period.

xii. SUB-LESSEE commits any act that the LESSOR deems it to be against the interest of the leased property

xiii. SUB-LESSEE fails to ensure the safety of workers or fails to maintain regulations related to the labour laws or fails to maintain suitable arrangements for the welfare and hygienic requirements.

xiv. SUB-LESSEE lays off the recreational facilities and fails to run the recreational facilities in M.V. Ramanujam continuously for 5 days other than the annual maintenance shutdown of machinery.

xv. The business of the SUB-LESSEE is dissolved or reconstituted, or the business is closed either due to disputes inter-se amongst its stakeholders or otherwise.

Without prejudice to any other rights or remedies which the LESSOR may have in respect of / under this agreement, if there is a breach or failure to perform or observe all or any of the terms and condition on the part of the SUB-LESSEE to be performed and/or observed, the LESSOR shall issue a notice calling upon the SUB-LESSEE to remedy/rectify such defects/failure, and if within a reasonable time it is not done by the SUB-LESSEE, the LESSOR shall have the right to terminate the lease by forfeiting the security deposit and to re-enter the leased assets.

If the SUB-LESSEE fails to remedy such breach or default within the period provided by the LESSOR, the LESSOR shall terminate the agreement contract by a communication in writing (termination notice), take possession and control of the project assets including collection of any amount due to SUB-LESSEE.

The SUB-LESSEE shall be bound to operate the project assets for the specified lease period. However, the SUB-LESSEE can approach the LESSOR for termination of lease on a mutually agreeable basis subject to following conditions.

i. SUB-LESSEE shall submit No-dues certificate/Non-liability certificate from concerned agencies/authorities with respect to service charges like water, electricity etc and statutory payments like service tax, excise duty, payment of wages, EPF contribution, etc.

ii. SUB-LESSEE shall provide an appropriate indemnity bond for any other third party liability.

iii. SUB-LESSEE shall re-deploy all the employees/labourers employed by him in the project assets.

iv. LESSOR shall forfeit the Security Deposit provided by the SUB-LESSEE.

In the event of termination of lease by the LESSOR, for whatever reason, the SUB-LESSEE shall not be entitled for any compensation.

25. HANDING OVER

On completion of the lease period the SUB-LESSEE shall deliver the Projects Assets without any encumbrances and liabilities to the LESSOR in good working condition. The security deposit shall be withheld/forfeited if the Projects Assets are not returned in good working condition to the LESSOR. In such an event, right in respect of the project assets and all the improvements thereupon for the smooth

working of the recreational facilities in M.V. Ramanujam shall absolutely vest with the LESSOR.

On completion of the lease period or termination of Sub-Lease Agreement, the SUB-LESSEE shall settle all the claims and liabilities of all the parties/authority including the employees/ labourers employed by them. The LESSOR shall not guarantee any employment to any of the employees/ labourers who are employed by the SUB-LESSEE for the project and the SUB-LESSEE will be solely responsible for redeploying or suitably compensating them upon completion of lease period or termination of the Sub-Lease Agreement. The LESSSOR will not and shall not regularize or take over any of the appointments made by the SUB-LESSEE for the project.

As in the case of termination of Agreement, the SUB-LESSEE shall not be entitled for any compensation.

If the SUB-LESSEE does not transfer the Project Assets on completion of lease period or on termination of lease period, which ever is earlier, the SUB-LESSEE will be liable to pay damage @ double the normal lease rent per year along-with penal interest @ 18% per annum for occupying the leased assets till it is vacated. This does not mean that the SUB-LESSEE can occupy the premises by paying penalty charges and the SUB-LESSEE shall be evicted by invoking the provisions of Law.

