



**Document No.**

**QUOTATION DOCUMENT**  
**FOR FRANCHISING OF HOTEL**  
**AT PITCHAVARAM**

**TAMILNADU TOURISM DEVELOPMENT CORPORATION LIMITED,  
TAMILNADU TOURISM COMPLEX,**

No.2, Wallajah Road, Chennai-600 002

Telephone(s) : 25367850 to 54 – Fax No.(044)25381567/25382772

E.Mail: [ttdc@vsnl.com](mailto:ttdc@vsnl.com) – Web. <http://www.tamilnadutourism.org>

# **TAMILNADU TOURISM DEVELOPMENT CORPORATION LIMITED, CHENNAI -2**

Tamilnadu Tourism Complex, No.2, Wallajah Road, Chennai – 600 002.  
Telephone No.25367850 to 25367854 Fax No: (044-25382772/25381567)  
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## **NOTICE INVITING QUOTATION No.906/FH/2008 Date: 25.01.2010 FRANCHISE OF HOTEL TAMILNADU, PITCHAVARAM**

For and on behalf of Tamilnadu Tourism Development Corporation Ltd., sealed Quotation are invited in the prescribed original Quotation documents from reputed Hoteliers/individuals to operate and maintain the TTDC hotels at Pitchavaram.

### **I.**

Sl. No.	Name of the Hotel	District	EMD Amount	Period of Franchise
	<b>Hotel Tamilnadu, Pitchavaram</b>	<b>Cuddalore</b>	<b>57,000/-</b>	<b>15 Years</b>

**COST OF QUOTATION DOCUMENT: Rs.1000/- + 4% VAT \*By Post Rs.100/- Extra**

1. Sale of **Quotation** Documents : From the date of advertisement to 09.03.2010 on all working days (Monday to Friday between 10 A.M to 5 P.M)
  
2. Date and time for submission of Technical bid and price bid : 10.03.2010 upto 3.00 PM

3. Date of Opening of Technical Bid : 10.03.2010 upto 3.30 PM  
Registered office, TTDC Ltd.,  
Tamilnadu Tourism Complex,  
Conference Hall,  
3<sup>rd</sup> Floor, Near Kalaivanar Arangam,  
No.2 Wallajah Road, Chennai – 600 002.

Quotation documents will be issued on written requisition against receipt of cash or Demand Draft drawn in favour of “Tamilnadu Tourism Development Corporation Limited” (Payable at Chennai). Document cost is not refundable. It can also be downloaded free of cost from the website <http://www.tamilnadutourism.org> Any postal delay or loss in transit will not bind TTDC Ltd. The Quotation submitted beyond the date and time fixed shall be summarily rejected. In the event of last date for submission/ opening of Quotation falls on a holiday, the acceptance/opening of the Quotations will be on the next working day at the same time and venue.

The Managing Director, TTDC Ltd., reserves the right either to accept or reject any or all the Quotations and postpone the due date without assigning any reason therefor.

All other details shall be obtained from the Hotel Section, TTDC Ltd., at Registered office as mentioned above. You may also visit TTDC’s website <http://www.tamilnadutourism.org> for details.

MANAGING DIRECTOR.

**TAMILNADU TOURISM DEVELOPMENT CORPORATION LIMITED**

**Tamilnadu Tourism Complex, 2, Wallajah Road, Chennai-2.**

**Name of work : Franchise of Hotel Tamilnadu, Pitchavaram**

**INSTRUCTIONS AND CONDITIONS TO Quotationer:-**

1. Sealed Quotations are invited from the leading reputed Hoteliers with proven track record for Quotations operation of Hotel at Pitchavaram up to **3.00 PM on 10.03.2010**
2. Quotations should be in the prescribed original form obtained from the above address and it should be sent in two separate sealed cover super-scribed as “**TECHNICAL BID for Franchise of Hotel Tamilnadu, Pitchavaram**” and “**PRICE BID for Franchise of Hotel Tamilnadu, Pitchavaram**” to the Managing Director, Tamilnadu Tourism Development Corporation Limited, Chennai-2 by designation. Sealed tenders can be submitted or sent by post at the following address:

**Managing Director,  
Tamilnadu Tourism Development Corporation Limited,  
Hotels Division,  
Tamilnadu Tourism Complex, 2<sup>nd</sup> Floor,  
Near Kalaivanar Arangam,  
No.2, Wallajah Road, Chennai-600 002**

The Quotations not in the prescribed original form will be summarily rejected.

