



GLOBAL EXPRESSION OF INTEREST



DEVELOPMENT OF INTEGRATED TOURISM & TOWNSHIP PROJECT AT GANDIKOTA KADAPA DISTRICT, ANDHRA PRADESH, INDIA

On Public Private Partnership Format



DEVELOPMENT OF
INTEGRATED TOURISM & TOWNSHIP PROJECT
AT GANDIKOTA, KADAPA DISTRICT, ANDHRA PRADESH, INDIA
on Public Private Partnership Format

GLOBAL EXPRESSION OF INTEREST

July 2008

Andhra Pradesh Tourism Development Corporation (APTDC)

"Tourism House", # 3-5-891, Himayatnagar,
Hyderabad - 500 029, Andhra Pradesh, India

Tel: +91 40 2326 2151/ 52/ 53/ 54

Fax: +91 40 23262420

E-mail: aptdc@satyam.net.in

www.tourisminap.com & www.aptdc.in

INSTRUCTIONS FOR EOI SUBMISSION

1 INTRODUCTION:

Government of Andhra Pradesh (GoAP), a rapidly progressing state of India, through Andhra Pradesh Tourism Development Corporation (APTDC), intends to develop an **“Integrated Tourism & Township Project”** in 800 hectares of land on the bank of Penna River, situated amidst serene natural surroundings of the historic Gandikota Fort, Kadapa District Andhra Pradesh, India.

The Site is next to Gandikota Fort, which is of a rich historical heritage with spectacular and unique natural features to boot. Massive cliffs provide the picture-perfect setting for the Penna River and a breathtaking bird’s eye view of the expanse. Further upstream, the river leads to the beautiful Mylavaram reservoir, which provides perfect script for development of a world-class tourist facility.

The strategic location is the biggest advantage for the proposed project as it falls approximately, 350 kms distance from three of the South Indian Capital Cities i.e. Hyderabad, Bangalore and Chennai, which are well known Global IT destinations with intense economic activities. The Site is also near to major tourist destination of India like Tirupathi (The world’s second largest spiritual tourism center, next to only to Jerusalem in terms of number of people visiting per annum), Hampi (The World Heritage Site) and Puttaparthi (The abode of Shri Satya Sai Baba).

APTDC envisages the proposed development as an integrated ‘Tourist Destination’ with ‘Active Recreation’ as a central theme for development. While fulfilling the objective of promoting tourism, the proposed project should preserve the unique natural features and beauty of the area and integrate with other project components in environmentally sustainable manner.

APTDC intends to develop the proposed project on Public-Private-Partnership basis. IL&FS Infrastructure Development Corporation Ltd. (IL&FS IDC) is the Advisor for Project Development, Promotion and Bid Process Management.

2 ABOUT APTDC:

Andhra Pradesh Tourism Development Corporation (APTDC) is an undertaking of Government of Andhra Pradesh (GoAP), India and one of the top performing Tourism Corporations in the country. APTDC owns and operates accommodation, travel and leisure assets across the State of Andhra Pradesh. It owns and manages 41 hotels, 132 luxury tourist coaches, water fleets of 115 boats, launchers and vessels. It also manages few heritage sites in the state with Light & Sound Shows and conducts Tourism Festivals in the State.

3 INVITATION:

APTDC invites Global Expression of Interest (EOI) from Developers / Investors / Operators of Tourism Destinations of National/ International repute to plan, design, finance, construct, operate, maintain and manage the proposed project.

4 SUBMISSION OF EOI:

The EoI shall include:

- Company/ Organization Profile giving details of current activities, background of promoters and management structure etc.
- Details of similar & other projects of similar magnitude successfully implemented in the past ten years including period of implementation, cost and project features.
- Annual Reports of the past three Financial Years
- A brief write-up (or) conceptual presentation on understanding of the project concept and objective with suggested components of project, broad costing, implementation methodology with time frame, suggested project structuring including environment management measures proposed to be adopted and any other aspects on the proposed project.
- The firms are expected to make a presentation to APDTC covering all the above.

