

**DEPARTMENT OF TOURISM
GOVERNMENT OF MEGHALAYA**



Volume-II: Terms of Reference (ToR) and Project Profile

invites

REQUEST FOR PROPOSAL (RFP)

for

Development, Operation and Maintenance of Luxury Cottages located at Umiam, Ri Bhoi District in Meghalaya under Design, Build, Finance, Operate and Transfer (DBFOT) Mode on Public Private Partnership

November 2024

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Volume II:

Terms of Reference (ToR)

Project Profile

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1. Terms of Reference

1.1 About the Project

The tourism industry is a significant contributor to the state's progress, creating jobs that span various sectors and skill levels, from unskilled labor to semi-skilled, skilled, highly skilled workers, and professionals. Meghalaya is committed to establishing itself as a top-tier tourism destination, leveraging its inherent tourism capabilities to stimulate growth, foster job creation, and encourage entrepreneurial ventures for both individuals and communities, with a strong emphasis on sustainable practices. Aiming to draw high-value tourists and private capital, the state has pinpointed strategic initiatives for implementation.

Focusing on the enhancement of tourism-related infrastructure has been a key priority for the State Government. The Meghalaya Government's Tourism Department has selected multiple locations throughout the state for the development of hospitality and tourism ventures, to be executed in collaboration with private entities under the Public-Private Partnership (PPP) framework.

The Tourism Department of the Meghalaya Government is tasked with enhancing the state's tourism by highlighting its scenic landscapes, cultural richness, and distinctive attractions to a global audience. In line with this mission, the department has identified several plots of land within the state to establish "**Development, Operation and Maintenance of Luxury Cottages located at Umiam, Ri Bhoi District in Meghalaya under Design, Build, Finance, Operate and Transfer (DBFOT) Mode on Public Private Partnership (PPP)**" available all year round, to be developed through an appropriate Public-Private Partnership (PPP) arrangement.

The following site along with their respective land size have been earmarked for the Development of Luxury Cottages to be operated year-round, facilitated through an appropriate Public-Private Partnership (PPP) arrangement.

Sl. No	Project Location	Land Extent (Acre)	Minimum Proposed Cottages
1	Umiam Lake	15 Ac	100 Nos

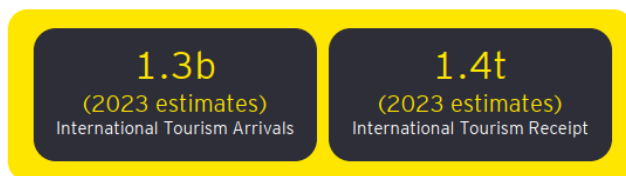
1.2 Business Potential: Tourism Industry

1.2.1 The global tourism industry: an overview

Tourism sector remains a key contributor to the global economy.

The tourism sector globally has emerged as a key contributor to economic and social growth. As per World Travel and Tourism Council (WTTC), the travel and tourism industry accounted for nearly 10.3% of global GDP and 330 million jobs, or one in 10 people in 2019. The sector grew by 3.5% in 2019, a rate higher than that of the global economy for the ninth consecutive year, thereby enriching local communities at a faster rate than many other sectors.

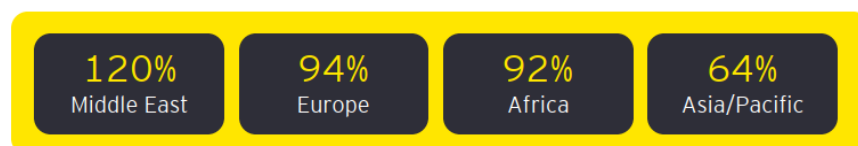
Over the past five years, as many as one in four new jobs created across the world has been in travel and tourism. The tourism estimates for FY23 indicates strong rebound in terms of tourism arrivals as well as receipt.



Source: ASSOCHAM & EY published paper

Strong recovery from the set back of pandemic observed across continents.

The tourism industry was one of the key sectors to be severely hit by the pandemic situation. However, the sector is experiencing a recovery trend in 2023 which is expected to further strengthen in 2024. Latest data from UNWTO (nine months ending September 2023 tourism arrivals) indicates a strong recovery from the pandemic setbacks with most destinations reaching and some even exceeding the pre pandemic levels (see fig below).



Source: UNWTO Report

While the recovery of Asia and Pacific Region is slow, it is pertinent to note that South Asia has reached a level of 95% of the pre pandemic arrival. The relatively slow recovery in Asia/Pacific is largely attributable to West Asia. Overall, the 2023 tourism arrivals are expected to be to the tune of 95% of pre-COVID period.