3. The Technical Bid must be accompanied by an **Earnest Money Deposit** as mentioned in the NIT Payable by Crossed Demand Draft on any one of the Scheduled Banks having its office at Chennai. The Demand Draft should be drawn in favour of “Tamilnadu Tourism Development Corporation Limited”. No other form of Earnest Money Deposit will be accepted.
4. The Eligibility Criteria of the tenderer is at **Annexure I**. Quotations received without Earnest Money Deposit along with Technical Bid will not be accepted and the same will be summarily rejected.
5. The successful bidder shall be intimated on his selection for the award of contract.
6. The Quotations (Authorised signatory of the Company) should sign at the bottom space of all the pages of tender document.

7. The Technical Bids will be opened at TAMILNADU TOURISM DEVELOPMENT CORPORATION Ltd., Conference Hall, III Floor, Tamil Nadu Tourism Complex, No.2, Wallajah Road, Chennai-2 on **10.03.2010 at 3.30 P.M.** The qualified Quotationer's Price Bid will be opened on a date and time which will be intimated to the technically qualified tenderers. Both the Bids will be opened in the presence of Quotationers or their authorised representative who choose to be present at that time.
8. Earnest Money Deposit of the successful bidder shall be forfeited in the event of withdrawal of his bid, before the bid validity period or in the event of the failure of successful bidder to furnish the bid security or to execute the agreement within the specified period. In addition to the forfeiture of Earnest Money Deposit, steps will be taken to blacklist the defaulter.
9. The Earnest Money Deposit of unsuccessful Quotationers will be refunded after a decision taken on the tender.
10. The amount deposited as Earnest Money Deposit as required in Clause 3 above will not carry any interest.
11. Successful Quotationer will be intimated about the acceptance. Hence no enquiry in this regard need be made.
12. All columns in the Quotation schedule shall be duly, properly and exhaustively filled in ink. The rate shall be entered in words also underneath the figures. No alteration in the description of the schedule shall be permitted. All corrections should be authenticated under the full signature of the Quotationer. In case of variations in the rate quoted in words and in figures, the rate quoted in words only will be taken into consideration.
13. The Quotation shall be valid for 90 days from the date of opening of Price Bid.
14. The two sealed cover containing the Technical Bid and Price bid separately should be submitted in one sealed cover along with a covering letter.
15. In exceptional circumstances, the TTDC may solicit the bidders consent to an extension of the period of validity. The request and the responses thereto shall be made in writing (or by E-mail or fax). The bid security provided shall be suitably extended. A bidder may refuse the request without forfeiting his bid security. A bidder granting the request is not required or permitted to modify his bid.

16. Bids must be received by the TTDC at the address specified not later than the time and date specified in the Invitation of Bids. In the event of the specified date for the submission of bids being declared a holiday for the TTDC, the bids will be received up to the appointed time on the next working day.
17. The TTDC may, at its discretion, extend the deadline for submission of bids by amending the bid documents. In which case all rights and obligations of the TTDC and bidders previously subject to the deadline will thereafter be subject to the deadline as extended.
18. During evaluation of bids, the TTDC may, at its discretion, ask the bidder for clarification of its bid. The request for clarification and the response shall be in writing.
19. The TTDC will scrutinize the bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order. Bids from Representatives, without proper authorization from the tenderer shall be treated as non-responsive.
20. No bidder shall contact the TTDC on any matter relating to its bid, from the time of bid opening till the contract is awarded.
21. Any effort by a bidder to influence the TTDC in the TTDC's bid evaluation, bid comparison or contract award decisions may result in rejection of the bidders bid.
22. The notification of award will constitute the formation of the contract.
23. The Quotations submitted beyond the date and time fixed shall be summarily rejected.
24. The papers of the Technical bids should be numbered serially by the tenderer himself in ink.
25. Any postal delay or loss in transit will not bind TTDC Ltd.
26. The Managing Director, Tamilnadu Tourism Development Corporation Ltd., reserves the right either to accept or reject any or all the Quotations at any time prior to award of contract.

Evaluation of Quotations would be in accordance with the provisions of Tamilnadu Transparency in Tenders act 1998.