5 INITIAL ELIGIBILITY CRITERIA:

The Developers / Investors / Operators of Tourism Destinations should have

- Minimum Annual Turnover of INR 10,000 Millions (US \$ 250 Millions or equivalent) each year, in any two of the past three Financial Years
- And**
- Minimum Net-worth of INR 5,000 Millions (US \$ 250 Millions or equivalent) at the end of the past Financial Year

6 DEVELOPER SELECTION PROCESS:

Selection of Developer for implementation will be on the basis of bidding process (Technical/ Experiential and Financial) in response to Request for Proposals (RFP) to be invited by APTDC subsequently. APTDC reserves the right to invite bids only from those firms, who expressed their interest in response to this invitation and meet the above initial eligibility criteria. APTDC reserves the right to reject any or all EoIs received without assigning any reasons.

7 EOI SUBMISSION:

EoI shall be submitted clearly super-scribing the envelope **“EoI for Development of Integrated Tourism & Township Project at Gandikota, Kadapa District, Andhra Pradesh, India”** on or before **16.30 Hrs (IST) on 12th September, 2008**. Presentations by the firms would be in the third/ fourth week of September 2008.

Submission of EoI by fax, email or other electronic means will not be accepted. It is the responsibility of the interested party alone to ensure that its EoI is delivered at prescribed address by the stated deadline. Neither APTDC nor IL&FS IDC shall be held responsible for any delay in delivery or lost in transit cases.

8 CONTACT DETAILS:

The EOI shall be submitted to:

Nodal Agency:

Andhra Pradesh Tourism Development Corporation (APTDC)
"Tourism House", # 3-5-891, Himayatnagar,
Hyderabad - 500 029, Andhra Pradesh, India
Tel: +91 40 2326 2151/ 52/ 53/ 54
Fax: +91 40 23262420
E-mail: aptdc@satyam.net.in
www.tourisminap.com & www.aptdc.in

For more details please contact:

Project Advisors:

IL&FS Infrastructure Development Corp. Ltd.
502, Apurupa Classic, Next to Global Hospital,
Banjara Hills Road No.1,
Hyderabad – 500034, Andhra Pradesh, India
Ph: +91 40 66101275
Fax: +91 40 23310282
Mr. Srinivas Banda, Mob. No.: + 919348485767 <srinivas.banda@ilfsindia.com>
Mr. Amol S. Rohadkar, Mob. No.: +919704567276 <amol.rohadkar@ilfsindia.com>
www.ilfsindia.com & www.iidcindia.co.in

PROJECT INFORMATION BRIEF

TABLE OF CONTENTS

Introduction.....	8
Proposed Project Site.....	8
Site Connectivity.....	10
Tourism Potential.....	11
Other Development Initiatives in the Region.....	13
The Objective.....	13
Project Concept & Components.....	13
Project Time Lines.....	15
Support from Government of Andhra Pradesh.....	15
Implementation Structure.....	16

1 INTRODUCTION

Tourism provides opportunity for economic growth, employment generation and poverty alleviation. Tourism holds the key for creation of rural wealth, opportunity for the hitherto neglected segments of society, artisans and service providers in the backward areas. This sector employs 212 million people world wide, generates \$3.4 trillion in gross output and contributes \$655 billion towards government tax revenues. Travel and Tourism is the world's largest industry.

India is the land of innumerable Gods and Goddesses, languages, religions and traditions but still in this diversity one can find a unity. India is a country with a diverse topography-from the great Himalayan Mountains in the north, the Thar Desert in the west, the rain-fed Delta (the Sunder bans) in east and the coastal areas in the south. India has a panorama of scenes, which reflects the spectrum of Indian colors.

