BENGALURU CONVENTION CENTRE

MARKET ASSESSMENT STUDY

(MARCH 2017)

KSIIDC

Mahajan & Aibara

KSIIDC

M & A

BENGALURU CONVENTION CENTRE

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*This Demand Assessment Report has been prepared by **Mahajan & Aibara (M&A)** in good faith for **Karnataka State Industrial and Infrastructure Development Corporation Limited (KSIIDC)**, GoK's Nodal Agency for implementing the proposed Convention Centre (The Project) in "Signature Project", Bengaluru. The objective of this report is to assist KSIIDC to evaluate viability of The Project, help them in deciding whether to build it via the EPC route or PPP route and formulation of the methodology to be followed for effectively structuring a Public Private Partnership (PPP). It does not purport to contain all the information that a prospective PPP investor may require and nor is it intended for circulation to 3rd parties.*

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1. INTRODUCTION

1.1 The Government of Karnataka (GoK) is aggressively pursuing development of tourism in the State and consistent with its policy to encourage broad based economic development through this sector has determined that the transformational potential of an international Convention Centre facility presents the optimum economic development opportunity and priority for the State.

1.2 The GoK proposes to develop a state-of-the-art International Convention Centre in Bengaluru. 35 acres of land has been earmarked in the vicinity of the Bengaluru International Airport for the proposed Bengaluru International Convention Centre Complex (BIC^3 / 'The Project'). The proposed Project is envisaged to be the Country's best Convention facility, competitive to those in international markets, especially South-East Asia.

1.3 The Project was conceptualized to comprise the following components:

- 6,000 seater Convention Centre of International standards.
- Exhibition Halls (covered)
- Food Court
- Hotel(s) (5-star, 4-star, Budget Hotel & Serviced Apartments)
- Open-to-sky Central Plaza
- Any other ancillary facilities as may be required to be an essential part of the Project.

1.4 The Project was originally envisaged to be developed on an Engineering Procurement and Construction (EPC) mode for the Convention & Exhibition facilities and Public Private Partnership (PPP) mode for other facilities like hotels, etc. The Convention & Exhibition facilities were proposed to be handed over to the PPP partner on an Operations & Management basis.

1.5 GoK had appointed a Consortium of Populous Design, Australia and Feedback Infrastructure Ltd. as Consultants to provide conceptual design, architectural design and Project Management Consultancy for the implementation of the EPC components of the Project. The following activities had been taken up by the above consortium as part of work for preparation of the conceptual design and master plan :

- Topographic Survey, Geo-technical investigations and Infrastructure Mapping
- Site Analysis including Bye-laws, etc.
- Concept Design & Master plan
- Preparation of design specifications and block costing.

1.6 KSIIDC sought specific services from ***Mahajan & Aibara*** (*M&A*) to undertake a Demand & Market Assessment Study and preparation of Business Plan for the Project. The key objective of the assignment is to assist KSIIDC in deciding whether to go ahead with the development model as envisaged i.e. EPC cum PPP or to take up the entire implementation of the Project through Public Private Partnership (PPP) mode, where the design Concept, Master plan and design specifications pertaining to the Convention and Exhibition facilities shall be provided to the selected PPP partner as mandatory development obligations.

1.7 Since the project includes various other revenue generating components such as hotel(s), etc., *M&A* has conducted a market survey evaluating all components as part of the project with special focus on MICE oriented services to assess the feasibility of the Project as a whole.

METHODOLOGY

1.8 Field surveys in connection with this assignment were conducted in the month of January 2013 after which findings were presented to KSIIDC; and concept refined based on the survey findings. The market survey findings were subsequently updated in March, 2017.

1.9 *M&A* has conducted MICE related market surveys across the country and hotel and tourism related market surveys in Bengaluru for over a decade. Specific survey activities for this project were carried out in the month of January 2013 and updated in the month of March, 2017. The market survey findings together with analysis of secondary data and consultant's knowledge have been used in arriving at the assessment of demand, supply and market penetration contained in this report. Market survey activities covered several relevant segments of traffic and competition, which included Competitive Hotels, Corporate Customers, Airlines and Travel Agents. Present and Future competition has been studied in some detail using *M&A*'s contacts in the hospitality industry. This has been done to arrive at estimates of demand and supply and their likely future impact.

1.10 Market survey findings have then been used in arriving at the key assumptions with regard to revenues for each of the project elements. Expenses have been forecast based on historical operating costs and ratios achieved by similar elements and consultants' knowledge of the industry.

1.11 This report includes considerable amount of data, explanations and analysis with which readers, especially those familiar with the project and participants in the industry, may be familiar with, but are nonetheless included for the sake of completeness and benefit of other readers.

CONSTRAINTS AND LIMITATIONS

1.12 The findings contained in the report reflect analysis of primary and secondary sources of information including previously completed reports prepared by *M&A*. Sources quoted or referred to in this report are deemed reliable; however, we do not guarantee their accuracy.

1.13 Conclusions reached by the consulting team regarding the proposed facility are based on trends and assumptions; there may be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. Findings contained in this report are also based on our evaluation of the present economy for the region and do not make provision for political instability or any sharp rise or decline in the economic conditions, not presently foreseeable. Moreover, the projections assume that work on the infrastructure and development of the "Signature Project" (SP) progresses and the rest of the SP will be developed simultaneously with this project. Any delays in the overall development of SP will have a significantly adverse impact on this project.

1.14 It must be emphasized that in some instances the consultants were unable to procure necessary data or / and were unable to get up-to-date data. They were informed that certain data was confidential or not officially collected at all. In such instances, qualitative assessments have, where appropriate, been made.

TERMINOLOGY

1.15 A glossary of key industry specific terms used at various places in this report are as follows:

- MICE– Meetings Incentives Conventions & Exhibitions
- ARR – Average Room Rate

LAYOUT OF THE REPORT

1.16 Our observations, assumptions and conclusions, based on field surveys conducted and our judgement and perception of the hotel industry in Bengaluru are set out in the following sections of this report :

- *Section 2* : Location Analysis
- *Section 3* : Site Analysis
- *Section 4* : Overview of M.I.C.E. Market
- *Section 5* : Bengaluru Hotel Supply &Demand Analysis

Appendices :

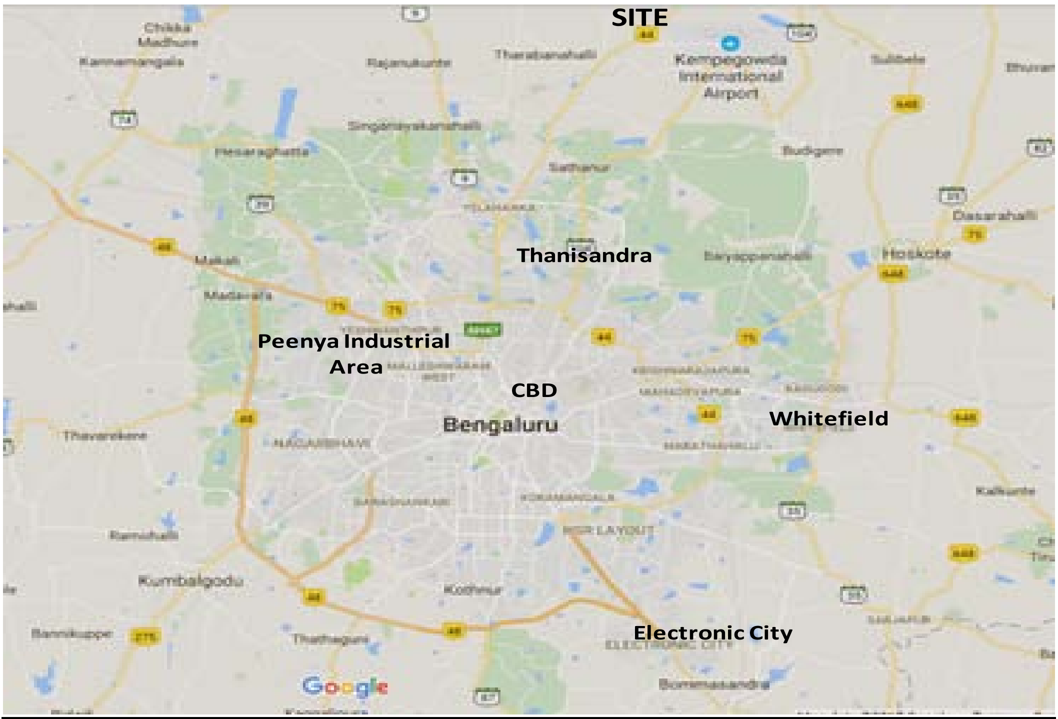
APPENDICES - HAVE BEEN PROVIDED UNDER SEPARATE COVER

2. LOCATION ANALYSIS

BACKGROUND

EXHIBIT 2.1

MAP OF THE BENGALURU CITY AREA



2.1 Bengaluru, the Garden City of India, is easily accessed from anywhere in India by road, rail, or air. The city is a major Software development centre in India. It has over 2,000 info-tech and ITES companies and a growing population of computer specialists who are attracted to this city. In turn the city has been attracting info-tech multinationals that wish to set up operations in India. Besides the software industry, various manufacturing companies such as Toyota, Volvo, Britannia, Brooke Bond and Jockey chose Bengaluru over Maharashtra, Gujarat and Tamil Nadu to start their Indian operations.

