

## GUIDELINES FOR APPROVAL OF CONVENTION CENTRES

Meetings, Incentives, Conference and Exhibitions (MICE) are today becoming an important segment of the tourism industry. With the opening up of India's economy, MICE tourism is likely to grow further in the future. Our country therefore needs more Convention and Exhibition Centers to meet the requirement of this lucrative segment of the tourism. Taking this fact into consideration, therefore, the Ministry of Tourism has decided to grant approval to convention centers to encourage investment and standardize facilities at the convention centers.

### APPROVAL

Approved convention centers, being essential tourism infrastructure are eligible for various benefits including among other things, income tax concession under the Income Tax Act and priority consideration of its various requirements like telephone, telex, LPG etc. by the Government Authorities at Municipal, State and union Levels or a semi or quasi-Government body.

The approval can be applied for at project/ planning stage. A convention centre approved at the project stage will be eligible for consideration for allocation of foreign exchange for its essential import of equipment and provisions. On completion and becoming functional it will get worldwide publicity through tourist literature published by the Ministry of Tourism and distributed through its offices in India and Overseas. Approved convention center will also be eligible to apply to the Industrial Finance Corporation of India and the State Financial Corporations of loan. However, application for loan and incentives are considered by the respective Ministries/Departments and Financial Institutions in the context of request to produce a detailed feasibility study etc. and the project approval by the Ministry of Tourism should not in any way be construed as an assurance for the grant of any incentive or loan thereto.

### GENERAL FEATURES:

It is very essential that the proposed convention centre should contain at least one convention hall, two mini convention halls, one exhibition hall, one restaurant and parking facilities as per details given below:-

1. **CONVENTION HALL-** Convention hall as the name suggests should have audio Visual conferencing equipment, facility for high fidelity recording, video projection/ video graphs etc. and skilled manpower at various levels. The seating capacity in the hall may be in a classroom style in the following category:-
  - a) Above 1500pax or
  - b) 1200-1500 pax or
  - c) 800-1200 pax or
  - d) 300-800 pax

2. **MINI CONVENTION HALLS:** Mini Convention halls are equally important in Convention Centers as these halls are required for various seminars, committees, meetings etc. the seating capacity therefore, may be in a theatrical or classroom style to seat as follows:-
  - a) 200-300 pax or
  - b) 100-200 pax or
  - c) 50-100 pax or
  - d) 20-50 pax
3. **EXHIBITION HALL:** Exhibition Hall is another important feature in convention centre. Delegates to the convention as well as trade relative promoters take part in trade shows to promote their products during conventions. As such, it is essential that such exhibition hall should have a capacity to accommodate at least 20 booths of 3 mts by 3 mts in size excluding passages in between the booths.
4. **RESTAURANTS:** Restaurants in the convention centers should confirm to the existing guidelines of HRACC laid down by the Ministry.
5. **PARKING:** Parking facility for not less than 50 cars and five coaches.
6. **RESIDENTIAL ACCOMMODATION FOR DELEGATES/ PARTICIPANTS:** applicable only if, promoters, desire to have residential accommodation in the convention complex and the guidelines laid down by the Ministry in respect of star category hotels will apply.
7. In addition to the above facilities convention centre should include the following

**INFRASTRUCTURAL FACILITIES:-**

1. Landscaped forefront
2. Exhibition Management Centre
3. Administrative facilities for corporate office including IITTM/ Internet etc.
4. Trade Show/ Fair Facilities such as Tourist Office, Bank and Money Changing facilities, Travel Desk, STD/ISD, Press Lounge, VIP Lounges etc.
5. Technical facilities such as plant room, electric substation, stores, electric power back-up-system, fire hydrant etc.
6. Gate complex for stipulating entry and exit.
7. Information booths.
8. Public Convenience.
9. Stationary Shops and Kiosks.
10. Public Address System.
11. First aid with doctor on call facilities.
12. Security office and booths for security arrangements.
13. Storage complex for custom storage and handling etc.
14. Fire safety arrangements.
15. Locker facilities.

