

<b>Sector</b>	
<b>Tourism</b>	
<b>Project Title:</b>	
<b>Water Sports &amp; Adventure Tourism at Indira Sagar</b>	
<b>Nature of Tourism</b>	
<b>Adventure Tourism</b>	
<b>Project Description</b>	
<p>Adventure tourism is rapidly gaining attention of the tourists across the world. India offers wide range of adventure sports which is attracting the domestic as well as the international tourists to explore various places which remained unexplored for a long time.</p> <p>Madhya Pradesh (MP) has several of similar places to feature, such as wildlife sanctuaries, mountains, rivers that make MP an exotic place to visit. Apart from these natural regions the Government of MP is intending to promote other regions such as Indira Sagar water reservoir for tourism. In this relatively new concept, the Government desires to leverage the water body along with the forest area around the dam.</p> <p>The GoMP has proposed to come-up with the Adventure Tourism Zone at Indira Sagar in Khandwa district. This Zone would have two phases wherein one phase would be developed near the mentioned reservoir and the second phase would be developed on the island formed near the dam. The Zone would have various water sports, trekking, mountaineering facilities along with the traditional accommodation facilities. The project is expected to attract tourists primarily from the State and other parts of the Country. The proposed location is well connected with the major cities of the State through road and rail.</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>	
<b>Project Rationale</b>	
<p>India has been an attraction for travellers from all over the world for its scenic beauty, varied culture, rich heritage etc. Recently, India is making its presence felt in the area of adventure tourism, with range of choices of adventure sports. Though on international tourism front, the segment of adventure tourism in India is getting relatively less traffic, the trend is depicting increased demand for adventure tourism year-on-year with the development of facilities and greater awareness about its options.</p> <p>The prime reason for increase in demand for adventure sports is the growth youth tourism which has been identified as one of the largest segments of global and</p>	

domestic tourism. The growing number of young travellers is being fuelled by a number of factors such as increased participation in higher education, falling level of youth unemployment, increased travel budget through parental contribution, quest for exciting and unique experiences and cheaper long distance travel. These young travellers form a major contribute to adventure tourism revenue.

The similar trend is also witnessed across the Country and various States including MP are emphasizing on exploiting their existing resources to attract young travellers from various parts of the world. In these lines GoMP also desires to leverage its existing potential at Indira Sagar water reservoir (which is mainly set-up for power generation) for setting-up tourist spot along with artificial island which would have water sports and other recreational facilities.

The Dam is located in a scenic location which could be featured as “weekend getaway” for the people in and around the region and the State as well. Apart from water sports, facilities for trekking, ecotourism and accommodation would attract more tourists to the place.

### Location Analysis

The Indira Sagar water reservoir is built on river Narmada and contains the water released from Bargee Dam. The land area where the dam has been constructed is called Harsood. The main purpose of the dam is power generation and irrigation. However, Indira Sagar located near the vast spread of rich forest area has the potential to come up as key tourist destination of MP.



The Island proposed for water sports is Besania Island which has emerged as a result of reservoir attaining its maximum flood level. The Island is approximately 6 km long and 2 to 3 km wide. The Island is located 15 km away from the Indira Sagar Dam

Indira Sagar is situated in southern part of MP and has convenient linkages with other major cities of the State. It is 190 km from Indore (well connected with road/rail/air to other major cities) and 68 km from Khandwa. It is also approachable from Bhopal (State capital) by Astha-Indira Sagar Road which covers a distance of 190 km. The location also has basic infrastructure in terms of power, water etc.

The location falls in the tourist circuit Indore-Ujjain-Mandu-Indira Sagar-Omkareshwar that offers mixed bag of tourism including, religious, heritage, and

adventure tourism.

### Proposed Facilities

The proposed Adventure Tourism Zone would be developed in two phases which are as follows:

- **Tourism Zone:** The Zone would come up on the development area near the Dam. It would have following facilities:
  - Boutique resort with around 10 suits
  - Health spa
  - Theme restaurant
  - Souvenir shops
  - Floating jetties
  - Boat House which has different choices for the visitors to cruise them to the island.
  - Nature-walk facility where the tourists would be taken around the nearby forest (safe zone) along with a guide.
  - Trekking and mountaineering facility where the tourist would also have an option of mountain bikes.
  - Helipad to transport the tourists from Tourism Zone to Adventure Island and back.
  - Administrative block/ staff quarters
- **Adventure Island:** The Island would have water sports and accommodation facilities which are mentioned below. It could be reached through boats or helicopters which will be available in Tourism Zone:
  - Cottage Lane that would have 10 to 15 tourist cottages with the basic accommodation facilities
  - Tented accommodation that would have 10 to 15 tents offering basic accommodation facilities
  - Theme restaurant serving multicuisine food
  - Water sports complex which would have various kinds of boats, jet skis, parasailing, water scooters, scuba diving etc.
  - Shopping lane which would have souvenir shops, beach clothing etc.

### Government Support

The State Government would assist the private investor in identifying, immediate approval and clearance of the suitable land for the project. Further, the Government would also make basic infrastructure available at the site such as water, electricity, road etc. The State Government has identified adventure/ eco tourism as key segment of tourism and gives some incentives specific to the industry. Some of the other 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.

#### **Proposed Investment**

The total investment for the project is estimated around USD 0.55 million or INR 2.5 crores.

#### **Project Feasibility**

Indira Sagar is well connected to cities such as Indore, Khandwa, Omkareshwar etc. Further, area such as Omkareshwar receives high tourist arrivals that could also come over to the proposed location. The proposed project would be featured as the key weekend getaways for the families, students, youngsters from Indore, Ujjain and other places in the State. Various options of accommodation in the project would also assist in extending the duration of stay of the tourists.

The Internal Rate of Return from the project is estimated in the range of 22 – 25%.

#### **Coordinating Agency**

**Department of Tourism, Government of Madhya Pradesh**

**Madhya Pradesh Tourism Development Corporation Ltd.**