28. Quotationers should furnish attested copy of Ration Card or Voter Card for address proof.

29. Disputes if any arises, the Arbitrator will be appointed by mutual consent of both the parties and the arbitration proceedings will be as per Arbitration Act. The Jurisdiction will be at Chennai.

SIGNATURE OF QUOTATIONER

DATE:

MANAGING DIRECTOR.

**FRANCHISE OF HOTEL TAMILNADU, PITCHAVARAM TERMS AND  
CONDITIONS**

1. The Unit will be handed over to franchisee on 'AS IS WHERE IS CONDITION'. Any improvements need to be done only by the franchisee at his own cost. The word 'AS IS WHERE IS CONDITION' means that the "land and building" available as on date of the Quotation only. No improvements/ modifications/ Additions/ Alterations will be carried out in the land or building after the tender notices are published. Arresting leakages, putting up compound wall, laying approach road, eviction of encroachments if any will be the responsibility of the Franchisee only.
2. The Hotel Unit shall be run in the name of 'FRANCHISEE' but the fact that the property belongs to TTDC to be indicated in the Name Board.
  - 2(a) The franchisee should utilize the property only for the purpose of running of Hotel and not for any other purpose.
  - 2(b) The food should be prepared and served in hygienic manner by the franchisee. In the event of franchisor receiving repeated complaints about poor quality of food stuff being served by the franchisee, the franchise shall be terminated and the franchise fee already remitted will be forfeited  

The franchisee should also take steps to provide safe protected drinking water.
3. The franchisee should produce documentary proof of their residence like  

ration card or Voter identification card.
4. No additions, alterations, modifications to the existing building shall be made in any manner without the written consent of the Franchisor and the Franchisee shall maintain the building in good condition.

5. The franchise fee fixed by the Franchisor initially will carry escalation of 15% once in three years on compounded basis as detailed below:
  - a) For Franchise of fifteen years:

15% escalation once in three years on compounded basis

13<sup>th</sup> year will carry an escalation of 20% on compounded basis (15% for 10<sup>th</sup> to 12<sup>th</sup> year on compounded basis and 5% for 13<sup>th</sup> year on compounded basis)

14<sup>th</sup> & 15<sup>th</sup> year will carry an escalation of 5% per annum respectively on compounded basis.
6. The Franchisee will have to remit the Franchise Fee for the 1<sup>st</sup> year in full within 30 calendar days from the date of receipt of acceptance of the tender. Further relaxation of due date will not be entertained at any cost. If the Franchisee fails to remit the Fee within the due date, the TTDC has the right to cancel the acceptance without any intimation to the franchisee.
7. The franchisee should take over the franchised unit within one month time from the date of receipt of allotment orders, failing which the franchiser shall have the right to cancel the allotment order and forfeit earnest money deposit.
8. The license of franchisee is renewable every year by paying the franchise fee, 3 months in advance.
9. The franchise is for a period of **15 years** only. The franchise fee for the second and subsequent year is to be remitted three months earlier than the date of second and subsequent years of franchise and then the franchise license is to be got renewed. If the franchisee fails to remit the 2<sup>nd</sup> and subsequent year fee before 90 days, the Franchisor is at liberty to invoke the Bank guarantee at any time before the end of the Franchise year.

10. If the franchisee failed to pay the franchise fee of 2<sup>nd</sup> and subsequent years within the stipulated period, 14% interest will be levied and if the franchisee failed to remit the fee and the interest even after 3 months from the due date, action will be taken to take over the unit from the franchisee.
11. If there is any necessity for repairs, alterations, additions in the franchised unit by the franchisee at the time of taking over the unit, leave period will be given after handing over the unit to the franchisee based on his written request subject to a maximum of 4 months from the date of taking over or the date of commencement of commercial operations by the franchisee whichever is earlier.
12. The Franchisee should operate the Unit on continuous basis throughout the franchise period. If the franchisee fails to run the Unit for a period of three months continuously the franchisor shall issue a notice to the franchisee and if the franchisee fails to operate the Unit even after one month on receipt of the notice the franchisor shall re-enter premises and resume the possession and the operation of the unit without further notice.
13. In case if the Franchisee fails to remit the franchise fee of the subsequent years before 90 calendar days from the date of expiry of the earlier franchise period, apart from invoking the Bank Guarantee, the Franchisor reserves the right to re-enter the premises to take possession of the property/hotel.
14. The Bank guarantee equivalent to 50% of the Franchise value of the fourth year franchise fee should be furnished by the franchisee for a period of eight years at the time of taking over the property by the franchisee in the first year. At the end of the seventh year the franchisee should furnish a Bank Guarantee equivalent to the sum of 50% of the Franchise value of 13<sup>th</sup> year for a period of 8 years. The Franchisor shall return the first bank guarantee executed for 8 years immediately on receipt of the second Bank Guarantee from the Franchisee:

15. The prescribed format of specimen agreement has been referred to Government for necessary modification if any. The parties have to therefore specifically agree that they would enter into fresh agreement as revised by Government without any protest as the present agreement is entered into on the specific understanding that TTDC being a company wholly owned by the Government of Tamilnadu, they are bound by the modifications and alterations suggested by the Government to this agreement.
16. In case of default in payment of Franchise amount or furnishing Bank Guarantee, the Franchisor shall re-enter the premises and resume possessions and operation of the unit.
17. The Franchisee shall maintain the building and movable properties like furniture, electrical installations, vehicle, etc. in good condition and shall compensate the franchisor for any damages to such properties with replacement value. The following maintenance work to be undertaken by the Franchisee:

White washing	- Once in six months
Cement Paint	- Once in 1 ½ years
Enamel Paint	- Once in three years
18. All rates, taxes as applicable on the franchise fee (Urban land + property) assessments, charges, claims, consent fee levied by the Pollution Control Board, demands and out goings (Except the ground rent payable to the State Govt.) shall be borne by the Franchisee.
19. Bar licenses to be obtained from the Commissioner of Prohibition and Excise, by the Franchisee at his own expenses and responsibility (For Hotels only and no Bar for Restaurants).
  - b) The Franchisee should obtain License under Prevention of Food and Adulteration Act from the Local Health Authority.

20. All employees except the regular staff of TTDC may be absorbed by the Franchisee and the Franchisor will not be liable for any claim in respect of such employees.
21. After the expiration of Franchise period, the Franchisee shall surrender possession of all movable and immovable properties franchised, including superstructure now exists and also to be constructed by the Franchisee with due consent of the Franchiser.
22. The Franchisee shall not claim any title to the superstructure already put up and to be put up by him or claim any compensation at the time of surrendering possession after the expiration of the Franchise.
23. All sanctions, permissions no objections, letters of intent, consent, licenses, clearance, approvals etc. shall be obtained by the Franchisee at his cost and such document shall be kept effective and in force at all material times.
24. The building, furniture and other properties franchised shall be insured against fire, rioting and other possible losses and the insurance policy be taken in the joint names of the Franchisor and the Franchisee and the insurance premium be borne by the Franchisee.
25. The Franchisor shall have the right to inspect the premises and also the books of accounts, etc. at any time.
26. The Franchisee should not engage any person without issuing letter of appointment as per the draft enclosed to this agreement.
27. The Franchisee shall submit verified statements, reports, accounts, documents and any other particulars as required by the Franchisor from time to time.
28. The franchisee shall not encumber the Franchised properties by way of pledge, hypothecation, mortgage, charge, lien, lease, leave and license or in any other manner.
29. The franchisee has to confine his activities only within the specified area handed over to him.

30. The franchisee shall not permit his clients to use the open space available within the premises, which has not been allotted to him.
31. No political meeting/banner shall be allowed within the premises, which has been allotted to him.
32. No unlawful activities like betting, gambling, etc. shall be allowed inside the campus.
33. Anti Government activities shall not be allowed inside the premises.
34. In case the franchisee commits breach of any of the terms and conditions and stipulation herein contained on the part of the franchisee to be observed and performed, then in such cases the franchiser shall be at liberty to give a notice in writing (by RPAD) to the franchisee to set right or rectify the breach or omission of any of the terms, conditions and stipulations of this agreement and in case of non compliance on the part of franchisee within 30 days of the receipt of such notice, this agreement at the option of the franchiser may be terminated and upon such termination this agreement shall become null and void and all the rights of the franchisee herein shall immediately cease and determine. The agreement may also be terminated for any criminal acts on the part of the franchisee which need not be referred to arbitration.
35. The Franchisee should cover his establishment under EPF and Miscellaneous Provision Act , ESI Act and all other industrial legislations without fail.
36. The Franchisor shall have the right to utilize with prior written intimation of a fortnight the Conference Hall, if any, and two suites for 15 days every year for any VIP nominated by the franchisor and such VIP will pay for F&B and other facilities as per the applicable tariff.
37. The franchisee shall extend a special discount of 25% on the normal room tariff and 10% on the Food Tariff or other rates prescribed by franchisee from time to time and are applicable for its Hotels/Restaurants to the Package Tourists accommodated in the Hotel.