In order to enhance the value of the above facilities there must be space for other ancillary activities also. This could include the following:

- i) Handicraft shops, souvenir shop.
- ii) Facility for the physically disabled person.
- iii) Other facility for enhancing customer satisfaction.

## APPLICATION

The application for approval of a convention centre should be submitted, in the prescribed form complete in all respects, to the Secretary (T) Govt of India, Transport Bhawan, New Delhi.

2. The power to approve convention centers at a project stage/ operational stage/ re-approval will be exercised by the Chairman (HRACC).
3. The Re-approval is required to be done after 3 years. The application fee is non refundable and is payable by demand Draft to the Pay & Accounts officer, Ministry of Tourism, New Delhi. The fee for project approval / Operational Approval and Re-approval will be as follows:-

- 1) Approval at the project stage – Rs.5000/-
- 2) Approval at the operational stage – Rs.10,000/-
- 3) Re-approval – Rs.5,000/-

## REQUIREMENT

Various documents and information to be furnished about convention centre projects when applying for project approval are given in details in the application form. However, the basic requirements are indicated so that these are sent alongwith the application:-

- i) **A PROJECT REPORT** establishing the feasibility of the proposed convention centre, describing the amenities to be provided at the convention centre particularly mentioning any special or distinctive features.
- ii) The **site** selected should be suitable for the construction of convention centre intended for use by domestic as well as international business travelers. While selecting the site such aspects as its accessibility from airport / railway station / shopping areas etc. making it a convenient location, may be kept in mind as also that its environs are not pollution prone, crowded, noisy, unhygienic etc.
- iii) A land use permission certificate from the concerned state/ local authority certifying that it is permissible to construct a convention centre on the site selected. Blue prints of the sketch plans of the project duly approved by the State authority and signed by the architect and the promoter should be furnished.

- iv) Ownership deed of the land.
- v) Urban land ceiling certificate, if applicable.
- vi) Approval of International Airport Authority of India/ Director General of civil aviation if the project is near an airport.
- vii) Name and Business antecedents of the promoters.
- viii) Proposed Ownership structure, giving full details as to whether the new undertaking will be owned by individual(s) or a firm or a company.
- ix) Estimated cost of the project and the manner in which it is proposed to raise the funds to meet the required investments.
- x) The Ministry has prescribed some regulatory conditions to be adhered to by promoters or approved convention centre projects. The promoter should furnish the acceptance of these regulatory conditions in the prescribed form. The regulatory conditions and the form of there acceptance have also been appended.

#### **REGULATORY CONDITIONS FOR APPROVAL OF CONVENTION CENTRE PROJECT**

All convention centers approved by the Ministry of Tourism are required to furnish the following information:-

- 1) Documents relating to its legal status i.e. if the company is incorporated under the companies act, a copy of its memorandum and articles of association, if it is partnership firm, a copy of the partnership deed and the certificate of registration under the partnership act; if it is a proprietary concern, name and address of the proprietor etc.
- 2) Any **license** and/ or **approvals** required from the **local administration/ police** and/ or **other concerned authorities** for the construction / operation of the convention centre should be obtained directly by the promoters from the concerned authorities. The approval by the Ministry will not in any substitute for them. The Ministry's approval will be deemed to have been withdrawn in case of violation of any condition as brought to its notice.
- 3) In the event of the promoters making any changes in the plans of the project as submitted earlier, the approval of this ministry will have to be applied for a fresh.
- 4) As a project which has been approved from the of view of its suitability for foreign clientele the promoter will be eligible for grant of loan from Central/

State Financial Institutions and priority in the procurement of building material, telephone and telex connections etc. however, this approval should not in any way be construed as an assurance for the grant of these facilities since this would fall within the jurisdiction of the concerned authorities and the rules prescribed for the purpose.