2.2 Bengaluru is the capital city of Karnataka and located at an altitude of 3,000 feet above sea level. Bengaluru, with a population of 8.474 mn. (Census 2011) is one of the fastest growing metropolitan cities of India and has rapidly emerged as the Information Technology hub of the country over the last decade. Most of the top international computer, telecom, software companies and the BPO units have wholly owned subsidiaries or joint ventures with Indian companies based in Bengaluru. The large software companies such as IBM, Microsoft, Intel, Sun, Infosys and Wipro are also headquartered here.

2.3 Bengaluru also has a concentration of heavy industries (largely public sector) that are significant generators of traffic, especially for the mid-market hotel segment. These include Hindustan Aeronautics, BHEL, BEL, Railways Wheel & Axle Plant, HMT, BEML, NGEF, ISRO, NAL (British Aerospace), etc. It is also a centre for the thriving readymade garments and the silk industry. Bio-Technology is another thrust area and the city is also attracting a lot of bio-tech companies.

2.4 Till recent years tourism was a major attraction for foreign and domestic visitors to use Bengaluru as a transit point for the South. The city has now become a rival to other metro cities as a commercial centre with a large number of corporates relocating to Bengaluru or choosing it as an alternative to set up base. Hence, commerce is now the major attraction.

2.5 No official figures are presently available for inbound passenger arrivals but if airline arrivals were to be taken as an indicator, there are 39,478 domestic air seats and 6,168 international seats into Bengaluru daily (February 2017), compared to 19,672 domestic and 3,539 international seats per day in 2007.

2.6 Bengaluru is also well connected to other cities in the south by road & rail and on to the rest of the country. There are a number of express trains and deluxe buses providing convenient connections. Even though more people arrive in Bengaluru by road and rail, the target market for the subject property would largely comprise of air travellers and corporates at Bengaluru. Road is however an important means of transport for businessmen and tourists from the closer southern destinations.

2.7 Earlier, Bengaluru city was considered a retirement haven and public sector city with a laid back attitude. It has now metamorphosed into a software capital and more famously known the world over as the "Silicon Valley" of India. It offers a good climate year round, a cosmopolitan life style, fine educational & research institutions, hospitals, eateries, entertainment, night-life and shopping. Bengaluru is also on the national sports arena with international standard outdoor and indoor stadiums and the city has also had the honour of hosting the National Games in 1997.

EXHIBIT 2.2

BENGALARU OVERVIEW

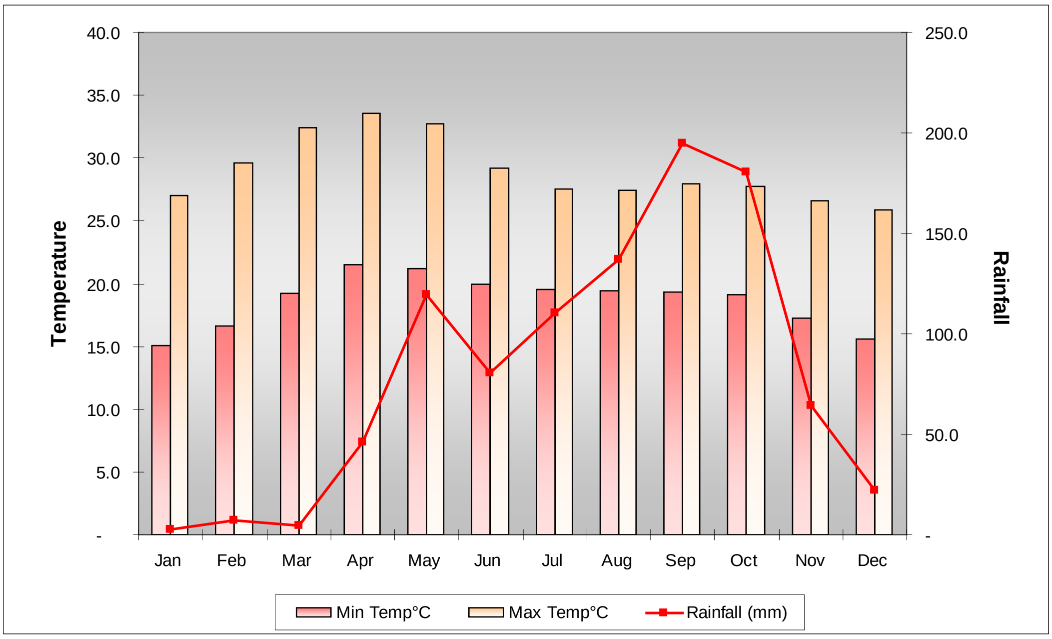
Area	741 Sq. mt.
Population (2011)	8.474 mn (2011 Census), 5th largest urban agglomeration in India after Mumbai, Kolkata, Delhi & Chennai
Population Density	4,378 / sq. km.
Population Growth (CAGR over 1971 - 2011)	4.2% VS 1.9% for Mumbai - The most populous city in the country
% in Migrants to Total Population	13%
Literacy Rate	83% (higher than the national average of 74%)
Economic Growth Rate	10.3%, fastest growing metropolis in India
Per Capita Income - Urban (2016)	INR 271,387
Foreign Direct Investment Inflow to City (%)	6.8% (Yr 2000 - 09)
Leading Sectors / Room Nights Demand Generators	IT / ITES & BPO sectors Financial Services Biotechnology
Challenges	City Infrastructure is inadequate to support rapid growth witnessed over past few years. Heavy traffic as road network not designed to support present capacities.

CLIMATIC CONDITIONS

2.8 Climatic conditions for the Garden City, based on data collected from the local Meteorological station are graphically presented in *Exhibit 2.3* below. Bengaluru's climate has little temperature variance between seasons due to its latitudinal location and being on the mainland. Maximum average temperatures over a 30 year history are 35 Celsius in the months of April / May and minimum average temperature of 12 Celsius in the months of December / January. Rainfall is heavy, approx. 200 mm in monsoons which are concentrated in the period from July to October.

EXHIBIT 2.3

WEATHER CHARTS FOR BENGALURU



TRAFFIC TO BENGALURU

2.9 Business is the major attraction for foreign and domestic visitors to Bengaluru. No official figures are presently available but it is estimated by the travel trade that more than 80% of foreign tourist arrivals are business related.

2.10 For the domestic visitor, Bengaluru, the Garden City of India, is an important tourist destination. The city has an active night-life and is very cosmopolitan. It is the tourism hub of Southern India and is easily accessible from most parts of south India. It is an important destination for tourist traffic that visits nearby locations such as Mysore, Belur and Halebed. The pleasure-seeking tourists arriving in or departing from Bengaluru stay in the city for a day or at the most two days.

2.11 Airline traffic to the city and historic occupancies actually achieved are considered to be the most appropriate indicator of present and likely future demand. The compounded annual growth rate in passenger traffic has been 11% (2009-10 to 2015-16) for Bengaluru v/s 10% for all India which can be seen in the exhibit overleaf.

EXHIBIT 2.4
TOTAL AIR PASSENGER TRAFFIC ACROSS TOP CITIES

City	April '16 - Feb '17			FY 16			FY 14			FY 12			FY 10			CAGR
	Domestic	Int'l	Total	Domestic	Int'l	Total	Domestic	Int'l	Total	Domestic	Int'l	Total	Domestic	Int'l	Total	(2010-'16)
Delhi	38,469	14,048	52,517	34,272	14,152	48,424	24,196	12,681	36,877	25,132	10,750	35,882	17,810	8,314	26,125	11%
Mumbai	30,076	11,404	41,480	30,046	11,624	41,670	21,881	10,341	32,221	21,044	9,704	30,748	17,372	8,235	25,607	8%
Bangalore	17,842	3,315	21,158	15,605	3,366	18,971	10,234	2,635	12,869	10,345	2,354	12,698	8,002	1,942	9,944	11%
Kolkata	12,334	2,022	14,356	10,204	2,217	12,421	8,335	1,765	10,100	8,738	1,566	10,304	6,859	1,187	8,046	8%
Chennai	11,993	4,797	16,790	10,341	4,877	15,218	8,358	4,538	12,896	8,617	4,308	12,925	6,671	3,860	10,531	6%
Hyderabad	10,690	3,106	13,795	9,230	3,158	12,388	6,211	2,443	8,654	6,515	1,929	8,444	4,797	1,716	6,513	11%
Pune	5,934	234	6,168	5,176	241	5,417	3,496	101	3,597	3,229	64	3,293	2,210	41	2,251	16%
Goa	5,481	694	6,175	4,730	646	5,376	3,263	736	4,000	2,943	578	3,522	2,198	431	2,629	13%
Ahmedabad	5,114	1,644	6,758	4,912	1,569	6,480	3,566	998	4,564	3,950	745	4,695	2,679	847	3,526	11%
Kochi	3,648	4,598	8,246	3,096	4,654	7,750	2,111	3,272	5,383	2,131	2,587	4,718	1,653	2,227	3,880	12%
Guwahati	3,407	29	3,435	2,752	32	2,784	2,172	25	2,197	2,218	27	2,245	1,585	5	1,590	10%
Jaipur	3,044	404	3,448	2,524	363	2,887	1,723	259	1,982	1,596	233	1,828	1,268	256	1,523	11%
Lucknow	3,012	602	3,614	2,649	593	3,242	1,872	440	2,312	1,663	355	2,019	911	275	1,186	18%
Trivandrum	1,456	2,119	3,575	1,196	2,275	3,471	986	1,949	2,934	979	1,836	2,815	638	1,696	2,334	7%
Calicut	401	2,003	2,404	366	1,939	2,306	285	2,179	2,465	227	1,983	2,210	206	1,658	1,864	4%
Others	34,942	3,129	38,072	31,791	3,019	34,810	23,720	2,256	25,669	20,290	1,679	21,969	14,529	1,677	16,056	14%
Total	**187,842**	**54,149**	**241,991**	**168,890**	**54,726**	**223,616**	**122,409**	**46,617**	**168,720**	**119,617**	**40,697**	**160,314**	**89,388**	**34,368**	**123,605**	**10%**

Source: Airport Authority of India

International Passenger Traffic to Bengaluru

2.12 International flights have commenced to Bengaluru since 1997. Currently (2017) the city is connected by air to 15 international cities. *Exhibit 2.5*below provides details of various international destinations to Bengaluru and the daily seat capacity. The compound rate of growth in international seat capacity from 2012 to 2017 has been 7.8%.