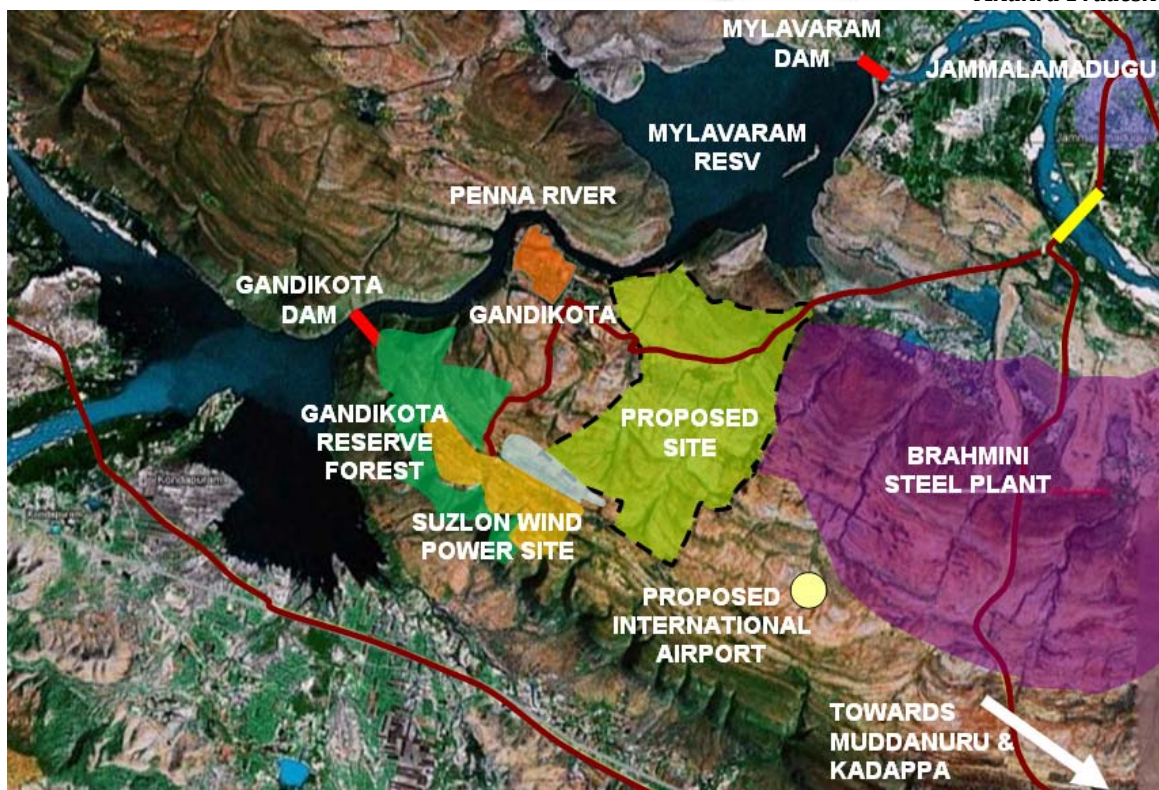
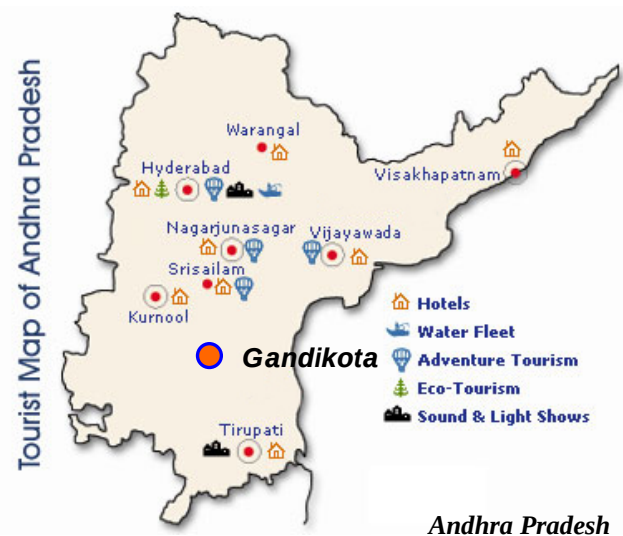
The World Travel and Tourism Council (WTTC) have projected India to be one of the world's foremost tourist growth centers in the coming decade. After Turkey, India is expected to achieve the fastest rate of growth in the economic activity likely to be generated by travel and tourism, at 9.7 per cent over the next 10 years. Also, the largest employment creation after China is expected to take place in India during the same period. The growth in 'visitor exports' or spending by international tourists is also likely to be the fastest in India at 14.3 per cent per annum over the next decade. On the whole, the WTTC forecasts India to be promising destination for tourism in the mere future.

Indian Economy and growth in the related ancillary industries especially in Infrastructure, Aviation and the Tourism Industry is expected to remain on an upswing. Over the current years, Foreign Tourist arrivals to India have been showing an increasing trend with 4.97 million tourists visiting India in 2007, up by 11.9% as compared to visitors in 2006 (4.44 million) and these figures exclude the NRIs visiting India.

Andhra Pradesh state had identified Tourism as one of the Growth Engines for economic and employment development in the state and proactive in promoting tourism sector with Public Private Partnership mode.