**CONDITIONS TO BE FULFILLED AFTER THE CONVENTION CENTRE/ HOTEL BECOMES FUNCTIONAL**

- 1) The Convention Centre must immediately inform this Ministry the date from which it becomes functional, and apply for approval within 3 months thereafter.
- 2) The Convention Centre will submit the following information to the Director General, Ministry of Tourism, so as to reach on or before 31<sup>st</sup> March each year for the preceding financial year:-
  - (a) A bank certificate in regard to foreign exchange deposited by the convention centre/ hotel;
  - (b) No. of conventions/ conferences/ seminars held and the no. of participants as per Performa given below:-

Sl. No.	Name of conference/ Seminar	Date	No. of Participants	Name of Organisation
	----- Domestic/ International			
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>6</b>			

- (c) Total bed capacity offered by the Hotel as under:-(provided the convention centre is having residential accommodation)
  - Single Rooms:
  - Double Rooms:
  - Suites:
- (d) Number of rooms occupied on a permanent/ semi permanent basis by Residents/ staff Officers etc;
- (e) A specimen copy of the current tariff card (applicable to convention centre having residential accommodation);
- (f) List of the name of the Senior Executive with their designation, experience etc.
- (g) Total number of persons employed.

- (h) Annual report of the convention centre / hotel and a statement showing the audited balance sheet and profit and loss account within 4 months of the close of the financial year;
  - (i) Statistical returns in regard to the number of the events, held guests, rooms, occupancy, income and employment on quarterly basis as prescribed by the Ministry of Tourism from time to time.
- 3) The Regional Director/ Director/ Manager of the Government of India Tourist Offices of the region and the Director General, Ministry of Tourism would be kept informed from time to time of facilities introduced for withdrawn and of any additions or alternations made in regard to convention centre.
  - 4) The hotel tariff should be prominently displayed in each room. This card shall also indicate all taxes, service charge etc. (where applicable)
  - 5) Normally, no rooms will be let out for purposes other than residential. However, with the prior approval of the Ministry of Tourism not more than 10 percent of the rooms in the hotel will be let out to any person or company for residential or commercial purposes.
  - 6) The convention centre should at all times adhere to the high standard of maintenance and services for which it has been approved and in all dealing with its guests observe practice worthy of an establishment of repute.
  - 7) The officers of the Ministry of Tourism or any other officer deputed by it to inspect premises from time to time will be allowed free access with or without prior notice.

**IN THE EVENT OF BREACH OF ANY OF THE ABOVE CONDITIONS BY THE CONVENTION CENTRE, THE MINISTRY OF TOURISM SHALL HAVE THE RIGHT TO WITHDRAW APPROVAL.**

## APPLICATION PROFORMA FOR APPROVAL OF CONVENTION CENTRE

1. Proposed name of the convention centre
2. Name of Promoters:  
(A note giving details of business antecedents may be enclosed)
3. Complete postal address of the Promoters
4. Status of owners/ promoters:

**Whether**

- (a) Company:  
(If so, a copy of the Memorandum & Articles of Association may be furnished)

(OR)

- (b) Partnership Firm:  
(If so, a copy of partnership deed and Certificate of registration under the Partnership Act may be furnished)

(OR)

- (c) Proprietary concern  
(Give name and address of the proprietor)

5. Location of convention centre along

With Postal address:

6. Details of the Site

- (a) Area

- (b) Title

Whether outright purchase  
(If so, a copy of the registered sale deed should be furnished)

(OR)

On lease

- (c) whether the required land use permit for the construction of convention

Centre on it has been obtained (if so, a Copy the certificate from the concerned Local authorities should be furnished).