1.2.2 The Indian tourism industry: an overview

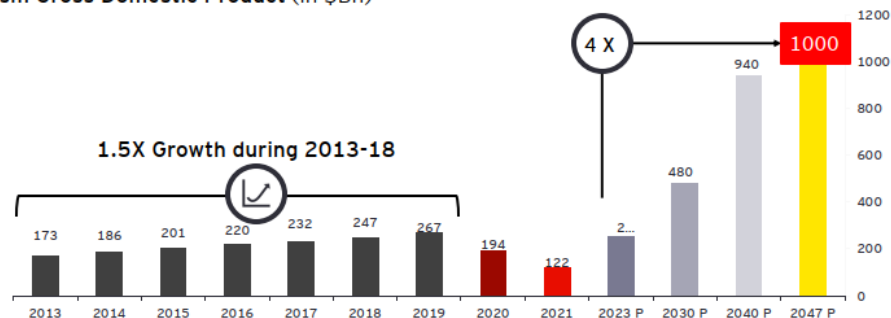
Tourism in India remains a key sector for growth.

In 2019, travel and tourism was one of the largest sectors in the country, accounting for 6.90% of the national GDP (US\$191.3 b). However, due to the COVID-19 pandemic, the sector contribution to GDP dropped to US\$121.9 b in 2020 reflecting a decline of 36.3%. As per WEF's Travel and Tourism Development Index 2021, India is ranked 54th globally, while remaining a top performer in South Asia.

However, post pandemic the sector exhibited strong recovery trends with steady growth in tourism footfalls and spendings. As per the Draft National Tourism Policy 2022 (July 2022) targets, the industry's GDP is projected to reach US\$1t by 2047. In 2019–20, the tourism sector contributed 15% to total jobs in India, with total jobs standing at approximately 80 million. This figure is projected to reach 400 million by 2047.



Tourism Gross Domestic Product (in \$Bn)



Tourism GDP of India is envisioned to contribute to 1 Trillion to economy by 2047

Source: pib.gov.in

1.2.3 NER tourism: key trends

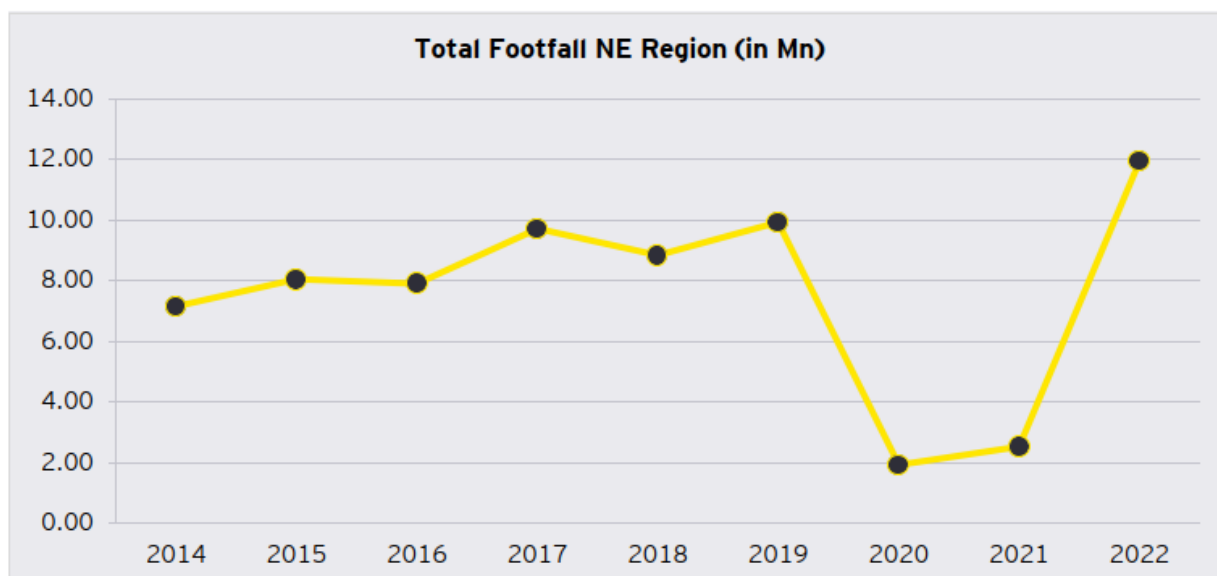
The North-East Indian States are blessed with a unique blend of tourism assets and a range of tourism offerings including wildlife tourism, tea and golf tourism, river tourism, religious and spiritual tourism, heritage tourism, cultural and culinary tourism, adventure tourism and agro and rural tourism.

The region is a melting pot of cultures and traditions, with each state having its unique identity. This diversity is reflected in the food, festivals, music, and dance of the region, making it a perfect destination for cultural tourism. Northeast India is also home to several historical monuments and temples, including Kamakhya Temple in Assam, which is one of the oldest and most revered shrines in India, and the living root bridges of Meghalaya, which are a unique attraction and a testament to the ingenuity of the local people.

The region is home to many wildlife sanctuaries like Kaziranga National Park famous for the one horned rhinoceros, Manas National Park, Nameri, Orang, Dibru Saikhowa in Assam, Namdhapha in Arunachal Pradesh, Balpakram in Meghalaya, Keibul Namjao in Manipur, Intanki in Nagaland, Khangchendzonga in Sikkim. The Brahmaputra flows through the length of Assam where tourists can enjoy memorable river cruises and the flowing rivers of Arunachal Pradesh which feed the Brahmaputra offering incredible white water rafting experiences.