EXHIBIT 2.5
INTERNATIONAL DAILY PASSENGER SEAT CAPACITY TO BENGALURU

Destination	Daily Seat Capacity				CAGR
	Feb-17	Apr-14	Jan-13	Apr-12	(2012-2017)
Dubai	1,600	1,200	753	1,475	1.6%
Singapore	707	407	403	300	18.7%
Muscat	550	275	244	236	18.5%
Abu Dhabi	540	-	-	-	n.a.
Kuala Lumpur	431	431	317	317	6.3%
Frankfurt	400	823	580	400	0.0%
London	400	400	340	400	0.0%
Colombo	386	150	-	-	n.a.
Bangkok	275	383	262	275	0.0%
Hongkong	275	275	275	275	0.0%
Paris	236	275	168	275	-3.0%
Sharjah	150	150	150	150	0.0%
Male	107	125	270	125	-3.0%
Kathmandu	75	-	-	-	n.a.
Mauritius	36	18	36	18	14.9%
Total	**6,168**	**4,912**	**3,798**	**4,246**	**7.8%**
Growth %	**25.6%**	**29.3%**	**-10.5%**	**0.0%**	

Source : Airlines Schedules, M & A Survey 2017

Domestic Passenger Traffic To Bengaluru

2.13 *Exhibit 2.6* below provides details of Bengaluru domestic passenger seat capacity of domestic airlines.

EXHIBIT 2.6
DOMESTIC DAILY PASSENGER SEAT CAPACITY TO BENGALURU

Destination	Daily Seat Capacity					CAGR
	Feb-17	Apr-14	Jan-13	Apr-12	Oct-11	(2011-2017)
Delhi	6,786	4,958	3,351	5,021	n.a.	n.a.
Mumbai	4,863	5,360	3,501	4,402	4,903	-0.1%
Hyderabad	3,498	2,571	1,609	1,842	2,535	5.5%
Kolkata	3,028	1,627	1,104	1,508	2,519	3.1%
Chennai	2,675	2,344	2,305	1,829	2,067	4.4%
Pune	2,178	1,697	1,387	1,598	1,699	4.2%
Goa	1,635	676	759	783	830	12.0%
Cochin	1,437	695	1,410	641	1,400	0.4%
Thiruvanthapuram	1,095	555	401	747	558	11.9%
Ahmedabad	782	790	738	874	540	6.4%
Others	5,109	3,013	2,321	2,426	1,536	22.2%
Total	**39,478**	**27,298**	**18,886**	**21,671**	**20,243**	11.8%
Annual Growth %	**45%**	**45%**	**-13%**	**7%**		

Source : Airlines Schedules, M & A Survey 2017

2.14 Domestic air traffic contributes as much to up-market hotel sales as international air traffic therefore, the implication of growing domestic air traffic is undoubtedly an encouraging feature. There has been a positive annual growth in the passenger capacity to Bengaluru from 2014 based on compilations done by *M&A*.

INFRASTRUCTURE

2.15 Like any other growing city in India, Bengaluru has infrastructure problems. The population of the city is currently 8.474 million people (2011 census) and is estimated at 11.5 million at present (2016). The power situation in the city is not ideal. Daily power cuts are common especially in the summer season. While Karnataka is a power surplus state as of reports in February, 2017, the city of Bengaluru still suffers power outages. Captive generation is essential for any large project in the city and this has been provided for.

2.16 The Bengaluru International Airport will go through continuous expansion phases to be executed over the next 10-15 years as initially envisioned and planned. These expansions will have a direct impact on the Site and will help in providing better connectivity to cities across the world. Terminal I was opened in May 2008 with an annual handling capacity of 12 million passengers (Domestic and International).The airport was officially renamed Kempegowda International Airport on 14 December 2013 amid the inauguration of the expanded terminal building. The first phase of expansion was launched in June 2011 and finished in December 2013. The expanded terminal, dubbed "Terminal 1A", has raised the annual passenger capacity of the airport to 20 million.

2.17 The Airport has been allotted 4,000 acres of land with plenty of scope for expansion. It is expected that the present capacity (20 million passengers) will be saturated soon. The second phase of expansion is currently underway, which encompasses the construction of a second runway and passenger terminal. When complete, Kempegowda Airport will be able to handle 55 million passengers per year. A second runway is under construction as part of the airport expansion and is envisaged to be CAT III certified, allowing for landings in fog and other low visibility conditions. The new terminal "Terminal 2" is planned to be constructed in 2 phases, with the first stage allowing for a capacity of 20 million annual passengers and the second stage raising it to 35 million which will be commissioned at a later stage.

2.18 The government is implementing various projects to improve connectivity to the Bengaluru International Airport (BIAL).

- Vayu Vajra is the airport shuttle service by the Bengaluru Metropolitan Transport Corporation (BMTC). They are air-conditioned Volvo buses, which connects the airport with the city through 11 different routes. They are available at a frequency of 30 minutes and they make almost 251 trips every day. Vayu Vajra is located at the terminal building.
- The Karnataka government is expecting metro connectivity only in the third phase, of the metro development, from the city to the Kempegowda International Airport. The first phase of 42.3 km, for which work began in 2007, is only partially operational. Work on the second phase, has barely begun with a timeline of six years to complete. After this, work on the third phase is expected to begin, provided Bengaluru Metro Corporation Ltd, the agency that is building the metro, finalises a plan, gets it approved and ties up the finances.
- The NHAI's six-lane tolled expressway to the Airport along existing Airport Road (Bellary Road / NH7) is Rs. 680 Cr. Project and is managed by Navayuga Construction Company and consists of a series of seven flyovers from Hebbal to Trumpet Junction near BIAL.
- Bruhat Bengaluru Mahanagara Palike (BBMP)'s six-lane, toll-free road from Hennur Road to the Airport consists of a six-lane road between Hennur Junction and Mylanahalli Road till BIAL's eastern compound wall. This alternative Airport Road will cut through Bagalur, Kanoor, Chagalatha and Mylanahalli, reducing the distance to the Airport by 10 km and will reduce traffic load on existing Bellary Road by 50%, primarily catering to residents of eastern Bengaluru as well as those wanting to avoid the toll charge on Bellary Road.

2.19 The Bengaluru Metro Rail Corporation (BMRC), a joint venture of the Government of India and the Government of Karnataka, built and operates the Namma Metro. It is India's second largest metro system in terms of both length and number of stations, after the Delhi Metro. The system has a mix of underground, at-grade, and elevated stations using standard-gauge tracks. Phase I comprises two lines spanning a length of 42.30 kilometres (26.28mi) with 40 stations. The metro has an average daily ridership of 50,000 passengers. Phase I missed nine deadlines, and its total cost was revised four times. The development of network was divided into phases, Phase I containing 2 lines is scheduled to be completed by April 2017, and Phase II by 2022. Phase III comprises implementation of a 34 km high-speed Metro rail link to the Airport. The metro is eventually going to be extended to reach Electronics City. In February 2017, the Centre requested the BMRC to start work on the airport link before the rest of Phase III.

2.20 The Peripheral Ring Road Development envisages a development of 8-lane access controlled Peripheral Ring Road (PRR) between Tumkur (NH-4) and Hosur (NH-7). Approximately 10 km away from the existing Outer Ring Road, the 65 km PRR will connect Tumkur Road, Magadi Road, Mysore Road, Bellary Road, Old Madras Road and Hosur Road. The project will use up 1,989 acres of land. The estimated cost of building the road is Rs. 11,950 Cr. The project did not take off for about 10 years due to land acquisition issues. The Centre has decided to include this project under Bharat Mala Pariyojna. Bharat Mala is a name given to the ambitious project of improving connectivity through a network of roads and highways. It envisages the construction of 25,000 km of highways along borders, coastal areas, tourist destinations, places of religious importance and district headquarters. Japan International Cooperation Agency (JICA) has agreed to fund construction cost of Rs. 3,800 crores.