- (d) Distance from Railway Station:
- (e) Distance from Airport:
- (f) Distance from main city centre:

7. Details of the convention centre project:  
(Copy of the project/ feasibility report  
Should be furnished)

(I) No. of Convention Halls  
(Please indicate seating  
capacity)

- a)
- b)
- c)
- d)

(II) No. of Mini Convention Halls  
(Please indicate seating  
capacity)

- a)
- b)
- c)
- d)

(III) Exhibition Hall  
(Please indicate area)

(IV) Restaurant  
(Please indicate area)

(V) Parking  
(Please indicate area and no. of  
Cars / coaches than can be parked)

(VI) Star category of accommodation  
Unit planned (if applicable).

I. No. of guest rooms and their area:  
Number Area

- a) Single
- b) Double
- c) Suites

Total:

II No. of attached baths and their areas:

- (a) How many of bathrooms will have long Baths or the most modern shower chambers  
(Give break up)
- (b) Details of public areas:
 

<u>Number</u>	<u>Area of Each</u>
(j) Lounge Lobby/ Reception	
(ii) Restaurants	
(iii) Bar	
(iv) Shopping	
(v) Banquet/ catering facilities	
(vi) Health club	
(vii) Swimming Pool	

NOTE: It may be insured that areas of guest rooms and attached bathrooms confirm to the minimum standards laid down by the Ministry of Tourism for restaurants and for different star categories of hotels.

Blue Prints of the sketch plans of the project.

(A complete set duly approved by the State Authorities and signed by the promoter and the architect should be furnished, including/ showing among other things, the following:-

- (i) Site plan
  - (ii) Front and side elevation
  - (iii) Floor wise distribution of public Areas/guest rooms and other facilities;
  - (iv) (a) Area of convention halls/ mini convention hall/ exhibition hall.
  - (b) Area of guest rooms with dimensions (if applicable)
  - (c) Area of bathrooms with dimensions
8. Air-conditioning:

- (a) whether all the convention halls and guest rooms will be air-conditioned.
- (b) whether all the public areas will be air-conditioned.
- (c) Give details of type of air conditioning

9. Approval:

Whether the convention centre project has been approved / cleared by/ under the following agencies/ Acts wherever applicable:

- (a) Municipal authorities
- (b) Urban lands(ceiling), Act
- (c) Any other Local/ State Govt.
- (d) Authorities Concerned.

10. Proposed Capital Structure:

- (a) Total estimated cost:
  - (i) Equity
  - (ii) Loan:
  - (iii) Equity capital so far raised:
- (b) (i) Sources from which loan is proposed to be raised
- (ii) Present position of the loan.

11. Acceptance of regulatory conditions:  
(This should be furnished in the prescribed Performa)

12. Application Fee-Demand Draft No. \_\_\_\_\_

13. If you are interested in availing of any or all of the following benefits of the Income Tax Act 1961 kindly mention Yes/No against each of the following provisions:

Section

80-HHD

Any Other

Signature.....

Full Name and Designation of the  
Applicant.....

Place.....

Dated.....

**FORMAT OF ACCEPTANCE OF REGULATORY CONDITIONS FOR APPROVAL  
OF CONVENTION CENTRE PROJECT AND CONDITION TO BE FULFILLED  
AFTER THE CONVENTION CENTRE / HOTEL BECOMES FUNCTIONAL**

To,

The Secretary (Tourism),  
Govt. of, India,  
Ministry of Tourism,  
Transport Bhawan, New Delhi

Sub:- Acceptance of regulatory conditions for approval of convention centre project & condition to be fulfilled after the convention centre / hotel becomes functional.

Dear Sir,

I have received a copy of the regulatory conditions for approval of convention centre projects prescribed by the Ministry of Tourism for convention centre on its approved list, and wish to confirm that I have read and understood the same and hereby agree to abide by the same and such other conditions as may be laid down from time to time by the Ministry of Tourism for approval of convention centre.

Yours faithfully,

(Name in Block letters)  
Managing Director/ Partner/ Proprietor  
Name of the convention centre  
Dated:

**(Note: This letter should be in the Company Letter Head)**