The sector shows strong growth story and potential of the region:

Over the previous decade, there has been a consistent growth in the inflow of tourists into the Northeast States. Additionally, between 2014 and 2019, foreign tourist visits to the Northeast region grew at a record CAGR of 26%.



Source: Ministry of Tourism Statistics (FTV+DTV)

1.2.4 Meghalaya Tourism: Overview

According to the Economic Survey of India 2019-20, the Tourism Direct Gross Value Added (TDGVA) share in the Gross Value Added (GVA) in the state of Meghalaya was 5.22% (in the year 2015-16). The share of tourism employment in Meghalaya state employment was 10.44% (in the year 2015-16).

The total Capital Expenditure and Revenue Expenditure on Economic Development of Meghalaya and the Tourism share for the 8 financial years 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23 were:

Meghalaya - Revenue Expenditure on Economic Development (Actuals)								
Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 R.E.	2023-24 BE
Total Revenue Expenditure (in Lakh)	2,75,722	2,44,820	2,62,198	2,18,216	3,15,578	3,91,425	4,83,490	5,05,711
Tourism Expenditure (in Lakh)	1,724	1,359	1,189	1,621	2,059	6,568	2,795	4,809
Tourism Share (in %)	0.63	0.56	0.46	0.74	0.65	1.68	0.58	0.95

Source: Budget at a Glance Meghalaya 2022-24

Meghalaya - Capital Expenditure (Actuals)								
Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 R.E.	2023-24 BE
Total Capital Expenditure (in Lakh)	1,73,501	1,43,511	1,90,271	1,40,416	2,30,346	5,25,333	7,13,079	4,83,615
Tourism Expenditure (in Lakh)	848	992	1100	168	624	1,166	1,915	4,300
Tourism Share (in %)	0.49	0.69	0.58	0.12	0.27	0.22	0.27	0.89

Source: Budget at a Glance Meghalaya 2022-24

Meghalaya is blessed with plethora of tourism assets and offers wide variety of experiences for all categories of tourists. The State has witnessed increasing tourist footfalls and the unique opportunities of Meghalaya hold a lot potential waiting to be tapped. In 2019, the tourist footfall in the State stood at about 12.7 lakhs (including 25,000 foreigners) which decreased to 1.5 lakhs in 2021 due to COVID-19. Pre-pandemic, out of the total tourist visits in 2019, domestic tourist footfalls stood at 12,45, 633 while the number of foreign visitors reached 25,813.

Tourism in Meghalaya has shown an increasing trend, increasing tourist footfalls is an indicator of the achieved growth. This has been possible primarily due to:

- ▶ Proximity of Shillong from Guwahati – among one of the main contributors of footfall in Meghalaya
- ▶ The natural tourism assets of the state (more than 100 identified spots)
- ▶ Changing preferences of the tourists.

As per Meghalaya Tourism Policy 2023, the tourism sector plays a prominent role in providing livelihood opportunities to almost 50,000 people in the State. Since the ban on coal mining in 2014 which eventually resumed in 2019 (except the export of coal), tourism became one of the key contributors to the economy of Meghalaya. It has been estimated that the sector contributes about 4.1% to the State's GSDP. State's tourism budget has been steadily increasing which has led to an increase in tourist footfalls.

The state has an abundance of forest cover ~76% with rich biodiversity (wildlife, sacred forests etc.) - serene landscapes and nature experiences (falls, rivers, lakes etc.) with multiple adventure opportunities (trekking, caving, boating etc.). Additionally, the State's welcoming culture and low crime rate is an advantage compared to other national destinations. States rich tourism assets has created a strong pull factor for the tourists. Meghalaya has over 100 tourist spots almost half of which are in the East Khasi Hill district.

Owing to the rich assets, the tourism landscape of Meghalaya seems like an encouraging destination, even during COVID times. The states assets, combined with the changing preferences of tourists, of visiting off beat locations, not having too much of hustle and bustle, makes Meghalaya an important destination on the tourism map of India. The key drivers of the tourism potential of Meghalaya are as follows.

Connectivity - Meghalaya, over the years has gained popularity to its improved connectivity. Probably the only place in India that is both Exotic & Well Connected. Shillong is well connected to all the major cities

of the country via Guwahati which is a little over 2 hours via a car. Shillong is also directly connected to Kolkata via a daily flight and the plans to have a direct flight from Delhi are already making headway.