2 PROPOSED PROJECT SITE

The site for proposed development is around 75 Kms. from Kadapa in the state of Andhra Pradesh, India. The site is around 800 hectares on the bank of Penna River situated in serene natural surroundings of Gandikota Fort. Gandikota Fort is well known as second Hampi (The World Heritage Site) and was a part of rich Vijayanagara Empire of 14th Century. The site is located between the Mylavaram Reservoir and upcoming Gandikota Reservoir.



Proposed Site, Gandikota

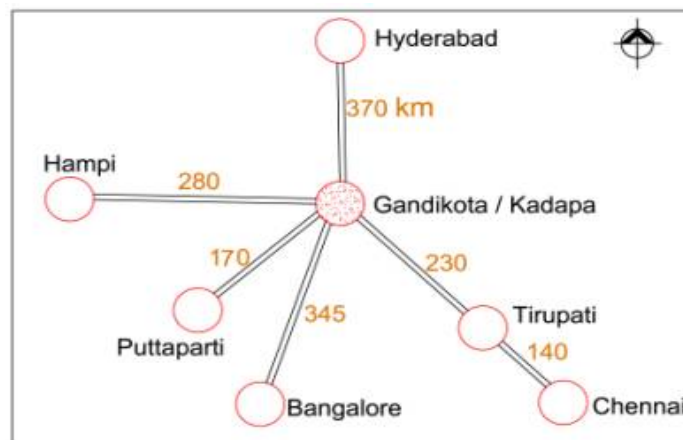


3 SITE CONNECTIVITY

The site is currently connected through a 10 Km. of 7.5 m. wide road from State Highway Connecting to Kadapa. The road divides the site in two zones and leads to the Gandikota Fort.

- **Roadways:** Gandikota is about 50 Kms. from the National Highway – 18. It is 4 - 8 hours driving distance from other key towns connected via NH-18 provides connectivity with Hyderabad, Bangalore and Chennai.
- **Railways:** The railway station is about 20 Kms. At Muddanuru, on Chennai & Mumbai Route.
- **Airways:** The nearest operational airport is about 170 Kms. at Puttaparthi. The Tirupathi (Renugunta) airport is about 230 Kms., which is connected by regular flights from Delhi, Hyderabad, Chennai and Bangalore. Government proposes to develop a Greenfield International Airport near Muddunur in 450 hectares, which is closer to the proposed site. The Air strip in Kadapa is also under renovation for handling the small aircraft.

Distance of Surrounding Major Destinations



Following is the distance chart for site to the major settlements and landmarks:

1. Kadapa – Site:	75 km
2. Jammalamadugu – Gandikota:	10 km
3. National Highway –18: Kurnool-Kadapa-Chittoor:	52 km
4. Site – Tirupati:	230 km
5. Site – Hyderabad:	370 km
6. Site – Bangalore:	345 km
7. Site – Chennai:	370 km
8. Railway Line: Muddanuru	20 km
9. Airstrip in Kadapa:	60 km
10. Proposed Steel Plant-Site	0 km
11. Proposed International Airport-Site	10 km

4 TOURISM POTENTIAL

4.1 Current Tourism

Currently Gandikota is a tourist place primarily for the local catchment of surrounding districts of Andhra Pradesh, Karnataka & Tamilnadu States of India. Presently the key attractions for the tourist is Fort, Reservoir, Temples, Unique Rock Formation & Penna Gorge etc. “Gandikota Fort” is a historical monument, many dynasties ruled from the Fort from 1123 AD to 1664 .

4.2 Gandikota Fort – The Gorge Fort

Gandikota Fort/ Gorge Fort is a historical monument of Sri Krishnadevaraya period, well-known king of Vijayanagara Empire. It was established in 13th century by Chalukyas & Qutubuddin Aibak and is spread over 8 Sq. Kms. of land. Fort is surrounded by water on 3 sides, one of the sides are seasonally dry. Within the Fort area, there are many interesting places of tourism significance, the Ranganatha and Madhava Swamy temples built during the 15th & 16th Centuries are adorned with beautiful sculptures and are in an architectural style reminiscent of the great Vijayanagara Period. The Fort has the largest granary in India. The Fort would be one of the primary attractions to be integrated with the proposed project.