26. FORCE MAJEURE

a) If either party is temporarily unable by a reason of Force Majeure or the laws or regulations of India to meet any of its obligations under the contract, and if such party gives to the other party written notice of the event within two weeks after its occurrence, such obligations of the party as it is unable to perform by reason of the event, shall be suspended for, as long as the inability continues.
b) Neither party shall be liable to the other party for loss or damage sustained by such other party arising from any event referred to in Clause (a) above or delays arising from such event.
c) The term "Force Majeure" as employed herein, shall mean "Act of God, Strike, Lock-outs or other Industrial Disturbances, Insurrection, Riots, Epidemics, Tsunami, Earth Quakes, Storms, Lightening, Floods, Wash Outs, Civil Disturbances, Explosions and any other similar event not within the control of either party, and which, by the exercise of due diligence, neither party is able to overcome".
d) Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such party's sub-consultants or agents or employees, nor (ii) any event which a diligent party could reasonably have been expected to both (A) take into account at the time of the conclusion of this contract and (B) avoid or overcome in the carrying out of its obligations hereunder.

27. AMICABLE SETTLEMENT OF DISPUTES

In case of any dispute between the LESSOR and the SUB-LESSEE, all reasonable efforts shall be made for an amicable settlement in the first instance. Unresolved dispute between the LESSOR and the SUB-LESSEE shall be referred to sole arbitrator to be appointed by the Managing Director, ANIIDCO Ltd., Port Blair. Within thirty days of receipt of notice from the SUB-LESSEE of his intention to refer the dispute to arbitration, the LESSOR shall finalize a panel of three Arbitrators and intimate the same to the SUB-LESSEE. The SUB-LESSEE shall within fifteen days of receipt of this list, select and confirm his acceptance to the appointment of one from the panel as Arbitrator. If the SUB-LESSEE fails to communicate his selection of name within the stipulated period, the LESSOR shall, without delay, select one from the panel and appoint him as the sole Arbitrator. If the LESSOR fails to send such a panel within thirty days as stipulated, the SUB-LESSEE shall send a similar panel to the LESSOR within fifteen days. The LESSOR shall then select one from the panel and appoint him as the sole Arbitrator within fifteen days. If the LESSOR fails to do so, the SUB-LESSEE shall communicate to the LESSOR the name of one from the panel who shall then be the sole Arbitrator. The appointment of sole Arbitrator so made shall be final and conclusive. The arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 (26 of 1996) or any statutory modification or re-enactment thereof and the rules made there under and for the time being in force shall apply to the arbitration proceedings. The venue of the arbitration shall be The Arbitration proceedings shall be held in PORT BLAIR, ANDAMAN & NICOBAR ISLANDS at a time as the sole Arbitrator may decide. Fees if any, payable to the Arbitrator shall be paid equally by both the parties. The Arbitrator shall give reasons for the award and the decision of the sole arbitrator shall be final and binding on both the parties.

Performance under the Contract shall, if reasonably possible, continue during the Arbitration proceedings and payments due to the LESSOR by the SUB-LESSEE or VICEVERSA shall not be withheld, unless they are the subject of the Arbitration proceedings.

28. EXCLUSIVITY & CONFIDENTIALITY

Each of the parties hereby warrants and undertakes with the other party, that during the continuance and after determination of this Sub-Lease Agreement, they will not, except with the consent of the other party, use or disclose any information obtained by either party under this Sub-Lease Agreement, unless and until such information becomes generally available to the public. Such confidential information shall not include information which:

a) Is or becomes publicly and widely known through no fault of the receiving party.
b) Is or becomes available to the receiving party without any obligation of confidentiality from any third party not having a confidential relationship with the disclosing party with respect to the confidential information.

c) Is already known by the receiving party without any obligation of confidentiality provided that written evidence of such prior knowledge is provided by the receiving party.
d) Is required to be disclosed by law or by an order of a competent Court.
e) Is required to be disclosed to fulfill contractual obligations & as a part of pre-marketing efforts by the SUB-LESSEE.

29 Relocation of Vessel due to Contingency

If, in the reasonable opinion of the Sub-lessee or the ANIIDCO/A&N Administration/Government, there exists a Contingency which warrants temporary transfer of Vessel and personnel from one location to another location, the Sub-Lessee shall be entitled to effect such relocation of Vessel and Personnel for so long as such Contingency and the consequences thereof warrant; provided that such relocation of vessel and particulars thereof shall be notified by the Parties to each other without any delay, and the Sub-Lessee shall diligently carry out and abide by any such directions that the ANIIDCO/Lessor may give for dealing with such Contingency.