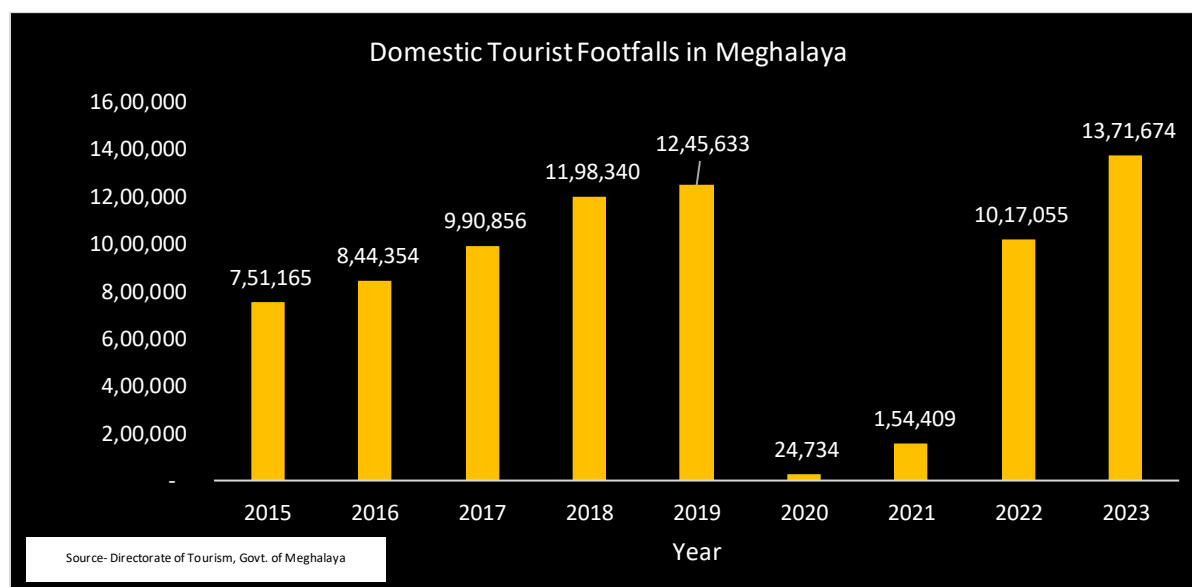
Recognition/ Recall Value – Shillong also known as Scotland of East, is known for its picturesque landscape, Cherrapunjee also known as Shohra & Mawsynram are known as the lands of Rain & Peace. While the natural treks and caves also cater to the adventure tourists Wishlist. With increasing popularity of NH7 weekender music festival, the state has been able to create of recall value among the millennials.

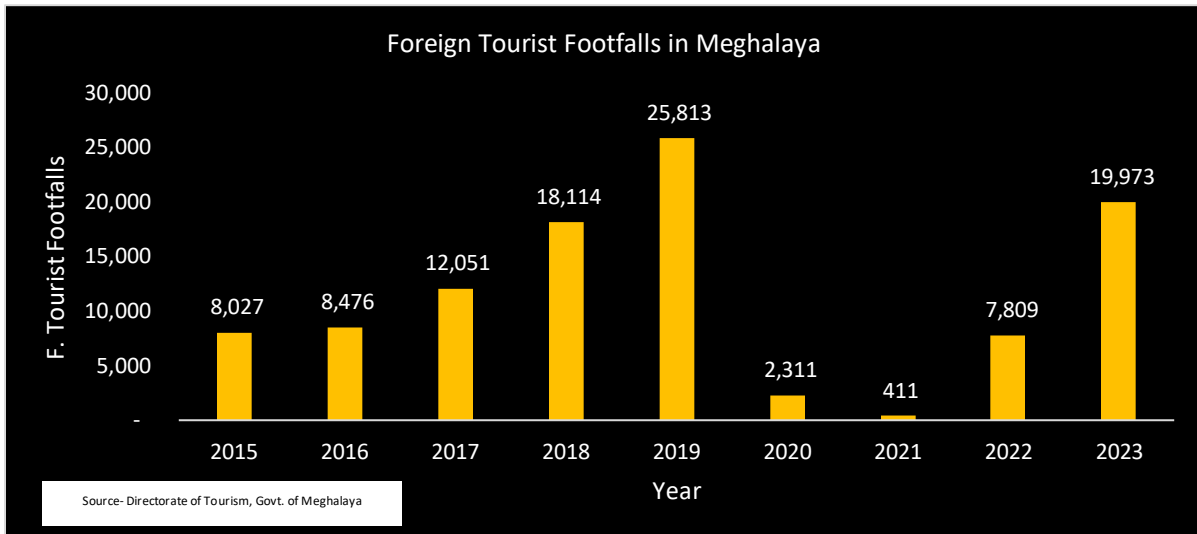
Changing Preferences of Tourists: With the ongoing pandemic, the tourists have shown keen interest in moving towards offbeat locations, while also wanting to be connected. Meghalaya serves well in being an offbeat location and considerable connectivity. The natural treks, adventure sports, cultural exchange offers strong position of the state in times to come.

Safety & Welcoming Culture: Shillong makes a welcoming destination for the tourists, especially women and international tourists. The indigenous culture and the distinct communitarian way of life have been a major attraction for the state.