2.21 Bengaluru - Mysore Infrastructure Corridor (BMIC) also called NICE road is a private highway that connects the two important cities of Bengaluru and Mysore. Construction was awarded to Nandi Infrastructure Corridor Enterprises (NICE). The project was suspended temporarily and has been in controversies since the day of planning. The state government proposes to build a six-lane expressway between the two cities. The NICE road is an extension of the six-lane state highway under construction between Bengaluru and Malavalli in Mandya district.

2.22 Karnataka Industrial Areas Development Board (KIADB) acquires and develops industrial areas and Single Unit Complexes (SUC), along with comprehensive infrastructure facilities like roads, water and electricity. KIADB has so far developed 160 industrial areas in 29 Districts in the State covering an extent of 76,136 acres, and acquired land for nearly 473 Single Unit Complexes covering an extent of 73,288 Acres ensuring balanced industrial development in all regions with well thought of infrastructures and unique features.

- KIADB is the nodal agency tasked to acquire and develop land for the aerospace park, which will house mainly aerospace research and design companies in Karnataka's ambitious project. The 980-acre Bengaluru Aerospace Park has already attracted investments from 56 large and mid-sized companies. It has been booked to the extent of almost 85%, including in the 250-acre special economic zone within it. The aero park will have residential enclaves for the people who will be working in the zone. A multi-billion-dollar "Signature Project" with two IT Parks are coming up on nearly 400 acres adjoining the airport. An Aerospace Park, Science Park and a Rs.10 billion Financial City are also coming up.

- The Bengaluru-BIAL ITIR is a 12,000 acres IT Investment Region that was proposed in 2010, 15 km North of Bengaluru International Airport. The Karnataka State Electronics Development Corporation (KEONICS) has recently issued Expression of Interest (EOI) for developing the region. Over 55 multinational IT companies including Infosys, Wipro, TCS, and Cognizant have signalled an interest in joining and have signed MOUs.

- "Signature Project" will provide another 309 acres of infrastructure for hospitals, retail and hospitality adjacent to northern boundary of BIAL. It will be multi use business park. 2 IT parks in 50 acres, Central Business District in area of 35 acres, 3 hospitals in 26 acres, Retail and hospitality in 22 acres, Finance District in 25 acres, Goods assembly unit in 25 acres, Office complex in approx. 21.5 acres, Aviation academy in 10 acres, etc. Total infrastructure development in the area is estimated to be well over Rs. 20,450 billion. With significant commercial and residential development in the area, real estate is in high demand in the region.

REAL ESTATE

Commercial

2.23 Business / commercial operations in Bengaluru are concentrated in and around M.G. Road. Major multi-nationals and large Indian corporates operate from M.G. Road, Infantry Road, Cunningham Road, St. Marks Road, Residency Road & the Airport Road. The larger ITES and BPO companies operate from Whitefield, Sarjapur Ring Road, Hosur Road, and Bannergatta Road. The total existing commercial supply in Bengaluru is approximately 143.8 mn. sq.ft.

2.24 Grade A office space in North Bengaluru such as the Brigade Magnum located in Hebbal is available for rent at around Rs. 65-70 per sq. ft. per month.

EXHIBIT 2.7

BENGALURU EXISTING COMMERCIAL SUPPLY

Sub - Market	Sq. Ft. (Mn)	% of Total
ALL GRADES		
CBD / Off CBD	11.33	8%
Subrbun East	19.19	13%
Suburban South	11.09	8%
Peripheral East	29.63	21%
Peripheral North	2.69	2%
Peripheral South	14.89	10%
Outer Ring Road	53.64	37%
TOTAL*	**143.75**	**100%**
GRADE A		
CBD / Off CBD	3.80	3%
Subrbun East	17.93	16%
Suburban South	4.99	4%
Peripheral East	22.84	20%
Peripheral North	2.32	2%
Peripheral South	8.11	7%
Outer Ring Road	52.69	46%
TOTAL*	**113.77**	**100%**

Source: Cushman & Wakefield Office Snapshot Q4 2016
*Total figures contain additional submarkets not mentioned above.
Numbers for the fourth quarter are based on market information collected until 10th December 2016
CBD/Off-CBD –M.G. Road, Millers Road, Vittal Mallya Road, Residency Road, etc.;Peripheral South –Electronic City, Hosur Road,Mysore Road;
Outer Ring Road –Sarjapur, KR Puram, Hebbal; Suburban East –Indira Nagar, Old Airport Road, C.V. Raman Nagar
Peripheral East –Whitefield; Suburban South –Koramangala, Bannerghatta Road, Jayanagar
Peripheral North –Bellary Road, Thanisandara Road, Tumkur Road,

2.25 As per a report published by Knight Frank for H2 2016, Bengaluru Office market strengthened in full year 2016 recording a transaction of 11.4 mn sq.ft., highest in five years; new completions observe an increase of 12% over 2015. Key takeaways from the report are:

a. City saw transactions of 5.3 mn sq.ft. during H2 2016; new completions in H2 2016 stand at 3.5 mn sq.ft.

b. Despite a large quantum of transactions, growth trend remained relatively constrained due to stiff competition from other cities, primarily Hyderabad.

c. Vacancy rates continued their downward movement; presently at 6%.

d. The IT/ITeS sector, while leading the share of total transactions in the city, observed a drop in transactions share to 62% in H2 2016 from 70% in H2 2015.

e. The Outer Ring Road (ORR) office market, which had been struggling in the past few quarters on account of dearth of ready to occupy space, saw its share further reduce in H2 2016 compared to H2 2015. This has resulted in the PBD East market, mainly comprising Whitefield, has stepped up to cater to potential occupiers.

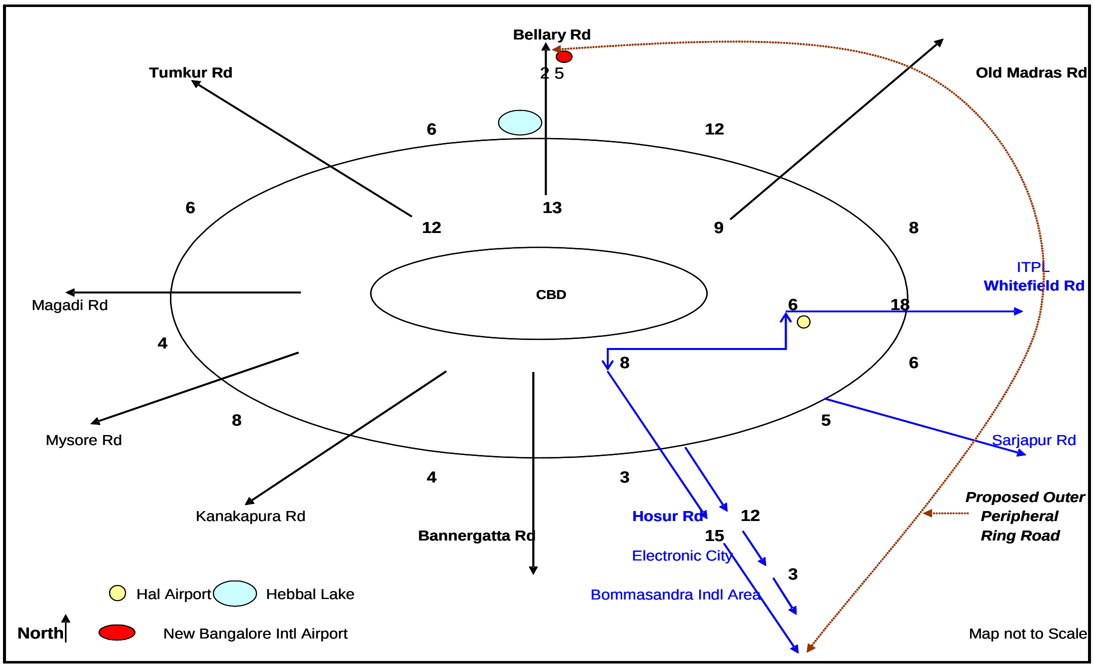
f. The weighted average rental values witnessed a significant increase of 12%, from INR 51.5 per sq ft per month in H2 2015 to INR 57.8 per sq ft per month in H2 2016, primarily due to the anticipated demand for large spaces as well as the lack of vacant office stock in the preferred office markets.

2.26 Due to the lack of space in south and central Bengaluru, a considerable amount of future development in Bengaluru has moved outward on the various ‘spokes’ of the city. A schematic outline of the Outer Ring Road development is provided in *Exhibit 2.8* overleaf.

2.27 With the new international airport at Devanahalli, it is expected that there will be a considerable northward shift of developments. In 2017, nearly 11.1 million sq ft (1,031,100 sq meters) is expected to be released, 49% of which is going to be concentrated in the ORR belt and rest of the new supply is scattered in areas such as Whitefield, North Bengaluru and Electronic City. While a chunk of future supply may get deferred, these massive percentage of upcoming completions in ORR clearly indicate that it has not lost its sheen as developers remain focused to augment supply of office assets in this low vacancy micro market.