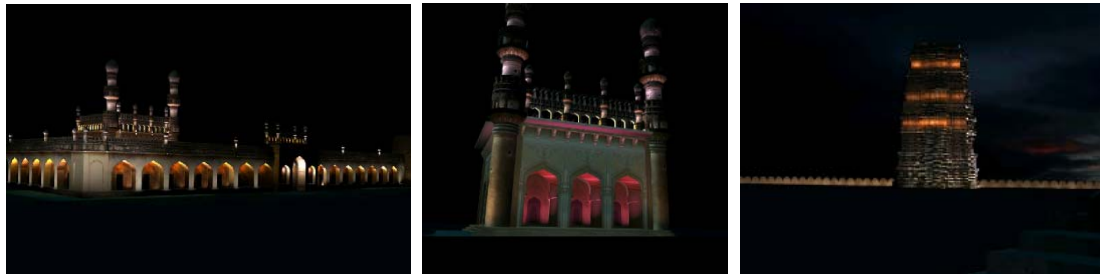
Heritage Structures in Gandikota Fort



Fort is a nucleus of tourism development in Gandikota. The ownership of the Fort lies with Archeological Survey of India (ASI). The conservation and restoration of Fort precinct is under progress. The steps towards making Gandikota as a potential tourist place have been taken by APTDC. Marketing the Fort and its attractions can significantly increase the current tourist inflows. Landscaping and creating pathways inside the Fort area can enhance the heritage value of the Fort. Conducting Sound and Music shows inside the Fort can also be an added attraction. APTDC has proposed the illumination of Gandikota Fort with a concept of dynamic lighting effects on the

important heritage structures. It will enhance the Potential of Gandikota as a Tourist Place and it will establish a Premise for Gandikota as Destination.

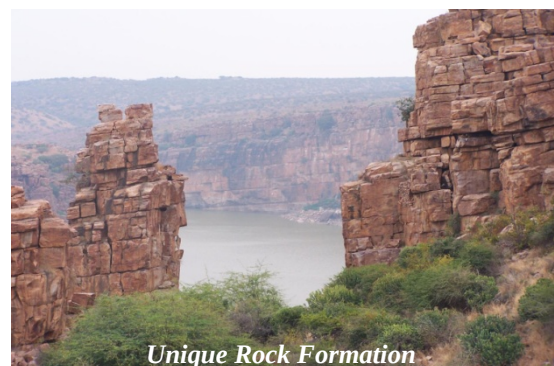
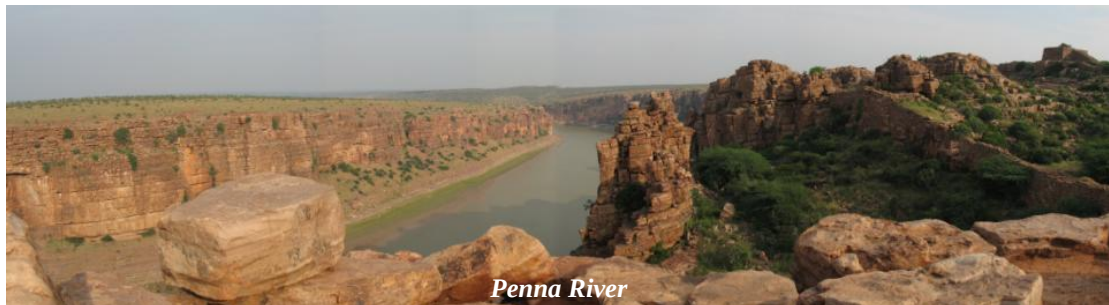
Proposed Illumination of Heritage Structures



4.3 Unique Natural Features

The other potential features in Gandikota region are the Penna River, the gorge view of Penna River, Mylavaram Dam, natural landscape and the unique rock formation. The meandering Penna River with a Gorge as the unique features can be leveraged as a major tourist attraction. Mylavaram Reservoir is a huge water body formed because of the construction of a dam on Penna River. The overflowing Mylavaram dam is a treat to watch in rainy season. Another dam (Gandikota Dam) is under construction at an upstream of 5 km from the site on Penna River.