1.2.5 Tourist arrival trend

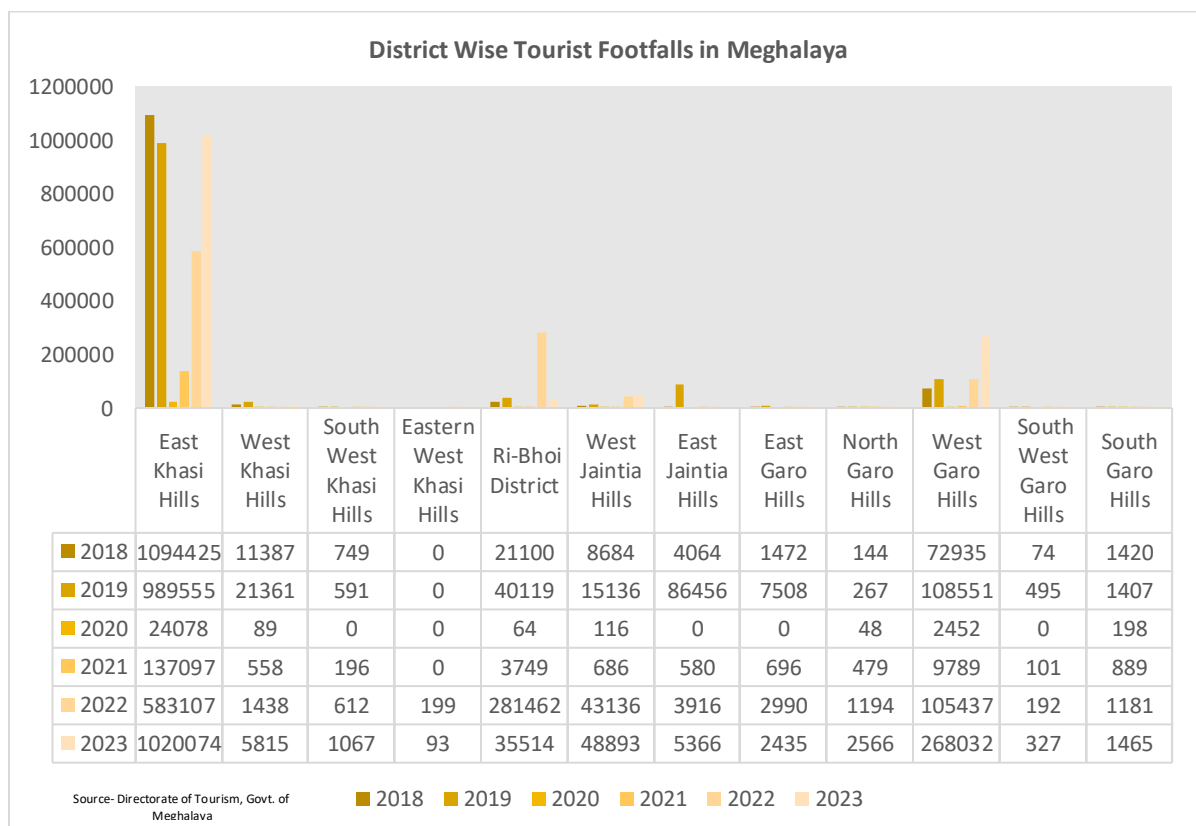
The state witnessed a total tourist footfall of 13,91,647 in 2023 reflecting a CAGR of 6.9% between 2015 to 2023. Steady increase of domestic and foreign tourists has been observed due to enhanced connectivity to Northeast in recent years. The primary mode of travel for tourists is by road from Guwahati Airport. As per the MTDC's data, the foreign tourist footfall in Meghalaya stood at approx. 19,973 and domestic tourist footfall stood at approx. 13,76,74 respectively in 2023. The increasing trend of tourist footfalls in Meghalaya in last 8 years is depicted below chart.





Meghalaya has around 203 tourist spots with majority of the tourism sites falling within East Khasi Hills, these include destinations such as Shillong, Mawlynnong, Mawkdok, Mawsmai, Sohra and Mawphlang etc. These destinations offer diverse tourism products that range from Adventure, Cultural Nature and Eco tourism to Music, Golf, MICE and Health Tourism products. West Garo Hills District and West Jaintia Hills district are the districts with second and third highest number of tourist spots.

According to the MTDC’s district wise tourist footfalls data, it is observed that district of East Khasi Hills has been experiencing highest tourist footfalls followed by West-Garo hill and Ri-Bhoi District.



According to the Meghalaya Tourism Experience portal, various tour packages ranging from day packages to week packages are offered. Most of the tourist circuits in Meghalaya predominantly cover destinations in and around East Khasi Hills district with emphasis on Shillong and Sohra. This is influenced by the easier connectivity and less travel time to these destinations along with their general popularity among tourists. Some of the popular tourist spots existing in the 2 main destinations of **Shillong and Sohra** include:

Shillong: Lady Hydari Park, Ward's Lake, Cathedral Catholic Church, Capt. Williamson Sangma State Museum, Don Bosco Centre for Indigenous Cultures, Golf Course, Spread Eagle Falls, Sweet Falls, Elephant Falls and Shillong Peak.

Sohra (Cherrapunjee): Mawkdok / Dympep Valley View, Sohra Market, Rama Krishna Mission Museum, Nohkalikai Waterfalls, Riat Mawiew / The Grand Canyon of Cherrapunjee, First Presbyterian Church, Tombs of Welsh Missionaries, Angelican Cemetery, David Scott Memorial, Eco-Park, Sa-I-Mika Park, Mawsmal Lighted Cave, Nohsngthiang Waterfalls, Thangkharang Park / Kynrem Waterfalls, Khoh Ramhah / Motrop and Dainthlen Waterfalls.