EXHIBIT 2.8

SCHEMATIC OUTLINE OF THE OUTER RING ROAD DEVELOPMENT



Significant Projects under construction are as follows:

EXHIBIT 2.9

Significant Projects under construction being completed in the next 2 years

Project Name	Sq. Ft. (Mn)	Location	Possession
SRJ Spectrum	1.20	Bannerghata	2017
Embassy Tech Village	4.00	ORR	2018
Prestige Technostar	1.00	Whitefield	2018
RMZ Eco World	4.00	ORR	2018
Divyasree Technopark	4.40	Whitefield	2019

Source: IPC Reports

2.28 Embassy Springs is Bengaluru's largest master-planned city spread over 300 acres, comprising of 188 acres of plots, 41 acres of apartments, 22 acres of villas & row houses, 20 acres of club & schools and 35 acres of commercial & retail space. The commercial space is expected to be launched in around 3 years' time. The club will be managed by an international brands (Hilton, Le Meridien and Four Seasons are in talks) and will include 41 guest rooms and a fair amount of banquet space as well.

2.29 Embassy One is a mixed use development under construction at Mekhri Circle. It includes 110 units of Four Seasons Private Residences, a 230 key Four Seasons Hotel and 2,51,000 sq.ft. of retail and commercial space that is currently being launched at rentals of Rs. 185 / sq. ft. / month. The commercial space will be ready by June 2017, residences by December 2017 and Hotel by April, 2019.

2.30 **Ozone Urbana** is a sprawling city spread over 185 acres located in Devanahalli. Its components comprise 2/3/4 BHK Luxury Apartments, Serviced Apartments and Old Age Home, Business Park and IT Offices, Retail and Mall and a 175 key Hyatt Place. Two residential apartment towers and the Senior Living complex is ready and occupied. The commercial and retail components are still in the planning stage and will be constructed in around 3-4 years' time. The hotel is under construction and will be completed by December, 2017.

2.31 **Hinduja Ecopolis** is an IT Park located at Yelahanka. The total land area of the park is about 39.67 acres and the proposed built–up area of the park is about 8 mn sq.ft. Phase 1 of the construction has been completed in 2016 comprising of an IT/ITES SEZ on 30 acres of land and 0.8 mn sq.ft. of built-up area. Other components which are yet to be constructed include hotel, serviced apartments, retail and commercial offices.

2.32 **Karle Town Centre and SEZ** is an integrated mixed use development located in Nagavara just adjoining the Manyata Embassy Business Park. The various components are as follows:

- 3 residential towers of 400 apartments already constructed.
- 5 SEZ towers amounting to 3.6 mn sq. ft. of office space. 2 towers already constructed and about 90% occupied. Space is available for rent at Rs. 76 per sq. ft per month. A third tower will be completed by the end of 2018.
- Non SEZ commercial space of about 1 mn sq. ft. will be ready by around June 2020.
- 2 mn sq. ft. of retail, mall, entertainment zone, 4 star hotel with banquet facilities to be completed by 2022.

2.33 Other significant upcoming projects in North Bengaluru include the **expansion of Manyata Embassy Business Park** in Nagavara (RMZ Corp acquired what would have been, Bengaluru's second Shangri-La Hotel for little over $100 million in 2016 to build an additional 2.5 mn sq. ft office space)

2.34 **Brigade Opus** located strategically on NH-7, Hebbal. This is a total development of around 3.5 lakh sq. ft. of office space with Grade A certification and LEED Gold pre-certified. Available for lease at a rental of Rs. 80 per sq.ft. / month. The project will be completed by 2017.

2.35 The Karnataka government has been heavily promoting Devanahalli as the new economic epicenter of Bengaluru, having signed MOUs with various companies at the state's Global Investors Meets (GIM) in 2010 and 2012 for IT hubs, Financial City, Medical hub, hospitality and entertainment districts, Aerospace SEZs and Hardware Parks. Significant commercial projects include an Information Technology Investment Region (ITIR) with a proposed 10,000 acre delineated investment region at an investment of Rs. 100,000 Cr. It will be situated at the Nandi foothills near Muddenahalli, Kanivenarayanapura, and Chikballapur, 15 km from BIAL. This region will include Special Economic Zones, Industrial Parks, Export-oriented units, Free Trade and Warehousing Zones, public utilities, administrative services and residential enclaves. A total of about 3,000 acres has already been earmarked and divided into 3 major parts –

a. 1,000 acres for a hardware park
b. 1,000 acres for a financial / ITES SEZ – 250 acres of which has already been tendered out to Wipro.
c. 1,000 acres for Aerotropolis – a state of the art aerospace park. That will be directly connected to BIAL by the Begur Airport Road which is currently under construction and will be completed by 2017 end.

2.36 The **"Signature Project" (SP)** is a 408 acres project adjoining the northern boundary of BIAL at an investment of Rs. 10,000 Cr. It is envisioned as a mixed use development of 26 mn sq.ft. Its components include Business District, MICE District (including the BICC), Research & Innovation District, and Design & Culture District. The project will comprise 2 IT/ITES SEZs, multi-specialty hospitals, finance district, retail & entertainment, office complex, aviation academy and other utilities. *Exhibit 2.10* below provides the tentative master plan for the project and the indicative location of the proposed Bangalore International Convention Centre.

EXHIBIT 2.10

TENTATIVE MASTERPLAN

2.37 The **IFCI Financial City** is 50 acre regional financial hub BIAL, at Bagalur and is being developed by IFCI Infrastructure Development at an investment of Rs. 1,000 Cr. Out of the total area, 38 acres has been sold to 17 parties, and IIDL has retained four acres.

Retail

2.38 Bengaluru currently (2016) has approx. 14.92 mn. sq.ft. of operational mall space spread across around 40 malls. Mall rentals in the city depend on the location, builder reputation, store size and floor of operation and are usually 30-50% lower for anchor tenants compared to vanilla tenants. Like other metropolitan cities in the country, food courts and multiplexes are important generators of footfalls for malls in Bengaluru.

2.39 Elements Mall is the closest existing mall to the site. Rentals at the development for vanilla stores is Rs. 150 / sq. ft. / month for the ground floor with discounts ranging from 20%-30% for the upper floors. PVR pays a lease rent of Rs. 80 / sq.ft. / month.

2.40 A brief overview of Bengaluru's retail market is provided in *Exhibits 2.11 below*

EXHIBIT 2.11

RETAIL RENTALS

Location	INR per sq. ft. per month	YOY Change
Main Streets		
MG Road	240	0.00%
Brigade Road	280	-1.80%
Commercial Street	300	0.00%
Indiranagar 100 Feet Road	190	0.00%
Jayanagar 4th Block, 11th Main	330	0.00%
SampigeRoad, Malleswaram	120	0.00%
Koramangala80 Feet Road	120	0.00%
VittalMallyaRoad	270	0.00%
New BEL Road	150	0.00%
MarathahalliJunction	160	0.00%
KamanahalliMain Road	150	3.40%
HSR Layout 27th Main	140	0.00%
Malls		
Koramangala	420	0.00%
MagrathRoad	375	0.00%
Cunningham Road	90	0.00%
Mysore Road	65	0.00%
VittalMallyaRoad	400	0.00%
Whitefield	120	0.00%
Rajarajeshwarinagar	80	0.00%
Malleswaram	280	0.00%
BannerghattaRoad	195	0.00%

Source: Cushman & Wakefield Retail Snapshot Q4 2016.
Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted

2.41 As per a report published by Cushman & Weikfield called "Bangalore Retail Snapshot Q4 2016", New supply was deferred due to delays in construction. Of the approximately 2.7 mn sq.ft. of new mall supply scheduled for completion in the fourth quarter of 2016, approximately half has been deferred to the next couple of quarters, due to delays in construction. Further, the launch of select malls totalling 1.3 mn sq.ft. of space in Electronic City has been put on hold due to lack of demand from retailers.

2.42 Vacancy rate marginally increased in 2016 Q4. Vacancy rate of malls increased to 12.5% at the end of the quarter, from 11.7% in the previous quarter. The increase was largely due to an electronics retailer's exit from a mall near CBD submarket.

2.43 Rentals across all major locations remained steady in Q4 2016 from same time in preceding year, as can be witnessed in exhibit 2.10. Rentals across the city have remained stable in the absence of new supply and stable demand.

EXHIBIT 2.12

UPCOMING MALLS

Project Name	Sq. Ft. (Mn)	Location	Possession
RMZ Galleria	0.50	Yelahanka	2018
Vega City Mall	0.42	Bannerghatta Road	2018
Forum Shantiniketan	0.60	Whitefield	2018

Source: Cushman & Wakefield Retail Snapshot Q4 2016.

2.44 RMZ Corp is currently developing its first retail mall "**RMZ Galleria**" at Yelahanka in North Bengaluru. The mall shall be a precursor to other retail developments by RMZ. RMZ Galleria will also have a 204 key serviced apartment development attached to it which will be managed by Ascott International.