Natural Features in Site Vicinity



5 OTHER DEVELOPMENT INITIATIVES IN THE REGION

Government of Andhra Pradesh has undertaken several development initiatives in the region including:

- ‘Brahmini Industries Limited (BIL)’, a Mega Steel Plant is coming next to the site with an estimated investment of INR 2,00,000 Million (US \$ 5000 Million) in 4,350 hectares of area.
- The Jindal Group, Zuari Group and Raghuram Cements are developing new cement plants in the district with more than INR 10,000 Million (US \$ 250 Millions) investment, which would make the district a hub for cement industry, as well. India Cement, Zuari Group and Penna Cement are already operating their cement plants in the district.
- Andhra Pradesh Industrial Infrastructure Corporation Ltd (APIIC) is in the process of acquiring land for development of Mega Industrial Zone in the district. A Textile Park and an Apparel Park are also being set up in the district. An IT Park is also under implementation in Kadapa by the local entrepreneur.
- A Greenfield International Airport in the district, near to the Gandikota Fort is proposed in addition to upgrading the existing airstrip in Kadapa Town.

All the above-proposed developments in the vicinity of the proposed site envisage large-scale employment generation and overall socio-economic growth resulting in demand for better facilities.

6 THE OBJECTIVE

The objective of the proposed project is

- to bring diverse interests like tourism, educational and other social infrastructure facilities to complement, support & respond to surrounding developments
- to make as a popular destination with all flairs of recreation/ entertainment components emphasizing on active recreation using natural context
- to build a strong ‘IMAGE OF THE PLACE’ leveraging the Gandikota precinct and its surroundings, its’ historical importance and large scale industrial development around
- to make the place sustainable (economically & environmentally) integrated new town with a holistic/ comprehensive approach for all diversified interests

7 PROJECT CONCEPT & COMPONENTS

The proposed development could be in a phased manner. The immediate development would cater to the tourism aspect in the form ‘Theme Park with adventure tourism components’ and the ‘Integrated Township with state-of-the-art social infrastructure including schools, hospitals etc.’ will cater to the surrounding industrial developments. The

suggested components like ‘Development of Knowledge Hub, ITES Park etc. could also be taken-up in the initial phase to make the development as integrated, comprehensive and commercially viable. Expansion of tourism infrastructure to develop project as a ‘Tourist Destination’ viz. ‘Historic Event City’ and making it a part of larger tourist circuit by linking with Hampi, Tirupathi, Puttaparthi could be taken-up progressively.



‘Historical Event City’ is a concept to rejuvenate the glory of a place which is lost in time. It will be a ‘Historical Journey’/ a ‘Journey through History’ to experience the glorious tradition of past. It will be the reconstruction of the historical era showing the magnificence of the Southern empires like Pallavas, Cholas, Pandyas and the Vijayanagar Rulers. It will become a unique feature - a theme park replicating the rich socio-cultural legacy of that era (lifestyle, building typology, battlefields, public places like traditional bazaars etc.) This event city will be a forum to cherish the events in life for everybody and it will become an important destination in South India.