30 Excuse from performance of obligations

The Sub-Lessee shall not be considered in breach of its obligations under this Agreement if any part of the Project is not available to users on account of any of the following for the duration thereof:

(a) an event of Force Majeure;

(b) measures taken to ensure the safe use of the Project Assets except when unsafe conditions occurred because of failure of the Sub-Lessee to perform its obligations under this Agreement; or

(c) compliance with a request from the Administration or the directions of any Government Instrumentality, the effect of which is to close all or any part of the Project.

Notwithstanding the above, the Sub-Lessee shall keep all unaffected parts of the Project Assets open to public use provided they can be operated safely.

31. AMENDMENTS:

Any amendments to this Sub-Lease Agreement shall be in writing and signed by the authorized representatives of each party.

32. GOVERNING LAW AND DISPUTE RESOLUTION:

This Agreement shall be interpreted, construed and governed in accordance with the laws of India and the court in Port Blair alone shall have exclusive jurisdiction for matters arising out of this Agreement.

33. SERVICE OF NOTICE

Any notices to be served hereunder shall be deemed sufficiently served on the SUB-LESSEE if left addressed to them at the "Leased Assets" or forwarded to them by registered post at the address given herein above and shall be deemed sufficiently served on the LESSORS if delivered to them personally or forwarded to them by registered post at their address in record.

34. Alteration of terms

All additions, amendments, modifications and variations to this Agreement shall be effectual and binding only if in writing and signed by the duly authorized representatives of the Parties.

35. Language

All notices, certificates, correspondence and proceedings under or in connection with this Agreement Agreement shall be in English.

The Sub-Lease Agreement shall be executed in duplicate and the first set shall be kept with the SUB-LESSEE and the second set with the LESSOR.

IN WITNESS WHEREOF, the LESSOR and the SUB-LESSEE have put their respective hands on the original and duplicate thereof the day and year first hereinabove written.

Signed and delivered by the within named

LESSOR (ANIIDCO Ltd., Port Blair)

Witnesses:

Signed and delivered by the within named

SUB-LESSEE (**.....)**

Witnesses:

SCHEDULE I

DETAILS SPECIFICATION OF M.V. RAMANUJAM

GENERAL SPECIFICATIONS	
Name	M.V. Ramanujam (OLD NAME.SCHILESWIG-HOLSTEIN)
Type of Ship	PASSENGER VESSEL (DATE OF CONVERSION-NOV,1987
Port of Registry	Mumbai
Official No.	2309
IMO No.	7217846
Call Sign	VTFX
MMSI No.	419325000
Yard No.	1418, DATE OF KEEL LAID- 18/11/1971, DATE OF BUILT-NOV/72
No. of Souls to Carry	771
Builder	Husumer Schiffswerft, Gmbh & Co. KG, Rodemis-

Technical Specifications	
GRT	859 NEW-1212
NRT	476 NEW-364
Classification	IRS
Summer Draught	01.90 mtrs
LOA	55.87 mtrs.
LBP	51.70 mtrs.
Registered Length	52.61 mtrs.
Breadth Moulded	12.82 mtrs
Breadth O.A	13.40 mtrs
Depth	02.90 mtrs.
Draught	01.90 mtrs.
Displacement	922.98 MT
Light Ship	819.41 MT
Dead Weight	162 MT @ 1.9 Mt Draught
Fuel	HSD
Fuel Capacity (90%)	33.66 Ltrs.
Fuel Capacity(10 0%)	36700 Ltrs.
Fuel Consumption	5100 Ltrs. In 24 Hrs Approx.

Fresh Water	12 T Approx with Pax (7 T without Pax)
Average Speed	7.5 Kts.
Main Engine	M.A.N 2 Nos. Internal Combustion Marine Diesel Engineer Type MA 12 V 362 TB60-1972 Built. BHP 840 x 2.
GM Passenger Capacity	5.30 mtrs 753 Souls
Light Draft	1.5 mtrs.

SCHEDULE II

Project Facilities
(To be provided by the bidder)