38. The Franchisor shall have the right to re-enter the premises and terminate the franchise agreement, in case of default or any type of malpractice noticed on the part of the Franchisee.

39. In the event of franchise being cancelled by Pollution Control Board's Directives the franchisor will not be liable for refund of franchise fee.

40. The Franchisee should take possession of all the movable articles belonging to him at the time of handing over the unit to the franchisor failing which the properties will be disposed off by TTDC as deemed fit without further notice to franchisee.

41. The Franchisor will not be vicariously liable for any act of the Franchisee and the Franchisee shall alone be liable for violation of any law and the Franchisee agrees to indemnify the Franchisor from all claims.

42. All costs, charges, including stamp duty and registration charges, etc. shall be borne by the franchisee.

43. On the expiry of the Franchise, the Franchisee shall handover all articles which were entrusted in good conditions as per schedule annexed.

44. TTDC shall reserve the right to renew or otherwise the franchise after expiry of 15 years.

45. Franchisee should give preference for accommodating the package Tourists of TTDC. In case of any dispute, the franchisor will refer the dispute to an Arbitrator in accordance with the provisions of the Arbitration and Conciliation Act 1996 and the parties agreed to abide by the decision of the Arbitrator.

Place of Arbitration

- Chennai

SIGNATURE OF QUOTATIONER:

MANAGING DIRECTOR

**ANNEXURE I**  
**TECHNICAL BID**

Quotationer should have minimum 5 years experience in operating a Hotel or should have tie up arrangements with leading Hoteliers with 5 years experience for operating the Hotel (Documentary proof to be enclosed).

2. The quotationer should have a minimum turnover of Rs. 2 Crores per annum in the preceeding 3 financial year (Documentary proof to be enclosed).
- 3 The quotationer should submit the Audited annual accounts of the firm for the preceeding 3 years.
- 4 The quotationer should produce the latest solvency certificate by Thasildar or by any Nationalised Bank not earlier than June 2009) equivalent to 2 times the amount quoted by them in the quotation.
- 5 Should furnish VAT registration certificate.
- 6 Quotationer should furnish attested Xerox copy of Ration card or Voter identity card for address proof if it is a proprietary concern.
- 7 Each and every page should be signed by quotationer and submitted along with the Technical Bid only.
- 8 EMD should be remitted along with Technical Bid only.

Place :

Date :

Signature of the Quotationer

**PRICE BID**

**SCHEDULE**

Annual Franchise Offer for  
HOTEL TAMILNADU, PITCHAVARAM

Rs.....per annum

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1. The Franchise will be for 10 years in case of Restaurants and Hotels with 5 Rooms and less and 15 years in case of Hotels with more than 5 rooms.
2. The Franchise value tendered above will carry escalation of 15% once in 3 years on compounding basis. In respect of franchise of 15 years, 13<sup>th</sup> year will carry escalation of 20% (15% for 10<sup>th</sup> year to 12<sup>th</sup> year on compounded basis plus 5% for 13<sup>th</sup> year on compounded basis) and 14<sup>th</sup> year and 15<sup>th</sup> year will carry escalation of 5% on compounded basis. In respect of 10 years franchise, the escalation for the 10<sup>th</sup> year will be 20% (15% for 7<sup>th</sup> to 9<sup>th</sup> year and 5% for 10<sup>th</sup> year).
3. The bidder is requested to inspect the existing hotel premises and acquaint himself before bidding for the property.

I certify that I have gone through the Quotation conditions listed 1 to 46, I have

understood the terms and conditions.

I agree to abide by the terms and conditions of Tamilnadu Tourism  
Development  
Corporation Limited.

SIGNATURE OF QUOTATIONER