EXHIBIT 2.13

RMZ GALLERIA – MALL AND SERVICED APARTMENTS

Floor Plate Size	Lower Ground - 1,15,652 sq. ft. Upper Ground - 1,05,553 sq. ft. 1st Floor - 1,01,629 sq. ft. 2nd Floor - 97,792 sq. ft. 3rd Floor - 77,568 sq. ft.
Efficiency	59%
Number of Outlets	99 Retail Outlets
Parking	1,150 slots split across 3 basements
Principal Architect	Benoy, Singapore
Principal Interior Design	Benoy, Hong Kong
Food Court Area	~34,000 sq. ft.
Multiplex	5 Screens; Seating Capacity: 1,402
Projected Opening Date	2018

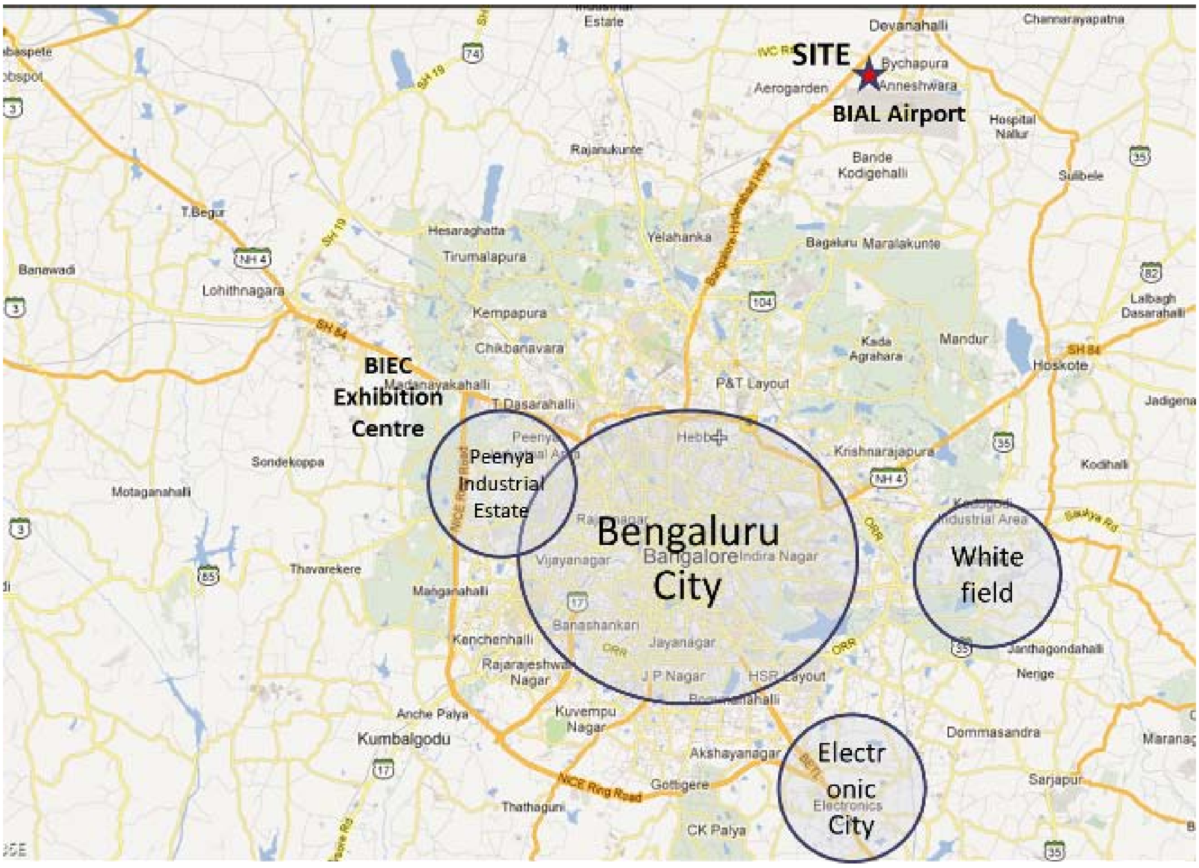
Development	Serviced Apartments
Operator	Ascott (member of CapitaLand group)
Brand	Somerset
Architect	DP Architects, Singapore
Number of Keys	Total: 204 Keys 2 BHK: 21 Keys 1 BHK: 71 Keys Studio: 112 Keys
Number of F&B Outlets	One Breakfast Lounge One Residents' Lounge
Spa	Yes
Meeting Rooms	One 8-seater Meeting Room cum Private Dining Room
Parking	112 Car Parks

3. SITE ANALYSIS

3.1 The suitability of the land for the operation of a convention centre and hotel is an important consideration affecting the economic viability of the proposed project and its overall potential for revenue generation. Factors such as proximity to the business districts, airport, other resorts / hotels, leisure attractions, social infrastructure, retail outlets and other complementary demand generators, have a direct impact on the desirability of a particular site.

3.2 *Exhibit 3.1* below provides an overview of the indicative location of the site in comparison with the city.

EXHIBIT 3.1
SITE LOCATION AND BENGALURU CITY



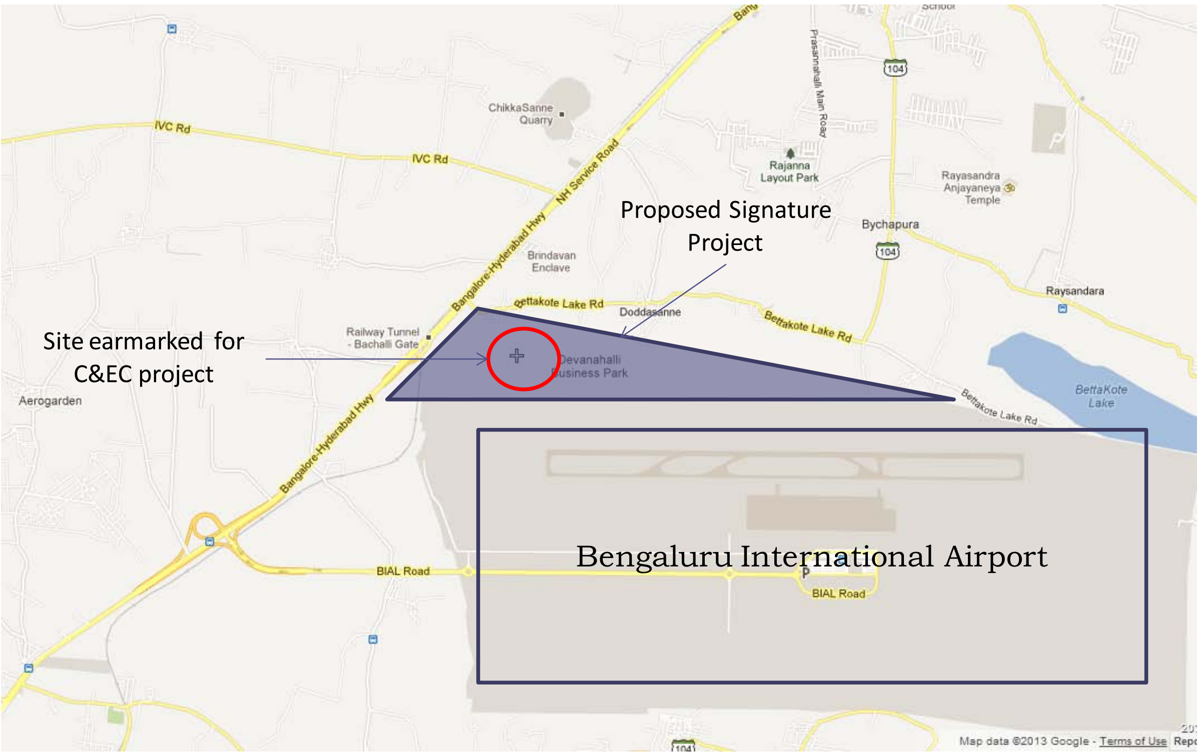
3.3 The Site is part of proposed "Signature Project" (SP). SP is a 408-acre integrated development proposed to be an IT hub or a Biotech hub in northern Bengaluru. A 35 acre land parcel in the SP has been allocated for the proposed C&EC project.

3.4 The subject parcel earmarked for the Convention Centre cum Hotel development is 35 acres. However, we understand that since SP is still at a planning / conceptualization stage, there is some scope for changes to the area allocated. Considering the various development regulations applicable to the site (BIAAPA), as provided to us by the client, we think that this area of 35 acres may not be enough for future expansion of the facility. Therefore, we have recommended that the land area be increased or appurtenant land around the proposed site not be allocated for other uses and be made available for future expansion as and when required.

3.5 The proposed site is expected to be a part of the Signature Project and is expected to have excellent visibility from the Kempegowda International Airport. The indicative location of the site is such that it offers good access from the main NH-7 (Bellary Road / Bengaluru Hyderabad Highway) which connects the Signature Project and the airport to Bengaluru city.

