

DEPARTMENT OF TOURISM**RAJASTHAN TOURISM
DISPOSAL OF LAND AND PROPERTIES BY DOT/RTDC
RULES, 1997****Jaipur, July 2, 1997**

G.S.R. 38. - The State Government, in order to carry out smooth disposal of land/ property including Nazul properties under the control of Department of Tourism/ RTDC, for establishment of tourism units, hereby frames the following rules namely: -

1. Short title and commencement: -

- (i) These rules may be called the Rajasthan Tourism, Disposal of Lands and properties by DOT/RTDC, Rules, 1997.
- (ii) They shall come into force with immediate effect.

2. Definitions: -

- (i) The term 'Land' shall mean any land or property including Nazul properties, which may have originally belonged to any Department of the State Government or any local body and which has been placed under the control of Department of Tourism/RTDC or any other land/property which may have been acquired or purchased by the Department of Tourism/RTDC and shall also include land/property vesting with the RTDC.
- (ii) State Government, shall mean the Government of Rajasthan.
- (iii) The tourism units shall have the same meaning as assigned to it in the Rajasthan State Capital Investment Subsidy Scheme, 1993, for tourism units as amended from time to time.
- (iv) The term Disposal shall mean and include: -
 - a) The sale of land/property by open two-stage bidding auction.
 - b) Allotment of land/property on lease or licence for a period to be determined by the committee and

c) Joint Venture Management of land and properties between Department of Tourism or RTDC on one part and a registered company or private individuals on the other part.

(v) DOT shall mean the Department of Tourism, Art and Culture, Govt. of Rajasthan.

(vi) RTDC shall mean Rajasthan Paryatan Vikas Nigam.

3. **Disposal through committee: -**

Disposal of land and property by DOT/RTDC shall be conducted and finalised by a committee comprising of following officers:-

1. Managing Director, RTDC
2. Special Secretary, Finance (Rev.) Department, Govt. of Rajasthan.
3. Special Secretary, Revenue Department, Govt. of Rajasthan.
4. Special Secretary, G.A.D., Government of Rajasthan, and
5. Director of Tourism, Art and Culture, Govt. of Rajasthan who shall also be Member Secretary of the committee.

4. **Procedure for Disposal of land and properties by DOT/RTDC: -**

(i) Every land and property including Nazul Properties identified for disposal shall be examined by the committee for fitness to be disposed off by auction, allotment on lease or licence and entry into joint venture management as set forth in rule 2(iv).

(ii) The land and property shall then be disposed off through a process of two-stage bidding. In the first stage, bids will be evaluated on the basis of bidders experience in hotel industry, its financial standing and management capability etc. In the second stage, financial bids will be invited from the shortlisted bidders of the first stage and thereafter the property would be awarded as per the decision of the committee, which shall be communicated to the successful bidder.

Provided that;

(a) parties desirous of leasing properties of 30 rooms and above, but not having experience in the hotel industry, will be required to enter into a Management Contract, with a hotel operator/chain, for a minimum period of 10 years.

(b) parties desirous of leasing properties with less than 30 rooms, but not having experience in the hotel industry will be required to enter into a Technical Assistance Agreement, with a reputed specialist agency having expertise in the management and marketing of hotels, for a minimum period of 5 years.

(c) for other tourism units desirable experience in the related industry for a period as determined by the committee

(iii) The committee will be free to accept or reject any offer or bid without assigning any reasons.

5. **Proclamation of Disposal:-**

(i) Whenever any land and property is required to be disposed off a proclamation of the intended disposal shall be issued by the Director of Tourism.

(ii) Such proclamation shall state the time and place of disposal and specify as fairly and accurately as possible:-

a) the location and particulars of the land/property intended to be disposed off and ;

b) any other particulars or such regulatory conditions, which the DOT or committee may consider material for a purchaser to know in order to judge the nature and value of property.

6. **Mode of proclamation:-**

(i). The proclamation shall be made and published in the news papers or magazines having wide state and national circulation. A minimum period of 15 days will be allowed for receiving the bids from the date of first publication of the proclamation in any news paper/magazine.

- (ii) Separate or joint proclamation shall be issued in respect of each land/property sought to be disposed off by the committee.

7. **Security deposit by bidder:-**

Every bidder intending to participate in the disposal of land and properties shall deposit security money as fixed by the committee before he is allowed to make any bid. Security money of unsuccessful bidders shall be refunded within 30 days of the finalisation of the disposal.

8. **Payment of bid amount and resale on default :-**

The successful bidder after the acceptance of the offer by the committee, shall pay within a period of 15 days of receipt of letter of acceptance, a sum equivalent to 25% of the bid amount after deducting the amount already deposited as security money, in the manner prescribed in the letter of acceptance and in default of such deposit the security money shall be forfeited to the Govt. and the property shall forthwith be redispensed in a manner to be determined by the committee.

9. **Period allowed for payment of balance bid amount:-**

The balance amount of the lump sum down payment and any other payment as per terms and conditions of the bid as communicated by the Director of Tourism shall be deposited by the successful bidder, within a total period of 45 days from the receipt of such communication.

10. **Sale when to become absolute:-**

In case of sale, where the full price of the land/property, put to disposal has been deposited by the purchaser within the time limit specified in rule 9, the Director of Tourism, shall make an order confirming the sale and thereafter the sale shall become absolute.