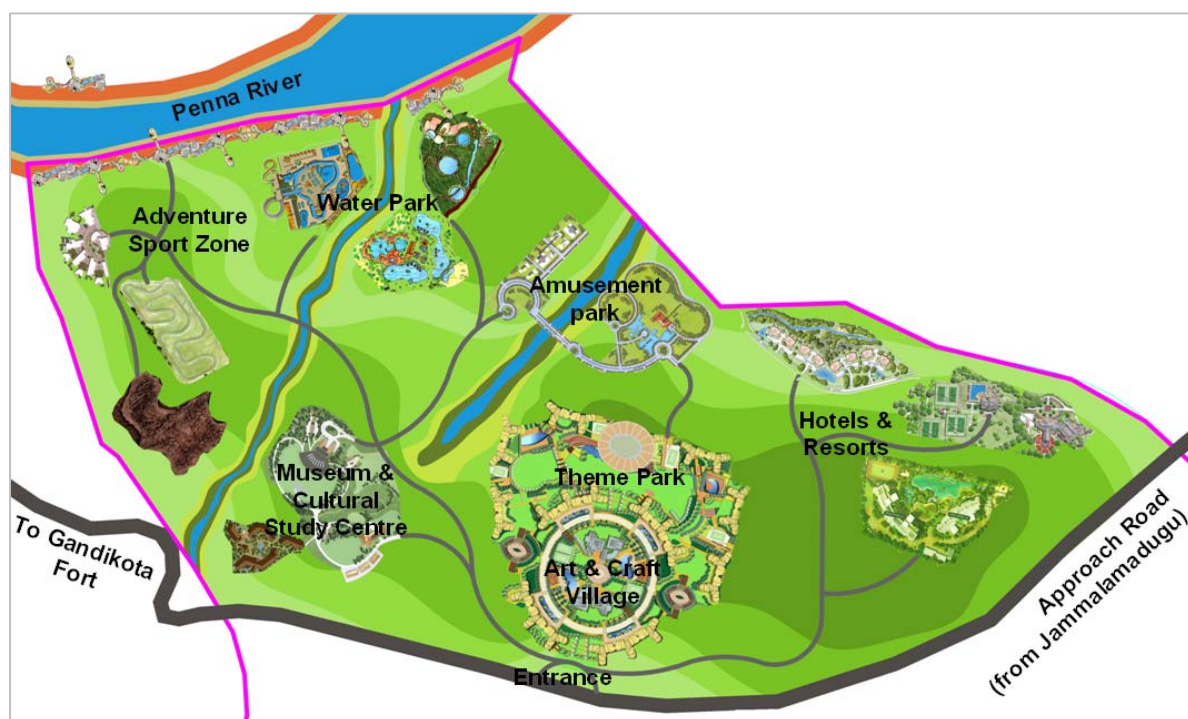


The above concept and suggested project components therein are only an indicative, the developer can suggest any concept that meets the objectives defined for the project development and minimum obligation to develop tourism related facilities in atleast 160 hectares of the site out of the total 800 hectares.

The suggested components for Tourism Zone are:

- **Active Tourism :** Amusement Park, Water Park, Adventure Zone, Trekking
- **Historical & Educational Tourism:** Theme Park (Enactment of Magnificence/ Glory of Southern Empires), Museums, Cultural Study Centre, Light & Sound Shows, Heritage Walk
- **Recreation, Entertainment and Accommodation:** Retail Streets (Indian Traditional Bazaar Streets), Resorts & Hotels, Shopping Malls & Multiplexes
- **Leisure Tourism:** Camping sites, Boating, Ropeways, suspension bridges etc.

Schematic Plan of Tourism Zone



The other project components, which developer can integrate with the main theme include Knowledge City, Integrated Township, ITES SEZ/ Park, Medicity (Medical Tourism), Film City, Sport City, Science City and/or any other facility compatible with the main theme. The selected developer will have adequate flexibility to decide product mix for proposed development.

8 PROJECT TIMES LINES

Keeping in view the factors like scale of project, economic development in the region, logistics and possible future development in the area, the following timeframe can be considered for proposed development:

Phase I (Short Term) : within 3 years

Phase II (Long Term) : within 5 years

9 SUPPORT FROM GOVERNMENT OF ANDHRA PRADESH

9.1 Off-site Infrastructure

Presently the site lacks in terms of basic infrastructural facilities like wide roads, water, power, telecommunication etc. Government of Andhra Pradesh (GoAP) would provide off-site infrastructure for development of the project. The off-site infrastructure requirements include:

a) Roads

Currently the site can be approached by two existing roads. One road connects Jamalmadagu with Gandikota and other road connects Muddanuru with Gandikota. Part of these roads need to be upgraded as two-lane roads. Following table shows details of road stretch with needs up-gradation:

Road Stretch	Distance	Proposed Width
Jammalmadugu (bridge) to Gandikota Fort	9 Km.	2 lane
Gandikota Fort to Muddanuru	20 Km.	2 lane

b) Water Supply

Penna River is a perennial river having Mylavaram reservoir a large water body created because of Mylavaram dam. Another dam called as Gandikota dam, is under construction on Penna River. In view of the above, adequate water sources are available in the vicinity; the developer can exploit the same for water supply to project site.

c) Power

The Power Supply upto battery limit of project site will be the responsibility of GoAP or its' agencies.

9.2 Land for Off-site Tourism Components

In case the developer require some additional land for development of ropeway landing space or any support facilities, GoAP will help in identification and allotment of required small parcels of land in site vicinity.

10 IMPLEMENTATION STRUCTURE

The project is proposed to be implemented through Public Private Partnership (PPP), where land would be leased and/ or lease-cum-sale (in case of Township component) and/ or development rights (in case of off-site tourism infrastructure) and/or any other framework would be given to the Developer selected through a competitive bidding process. The Developer would undertake planning, design, construction, commissioning, marketing, operation and maintenance of the project facilities.