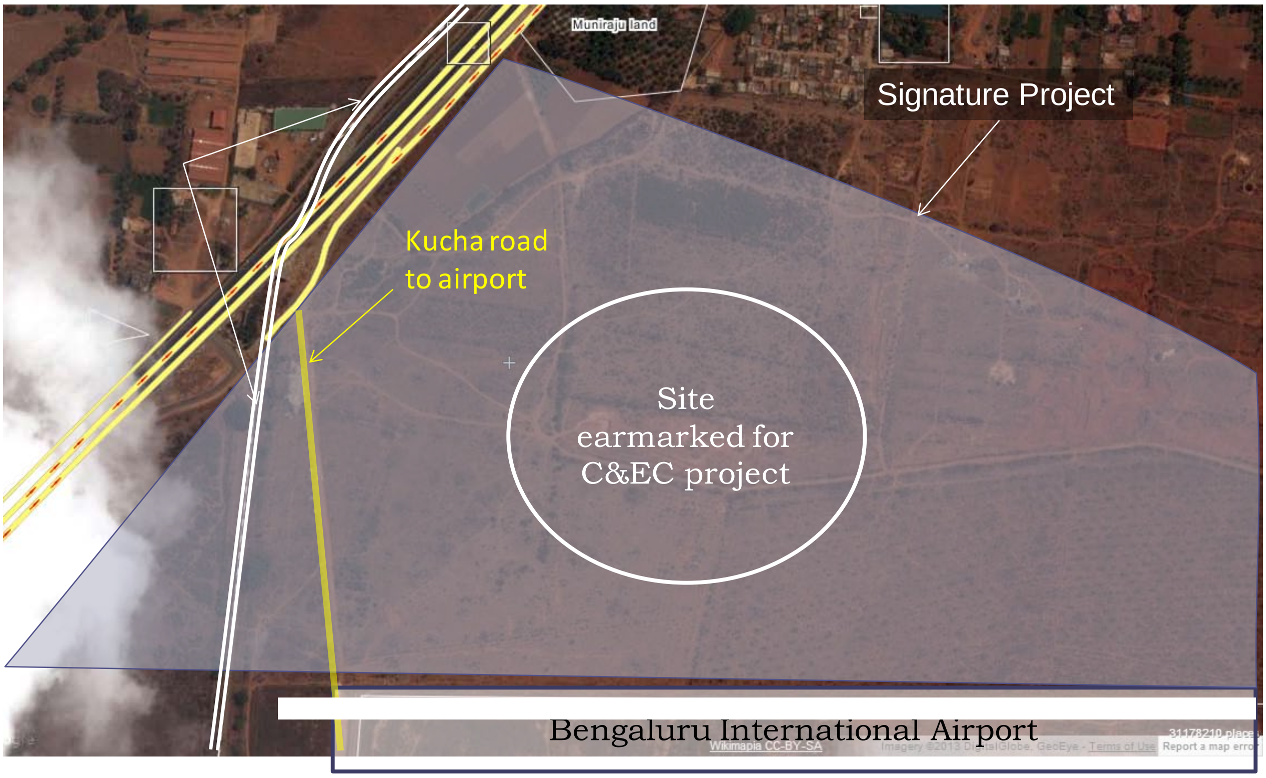
3.6 *Exhibit 3.2* below provides the indicative location of the earmarked site within the proposed "Signature Project" and its environs viz. the Bengaluru International Airport.

EXHIBIT 3.2
SITE ENVIRONS



3.7 *Exhibit 3.3* below provides the site surroundings and the indicative location of the site within the SP development.

EXHIBIT 3.3
SITE SURROUNDINGS



ACCESS AND CONNECTIVITY

3.8 It is important to assess the site with regard to regional and local transportation routes. Access to the site would be available from NH-7 which would connect the site to Bengaluru city. The Signature Project is 35 km from M.G. Road (city centre) and 2 km from the Airport. Overall, access to the subject site is considered favourable.

3.9 *Exhibit 3.4 and 3.5* below, shows the distance from the proposed site to major landmarks in the city.

EXHIBIT 3.4

SITE LOCATION AND DISTANCES

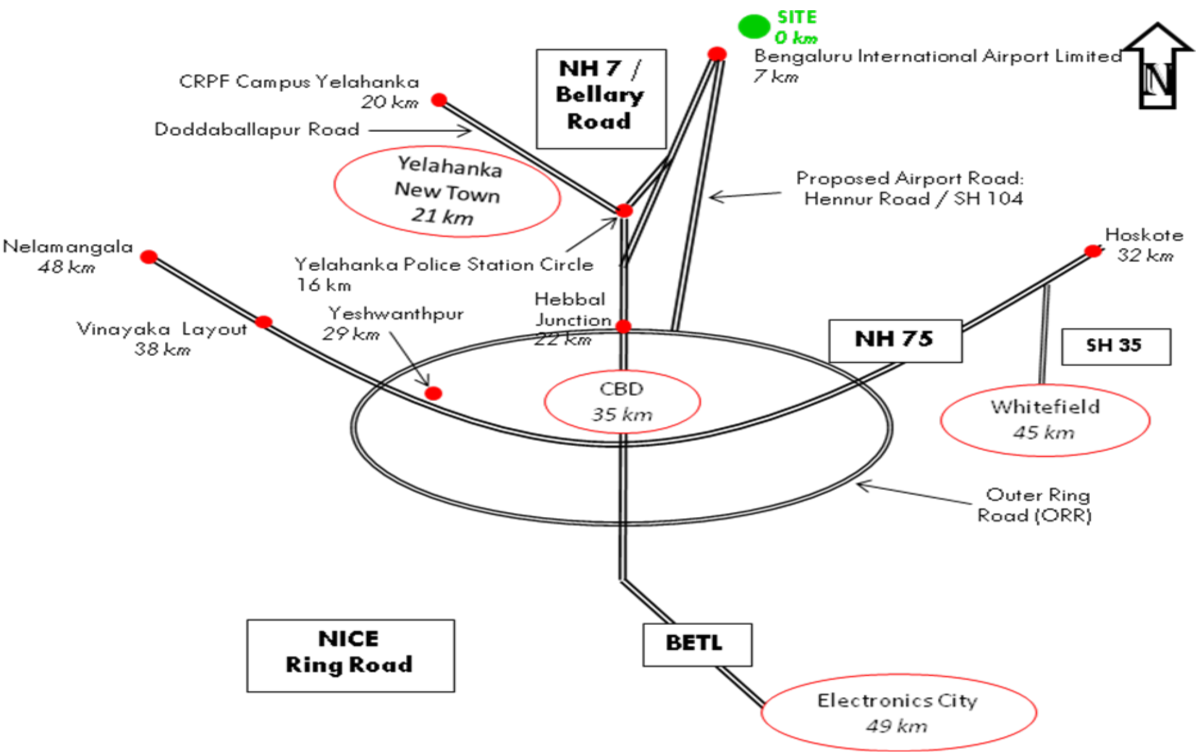


EXHIBIT 3.5

DISTANCES FROM SITE

Landmark	Distance (Kms)
BIAL Airport Trumpet	2
BIAL Airport	7
Yelahanka	16
Hebbal Lake	22
World Trade Center	30
Infantry Road	34
Palace Grounds	34
MG Road	35
UB City Mall	36
Whitefield	45
KTPO	40
Koramangala	42
BIEC	44
Electronic City	49

NEIGHBOURHOOD CHARACTERISTICS

3.10 The site is located north of the airport at Devanahalli. At present, this area is considered far from the city. However, we anticipate that the next phase of growth of Bengaluru city will be northwards towards the airport given the better access infrastructure available. There are already a few townships & golf course projects proposed further north of the airport (e.g. Ozone Urbana, Embassy Springs, etc).

3.11 The site forms part of the proposed "Signature Project". Considering the fact that the overall master plan for SP has not yet been finalized, land use for the component elements is not yet finalized. It is recommended that area around the allocated site be earmarked for social infrastructure like retail, F&B, entertainment, museums, etc. that will provide a useful catchment for the proposed project and add life to the entire vicinity.

OVERALL SITE ASSESSMENT

3.12 The allotted site has been studied with respect to various Infrastructural facilities:

3.13 Connectivity & Access: The proposed site is expected to be a part of the SP development which is bordering the NH-7 (Bellary Road). This would provide excellent road access to the proposed site.

3.14 Airport: The Airport, located at a distance of approximately 2 km from the site is a considerable advantage for the site. The airport is proposed to be accessible from the SP via the main NH-7 as well as an internal road.

3.15 Railway: Both the major railway stations in Bengaluru viz. the Bengaluru City Junction Railway Station and Yeswantpur Railway Station are far from the proposed site at a distance of 33 km and 31 km respectively.

3.16 Utilities: At the time of this study, negligible utilities were available for the proposed development. This is considered normal as the SP is still in planning stage. Since the proposed site will be part of SP, it is assumed that the site will benefit from excellent utilities in terms of power, water, sewage & waste disposal, internal roads, telecommunications infrastructure, etc.

3.17 Social Infrastructure: Social infrastructure is non-existent at the moment around the site. This is expected to change as part of SP master plan. It is suggested that areas around the proposed site be earmarked for social infrastructure facilities like retail, F&B, entertainment, etc.

3.18 A table summarizing the site's characteristics based on its current status is provided in *Exhibit 3.6* below. The overall potential at present is rated 'excellent'.

