


Sector:	
Tourism	
Project Title	
Convention Centre at Indore	
Nature of Tourism	
MICE	
Project Description	<p>Tourism in India has witnessed significant growth in the recent years. It is considered to be the third largest net foreign exchange earner of the country. Apart from various traditional attractions of the country such as scenic locations, natural beauty, varied cultures etc, the booming business opportunities in India has also opened doors for new form of business / corporate tourism.</p> <p>To harness these opportunities, India has placed renewed emphasis on high yield MICE (Meetings, Incentives, Conventions and Exhibitions) tourism. The State of Madhya Pradesh (MP) has also acknowledged the potential of MICE tourism which could complement its conventional tourism in the long run. In this regard, Government of MP (GoMP) proposes to set-up a Convention Centre with 1000 seat capacity in the commercial hub of State i.e. Indore. The Centre would be equipped with world-class facilities and also have a hotel for the business tourists.</p> <p>Indore is a well-established location for various industries which includes textile, pharma, automobile among many others. The city also has convenient linkages with several tourist destinations in the State and is well-connected with the major destinations in the country.</p> <p>GoMP invites Private Player/s to undertake the proposed project wherein the Private Player/s would build, own, maintain and operate the project. One or more party/s could take up this project.</p>
Project Rationale	<p>Indian economy is booming and is expected to grow further in coming years. This has emanated various opportunities across the sectors in the country which is attracting international companies to venture here. This has thereby led to high influx of foreign tourists in the country for business purposes. Further, several conferences and conventions are being held in India which are being attended by representatives of numerous countries. Moreover, recent increase in the air seat capacity, due to signing of bilateral agreement with a number of countries has also invoked the number of visitors to the country.</p> <p>According to ICCA-ICPB, India gets a close to 0.96% of the world meeting's share. It hosts more than 100 International meetings in a year and ranks 34th on the world Meetings and Conference map. According to ICCA, India can capture</p>

the Asian MICE share, since 69% of MICE meetings prefer city hotels and 21% prefer resorts and India can cater to both the demands while offering variety to the same.

The country has acknowledged the huge opportunity for tourism in this area and desire to leverage it through promoting the MICE concept. MICE would also stimulate the growth of hospitality industry and enhance the footfall in the tourist areas which are in proximity to convention centres or places where meetings are held. To harness the vast potential offered by these opportunities, India is constantly upgrading its MICE facilities. There are multiple plans on the anvil for more world-class convention centers, international airports and efforts to upgrade hospitality arrangements in various cities as per the visitor's requirement.

MICE infrastructure has gathered momentum in the cities such as Mumbai, Hyderabad, Cochin, and Bangalore etc, where convention centres of international standards have been developed / planned. To redress the lack of convention centres of international standards in the State of MP, the State Government has proposed to set-up the Convention Centre in its business capital- Indore.

Location Analysis

Indore is the largest city of Madhya Pradesh and is the biggest business center in central India. Being the commercial capital of Madhya Pradesh, it is a key hub for all major business activities in the State and is a key contributor to the State's burgeoning economy. India's prestigious corporate and business houses and top notch multi-national companies have already established their operational centers at Indore.



The city is well connected to major cities through road, rail and air network. It has a domestic airport well connected to cities such as Mumbai, Delhi, Gwalior, Bhopal with major airlines operating between these routes. The airport has good infrastructure and facilities and is proposed to be upgraded to an international airport in coming years. International cargo service is also under testing.

Various tourist places are present in and around the city such as Ujjain, Mandu, Bagh Caves etc which could be visited by the tourists during their visit to Indore.

Proposed Facilities

The proposed Convention Centre would have the following indicative facilities:

- **Convention Centre:**
 - Great Hall with a seating capacity of 1000 people
 - Conference room

- Executive boardroom
- Media room
- Administrative office
- Mini theatre
- Food Court
- Other state-of-the-art facilities such as projectors, internet connectivity, television etc.

- **Business Hotel:**
 - 200 to 300 rooms including luxury suites and economy grades
 - Restaurant & cafeteria
 - Business centre
 - Other facilities for recreation

- **Landscaped outdoor facilities in the area**

Government Support

The State Government would assist the private investor in identifying the suitable land for the project. Further the Government would also make basic infrastructure available at the site such as water, electricity, road etc. Some of the indicative incentives that would be offered by the State Government to the private investor for the proposed project are as follows:

- Government land will be offered with the approval of the Empowered Committee as equity participation on behalf of the Government at current market value for setting up Joint Ventures.
- Exemption from Luxury Tax for ten years from the date of commencement of commercial operations.
- Exemption from Sales Tax for ten years from the date of commencement of commercial operations.
- Entertainment Centres (if relevant in this case) will be exempt from Entertainment Tax for ten years from the date of commencement of commercial operations.

Proposed Investment

The estimated cost for the proposed facilities are USD 0.6 million or INR 3 crores.

Project Feasibility

Indore and its nearby areas such as Pithampur houses some of the major

companies and industrial units such as Hindustan Motors, Eicher, Bajaj, Bridgestone, L&T etc. Moreover, the city is also known as educational hub of the State. Sensing the growing prominence of Indore among the investors, State Government has also taken important initiatives to expedite the development of necessary infrastructure in order to create investors friendly ambience in the city.

Further, several tourists attractions in and around the city would also position Indore as an ideal location for holding conferences/ conventions in the City.

The Internal Rate of Return from the project is estimate to be in the range of 15 – 18%.

Coordinating Agency

Department of Tourism, Government of Madhya Pradesh

Madhya Pradesh Tourism Development Corporation Ltd.