11. **Delivery of possession:-**

The Director of Tourism, shall on the application of the successful bidder and after verifying that all payments has been duly received and after execution of a lease/licence/joint venture agreement with the successful bidder or after issue of

a sale letter, as the case may be, order delivery of possession of such land/property to the successful bidder/company.

12. **Transfer of Bid Amount :-**

(i) If the land/property disposed under these rules, originally belonged to GAD or any other Department of the State Government, then the entire amount received as lump-sum down payment or such amount received as periodical payments from time to time, in the form of lease rent or otherwise or return on the basis of joint venture agreement, would be deposited in the State Treasury, after deduction of 15% amount as administrative charges.

Provided that, if any equity has been contributed by RTDC from its own resources, then the entire return on such equity shall be appropriated to the said corporation.

(ii) In case, the land disposed off under these rules, originally belonged to local bodies then the entire amount received as lump-sum down payment would be transferred to the concerned local body, after deduction of 15% amount as administrative charges.

Provided that, amount so paid to the local body shall not be less than the commercial reserve price of the land and shall also be paid within a period of 15 days of the receipt of amount from the successful bidder.

Provided further that, DOT/RTDC would be liable to assess and recover urban assessment @ 5% of reserve price, from the ultimate allottee and in case the area has been developed by the local body then pay the same every year to the local body after deducting administrative charges @ 15%.

13. **Recovery of dues:-**

In case, the entrepreneur fails to remit lease rentals and other Govt dues, the same shall be recoverable in all or any of the following manners:-

- i) Reversion of property.
- ii) Recovery of dues as arrears of land revenue.

- iii) Forfeiture of security/ earnest money and other deposits.
- iv) Forfeiture of the advance deposit of one year lease money.

Disposal by way of lease / licence agreement

14. The committee referred in rule 3, may decide to dispose off any land or property including Nazool properties on lease agreement for a period to be determined by the committee. Provided that the maximum lease period shall not exceed 30 years.
15. The committee will determine the value of the property which shall form the basis for determining minimum lump sum down payment and also minimum annual lease rent and increase thereon.
16. The disposal of land and property by lease/ licence will be carried out through process of two stage bidding as provided for in rule 4(ii).
17. DOT / RTDC shall receive one time lump sum down payment from the successful bidder and also minimum annual guarantee money as lease rent and percentage increase thereof as determined by the committee.

Provided that, successful bidder of the land/property will be required to make a security deposit, in the manner to be determined by the committee of a sum equivalent to annual lease rent, and the same shall be liable to forfeiture incase of default in payment of committed annual lease payment.

18. The amount of annual lease rent shall be paid in two equal half yearly installment which shall fall due on 1st April and 1st October of every year. In case the purchaser fails to deposit the lease rent within 30 days from the due date then a penal interest of 24% p.a., shall be recoverable from the due date itself.

Provided that, if the purchaser fails to deposit annual lease rent within 60 days of the due date, then the lease agreement

shall forth with stand terminated and the property shall revert back to the DOT/RTDC alongwith all fixed assets.

19. The Govt. will not take any responsibility for the day to day management of the tourism unit which shall be otherwise carried out by the successful bidder to the satisfaction of the Govt.

Disposal by way of Joint Ventureship Management

20. The committee, referred in rule 3, may decide to provide any Govt. land or property in Joint Venture between RTDC and a suitable entrepreneur on terms and conditions to be determined jointly with RTDC. Government shall transfer land and properties to RTDC which the latter shall use as its equity in the Joint Venture.
21. The Govt. equity in the joint venture shall represent the value of land and property. Any additional equity may also be considered by RTDC on merit.

Disposal by way of Sale

22. DOT/RTDC may dispose off any land or property through two stage bidding process on terms & conditions to be determined by the committee, for a lease period of 99 years.
23. When the land/ property is disposed off under rule 22, the purchaser shall, other than the cost of land to be paid before the delivery of the possession, pay such urban assessment or annual lease as is determined by the committee, constituted under rule 3.
24. **Renewal of lease / licence / joint venture agreement :-**
Every such lease or licence or joint venture agreement as contained in Rule 2(iv) may be renewed for a further period as determined by the committee. Provided that, DOT/RTDC may exercise the option to terminate or deny further renewal of lease/ licence/ joint venture agreement on expiry of initial /extended, lease/licence/joint venture agreement period.

25. **Premature Termination: -**
Only in case of premature termination of lease/licence a show cause notice shall be issued to the affected party. Premature termination is possible in case of non payment of lease rental, violation of conditions of lease and any other malpractices that come to the notice of DOT/RTDC.
26. **Land/Property not to be used for other purpose:-**
No purchaser to whom land/property has been disposed as per rule 4, shall put such land/property to any use other than the stated purpose of disposal.
27. **Rejection of offer by State Govt:-**
The State Govt. reserves to it self the right to reject any bid without assigning any reasons thereof or to withhold any land/property from disposal at any time.
28. **Area to be Allocated to Shops :-**
The maximum area allocated to shops shall be restricted to 5% of the total built up area of the property.
29. **Commercial Use of Property :-**
The property shall be operated entirely on a commercial basis and shall not be used as a personal residence.
30. **Ensuring Architectural Integrity :-**
In order to ensure the architectural integrity and heritage value of the property renovation, alterations and additions shall be done in accordance with the existing architecture of the property and detailed architectural plans shall be submitted to the Director of Tourism and his approval shall be obtained prior to commencement of any work on the site.

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