1.3 Overview of Site

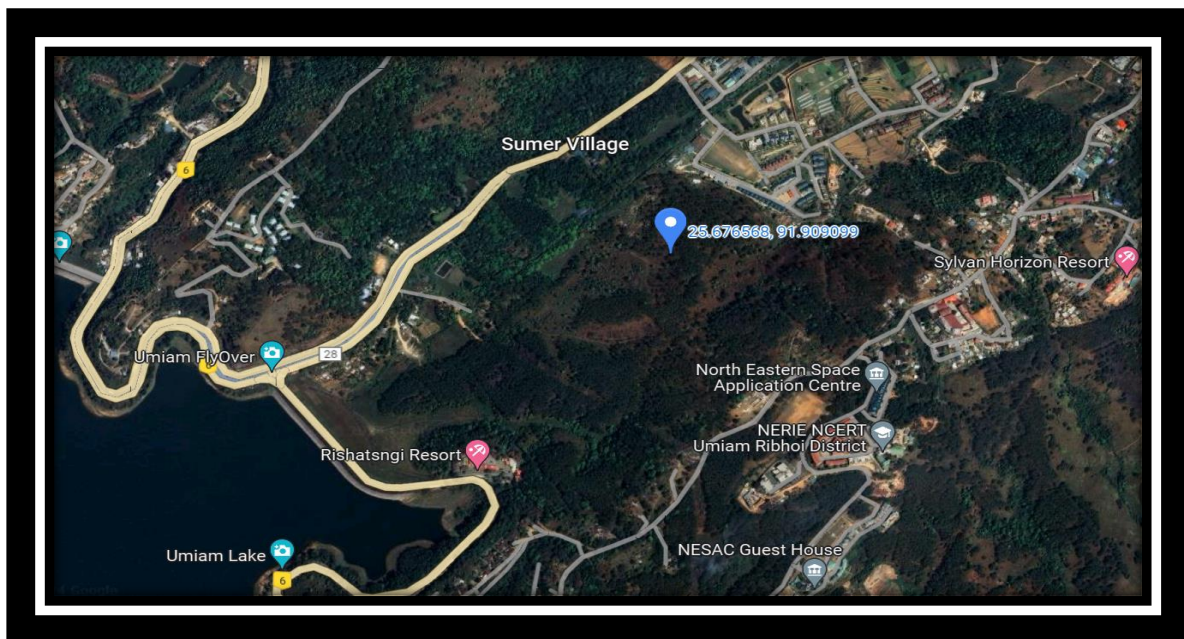
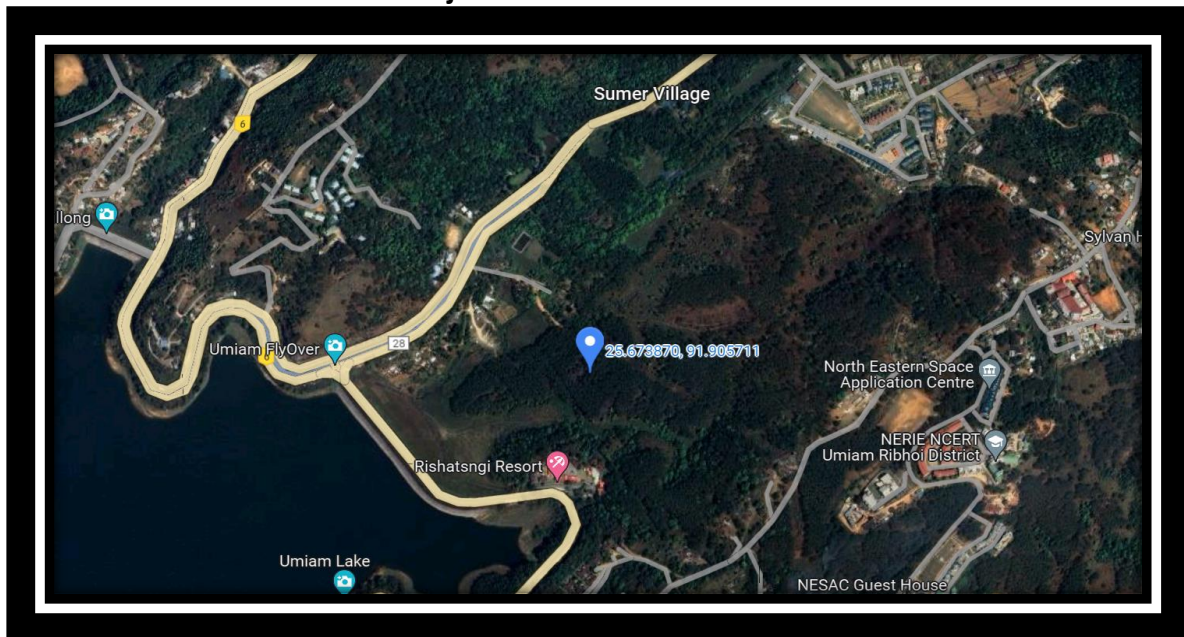
This location has been identified for development of the luxury tented accommodations, based on several criteria to ensure the success of the project and the satisfaction of future guests.

- **Accessibility:** The site are reasonably accessible by road or other means of transportation, allowing tourists to reach the destination without excessive difficulty.
- **Scenic Beauty:** The locations offer stunning natural vistas, such as panoramic views of mountains, valleys, forests, or rivers, to attract visitors seeking picturesque landscapes.
- **Environmental Impact:** The potential environmental footprint of the development is minimal, preserving the site's natural state and adhering to sustainable practices.
- **Safety and Security:** The locations selected are safe for tourists and staff, with considerations for wildlife encounters, weather extremes, and geographical stability.
- **Availability of Utilities:** Proximity to basic utilities like water, electricity (or the potential for sustainable alternatives like solar power), and waste management systems is available for operational functionality.
- **Legal and Regulatory Compliance:** The site comply with local, regional, and national regulations, including land use, construction, and environmental laws.
- **Market Potential:** The site have a strong appeal to the target market segment, such as adventure travellers, nature enthusiasts, or those seeking a luxury retreat.
- **Expansion Possibilities:** The site should allow for potential expansion or the addition of more facilities in the future without compromising the environment or guest experience.
- **Unique Selling Proposition (USP):** The site offers unique features or experiences that distinguish it from other destinations, such as local wildlife, cultural heritage, or adventure activities.

These criteria help ensure that the selected site for luxury cottages not only provide a high-quality experience for visitors but also contribute positively to the local economy and environment.

Sl. No	Project Location	Land Extent (Acre)	Minimum Proposed Cottages	Land Ownership	Land Co-ordinates (Longitude and Latitude)
1	Umiam Lake	15 Ac	100 Nos	Director of Tourism, Meghalaya	Latitude: 25°40'26" N Longitude: 91°54'17" E Latitude: 25°40'33" N Longitude: 91°54'27" E

Project Location: Umiam Lake



1.4 Site Packages

The identified site for the development of prefabricated/semipermanent luxury accommodations have been organized as individual location. This location allows for a more focused approach to development and management, potentially appealing to different investor groups or aligning with distinct thematic or regional tourism strategies.

Project Location	Total Land Area (In Acre)	Total Minimum Cottages	Estimated Project Cost (INR Cr.)
Umiam	15	100	35

1.5 Minimum Development Obligations

- 1.5.1 This location have been designated for the establishment of luxury cottages and to be operational round the year. The scope of the Project includes **Development, Design, Financing, Construction, Marketing, Operation & Maintenance of the Project Assets** at the Project Site for a Lease Period of 20 years as per the terms and conditions stipulated in the Lease cum Development Agreement i.e. Volume III of the RFP document.
- 1.5.2 The scope of services to be provided by the Bidder are in general and the list is not exhaustive i.e., does not mention the entire incidental services required to be carried out. The services shall be provided all in accordance with true intent and meaning, regardless of whether the same may or may not be particularly described, provided that the same can be reasonably inferred there from. The scope of services shall be governed by the provisions of the RFP and the Lease cum Development agreement for the work. There may be several incidental services & assignments, which are not mentioned herein but will be necessary to complete the work in all respects.
- 1.5.3 Development of Luxury Cottages
- Develop concept plan, layout plan, working drawings and specifications for the site. The specifications and design of the luxury accommodations may require to be modified as per the local needs and as per the direction of the Authority. The luxury cottage accommodations could have multiple recreational activities for tourists staying at cottage. Some indicative list of activities that can be hosted within project area area as follows –
 - Luxury accommodation (for minimum Cottages as per package requirement) with attached bath and toilet facilities
 - Reception/ Foyer Area
 - Food facilities like restaurant, dining area, bar facilities
 - Recreational activities like indoor games, outdoor games, event center, spa, yoga and ayurvedic therapies, library, cultural center, etc.
 - Congregational spaces like Conference Hall
 - Special spaces such as VIP Lounge area,
 - Themed Multi Cuisine / Specialty Restaurant / Coffee Shop as per the requirement
 - Themed Activity Zone / Club Area / Gaming Zone as per the requirement.

- All kinds of construction must be aligned with the requirement of local & climatic conditions. The structures must be prefabricated or of better technology as per the requirement for round the year operation. Bidder shall comply with quality standards and observe environmental codes and safety norms, as applicable.
 - The quality of design, workmanship and service shall be as per industry practice.
 - Defective, cracked or torn materials shall not be used.
 - All Cottages shall be firmly grounded and stable against wind force and dead loads.
 - Considering the surrounding environment & wind force & rains.
 - Cottages shall be designed and executed considering adverse weather conditions.
 - Joinery and supports should be properly engineered, firm and with good finish.
 - All Cottages shall have good quality furniture, fixtures & fittings. The furniture, fixtures & fittings should as per good industry practice and conformity to ISI.
 - Fire safety and other safety measures must be followed by bidder as per prescribed rules & regulations.
 - All the furniture should be firm, comfortable, traditional and as per functional requirements
- 1.5.4 Bidder shall execute the project maintaining the locational aesthetics, safety and a consistent theme, under approved terms as specified in this RFP. Concept plan, layout plan, working drawings and specifications for the site must be approved and finalized by Authority with regards to safety and applicable standards and specifications. Fire safety and other safety measures must be followed by bidder as per prescribed rules & regulations.
- 1.5.5 The Bidder shall provide all infrastructural services like Electricity, Plumbing, Sanitation, Drainage and exterior furnishing of the Cottage Accommodations. Authority will provide support to the Bidder for getting connection to the source for electricity, water.
- 1.5.6 The Bidder should comply and obtain all statutory approvals. Licensed electrical contractor, clearances & License from labour department, Shops & Establishments, Entertainment License, Food & Drugs License, Fire safety License, etc. as required by Law of the state and India.
- 1.5.7 The Bidder shall be liable to abide by the rules, regulations and guidelines laid down by, NGT (National Green Tribunal), CPCB (Central Pollution Control Board), Meghalaya State Rules, Regulations and Bylaws and any other as effective from time to time.
- 1.5.8 The Bidder should have required documents & certificate to obtain from Government other approval agencies and overall coordination & follow up with agencies for getting approvals & certificates to be completed before starting the operations.
- 1.5.9 The basic structure to be erected must have the facilities & quality standards (non-exhaustive list) as indicated in herein the Minimum development obligations. **The bidder has to install a demo cottage at the respective site, which shall be approved by Authority further starting the construction work and commercial operation.**

1.6 Minimum Service Obligations

- i. The bidder shall be responsible for end-to-end operations of project including maintenance, sales, marketing, promotion and handover the site after the license period, on an as is where is basis after bringing them to a safe and operational condition.
- ii. Bidder shall manage all the operations of the project facilities including, front office, kitchen, restaurant, room service, maintenance of toilets, drinking water facility, water supply, electricity supply, cleanliness, garbage disposal, security, up keeping of the structures, etc.
- iii. The quality of service shall be at par with any minimum 3-star category hotels/ or similar tented accommodations. The Bidder/ Operator, as the case may be, shall depute skilled & trained manpower, as necessary for the said purpose.
- iv. The Bidder/ Operator shall comply with all laws / rules made thereunder / regulations in respect of the Workman's compensation and all other existing laws with reference to employing, safeguarding, insuring and protecting all the employees / labour engaged by the Operator. It shall insure all its employees / labour employed / engaged for any service against third party bodily injury / loss of life during the entire period of such employment / engagement by the Operator and as per statutory provisions.
- v. The agency indemnifies and holds Authority harmless from and against all liabilities, losses, claims, damages, costs and expenses that may be incurred by or asserted against any such party / authority, or any liability accrued by the agency for the assignment.

1.7 Indicative Technical Specification

The Technical specifications is indicative and for reference only. However, the successful bidder has to bring latest technology for development, operation and management of pre-fabricated/semipermanent cottages as per the terms and condition stipulated in the RFP.

a) Presidential Luxury Swiss Cottages:

Presidential Luxury Swiss Cottage (accommodation for 365 days) - to be built over a wooden platform of at least 1 ft height. Luxurious Cottage (temporary structure) with plywood flooring furnished with majestic interiors and spectacular exteriors, air-condition, carpeting, running hot water, 24-hour power supply, pedestal fan and all furnishing. All Cottages shall be of size (1500 sqft) with two bedrooms with all furniture, one lounge area with sofa set, one dining arrangement with all furniture's, tea / coffee maker, dressing room, attached bathrooms (two WC toilet), pedestal fan, AC & heater, flat screen TV, non-alcoholic mini bar, luxury toiletries, front seating area, fire alarm and good quality of curtains (including shower curtain in bathroom).

b) Royal Luxury Swiss Cottages

Royal Luxury Swiss Cottage (with tropical appearance of tent) (accommodation for 365 days) - to be built over a wooden platform of at least 1 ft height. Luxurious Cottage (temporary structure) with plywood

flooring furnished with majestic interiors and spectacular exteriors, air-condition, carpeting, running hot water, 24-hour power supply, pedestal fan and all furnishing. All Cottages shall be of size (1300 sqft) with one bedroom with all furniture, one lounge area with sofa set, one dining arrangement with all furniture's, tea / coffee maker, dressing room, attached bathrooms (two WC toilet), pedestal fan, AC & heater, flat screen TV, non-alcoholic mini bar, luxury toiletries, front seating area, fire alarm and good quality of curtains (including shower curtain in bathroom).

c) Premium Swiss Cottage Cottages

Premium Swiss Cottage (with tropical appearance of tent) (confirming to facility of a 3-star accommodation for 365 days) - to be built over a wooden platform of at least 1 ft height. Cottages shall be of temporary structure with all furniture, air-condition, carpeting, running hot water, 24-hour power supply, pedestal fan and all furnishing (confirming to facility of a 3-star accommodation) All Cottages shall be of size (550 sqft) including bedroom (double bed), attached bathroom (WC toilet), tea / coffee maker, toiletries, cosy sitting area and spacious front porch.

1.8 Indicative Glimpse of the Cottage