EXHIBIT 3.6
SITE EVALUATION MATRIX

Strength / Weakness	Performance Excellent	Performance Good	Performance Fair
Accessibility to Site		✓	
Visibility of Site	✓		
Views from Site			✓
Size of Land	✓		
Proximity to Existing Corporate Base			✓
Proximity to Upcoming Corporate Base	✓		
Proximity to Airport	✓		
Proximity to Existing Social Infrastructure		✓	
Proximity to Upcoming Social Infrastructure	✓		
Attractiveness of Surrounding Areas			✓
Overall Potential	✓		

3.19 The Consulting Team has rated the various advantages of the site. The following advantages include:

- Proximity to Airport
- Good access through the NH-7
- Development of SP providing a captive catchment
- Proximity to upcoming Theme Townships with Golf Course
- Availability of utilities as part of SP master plan

3.20 The regulatory norms for the site as described in the BIAAPA are :

- Maximum Ground Coverage – 45%
- Maximum Height – 25 meters

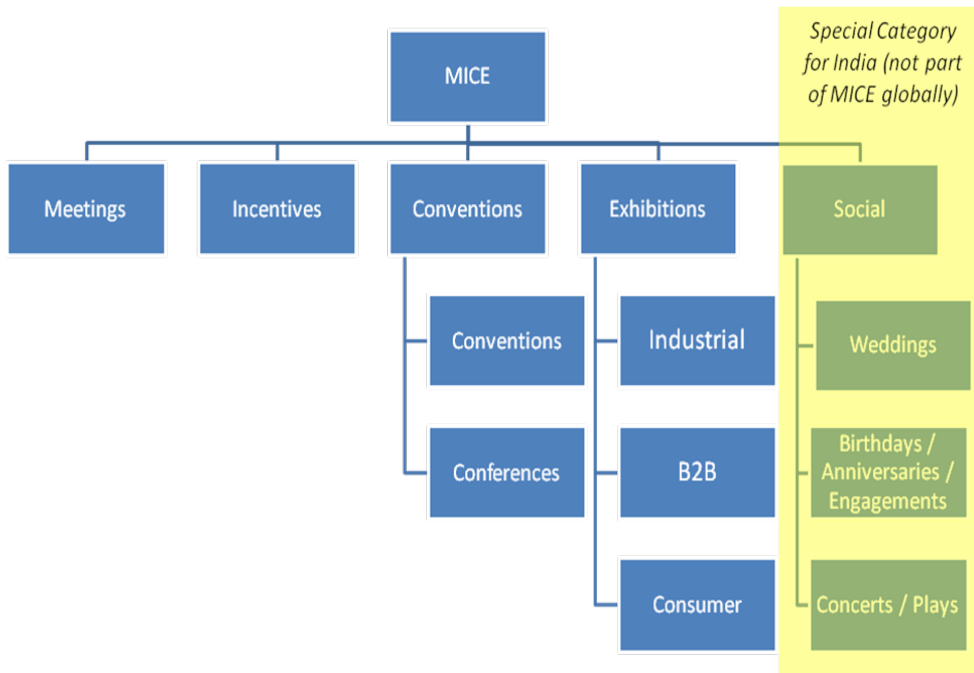
3.21 *M&A* believes that the site itself and its environs are well suited for a convention & exhibition centre with a Hotel from the point of availability of land (size), accessibility (roads & airport) and potential traffic generators (SP). However, at present the site is virgin land and SP is still at a planning stage. As for all projects of this nature there is the 'chicken or egg' syndrome. It is unlikely that a project of this size shall be viable & successful if it is built years before the SP materializes. In such circumstances, it will be a remote, lonely venue which will affect occupancy and viability. It is unlikely that a private sector player will come forward to build a facility of the scope and magnitude suggested over a period of say 3 years unless there is an assurance of infrastructure and commercial drivers of demand in the vicinity being established in the same period.

3.22 It is recommended that a regular shaped site be allocated for efficient utilization. Further, it is suggested that the site be earmarked such that it can have multiple entry & egress roads leading to the site. This will allow easy flow of traffic during large events. Under all circumstances, a separate entry & egress for guests & services is a necessity.

4. OVERVIEW OF M.I.C.E. MARKET

4.1 The following exhibit provides an overview of the MICE Industry.

EXHIBIT 4.1
MICE INDUSTRY



4.2 *Exhibit 4.2* explains the key characteristics of various types of MICE events such as meetings, incentives, conventions, conferences and exhibitions.

EXHIBIT 4.2 - 1
MICE CHARACTERISTICS

Meetings	• To discuss regular / day-to-day business • Clients - Pre-dominantly corporate, associations, etc. • High frequency – multiple times a year or even month for a single client • Small size (typically 10 to 100 pax) • Highly localized, preferably in proximity to office locations • Often held within office for large corporates, if necessary infrastructure available • Local participants • Generally for 1 day • E.g. – Sales meets, distributors meets, division meetings, etc.
Incentives	• To incentivize employees, distributors, customers, etc. for achievements • Pre-dominantly corporate clientele • Annual frequency • Medium size (typically 25 – 150 pax) • Leisure locations / leisure-cum-business locations. Different locations each time. • Participants from around the country / world • Generally for more than 1 day • E.g. – Corporate annual vacations, dealer's / salesmen's trips, etc.

EXHIBIT 4.2 - 2
MICE CHARACTERISTICS

Conventions	• To discuss policy issues, new developments in respective fields, etc. • Clients - Pre-dominantly associations, government organizations, corporates, etc. • Frequency – once every few years, sometimes annual • Large size (over 1,000 delegates) • Participants from around the world • Held in gateway destinations like country / state capital, headquarters for the industry, etc. • Generally for more than 1 day • E.g. – World Economic Forum, ASEAN Summit, SAARC Summit, World Orthopedic Conference, etc.
Conferences	• Clients - Pre-dominantly corporates, associations, etc. • Frequency – typically annual • Medium size (typically 250 – 1,500 delegates) • Participants from around the country / world • Generally held in home city of the corporate / association • Could be 1 day or more than 1 day • E.g. – Annual meetings, etc.
Conventions and conferences are often used interchangeably. There is not much difference between the two	

EXHIBIT 4.2 – 3
MICE CHARACTERISTICS

Industrial Exhibitions	• To display large machinery and allied products & services • Organized by Industry associations, government departments, etc. • Visitors include predominantly trade / business visitors, students, etc. • Frequency – once every few years, sometimes annual • Large size (over 25,000 sq.mt.). Some as large as 100,000 sq.mt. • Use convention facilities along with exhibition facilities • Participants from around the world • Held in gateway cities or cities with industry base. Infrastructure availability key consideration. • Generally for 3 – 5 days • E.g. – IMTEX, PlastIndia, IIJS, ITME, Auto India, Aero Show, etc.
B2B Exhibition (small)	• To display products and allied services, etc. • Organized by Industry associations, PEOs, etc. • Visitors include predominantly trade / business visitors, students, etc. • Frequency – annual, sometimes more frequently • Small to Medium size (2,000 sq.mt. to 25,000 sq.mt.). • Rarely use convention facilities along with exhibition facilities • Participants generally from geographic vicinity • Held in various locations with industry / customer base. • Generally for 1 – 3 days • E.g. – InDIGO (Denim Industry), WTM, KTM, IIJS Signature, etc.
All Industrial Exhibitions are pre-dominantly B2B events.	

EXHIBIT 4.2 - 4
MICE CHARACTERISTICS

Consumer Exhibitions	• To display products directly to the consumer • Organized by event organizers, etc. • Visitors are end consumers with some business visitors • Frequency – many times a year in different cities • Small size (generally less than 1,000 sq.mt.) • Local participation • Location within the city is very important. Prefer city centre locations that are easily accessible from all parts of the city • Generally for 1 – 3 days • E.g. – Book Fairs, Handicraft Fairs, etc.
Social Functions	
Weddings	• Large in size • Higher APCs • Generally local, sometime theme destinations like Goa, Jaipur, Udaipur, etc.
Others	• Comparatively smaller size • APCs marginally lower than weddings • Mostly local • E.g. Birthdays / Anniversaries / Engagements
Concerts / Plays	• Generally held in auditoriums (due to acoustics requirements) or open stadiums (due to size) • Prefer city centre locations that are easily accessible

EXHIBIT 4.3
SUITABILTY OF THE SITE FOR VARIOUS TYPES OF EVENTS

Type of Event	Suitability today	Future Suitability (7-10 yrs.)	Remarks
Meetings	Low	High	Assuming commercial catchment in this region develops (e.g. Signature Project materializes, etc.)
Incentives	Medium	High	Although Bengaluru is not considered as leisure destination it provides connectivity to many destinations in South India viz., Mysore, BR Hills, Coorg, Hampi, etc..
Conventions	High	Very High	• The proposed facility will be a large, purpose built, world-class facility • Infrastructure (hotel rooms, retail & entertainment, connectivity) around the site are estimated to develop further • Large scale commercial development ongoing in close proximity to the site
Conferences	High	Very High	
Industrial Exhibitions	High	Very High	Proximity to Industrial areas around Bengaluru, upcoming commercial supply near the site and proximity to airport will help generate demand for this segment
B2B Exhibitions	Low	Medium	• Large, purpose built, world-class facility with infrastructure • Some events may still prefer city centre locations for ease of access from around the city • This demand may increase in the future once there is better connectivity between the city and airport
Consumer Exhibitions	Medium	High	Due to distance from the city & accessibility issues. However, once metro is connected to airport this segment may generate demand for the facility
Weddings / Social Functions	Low	Medium	Prefer easily accessible locations. Especially with the current facilities in the city it may take long before this segment moves to the proposed location.
Plays	Low	Medium	
Concerts	High	Very High	These events require large open spaces for which the audience does not mind travelling and with better connectivity in the future there may be substantial demand from this segment

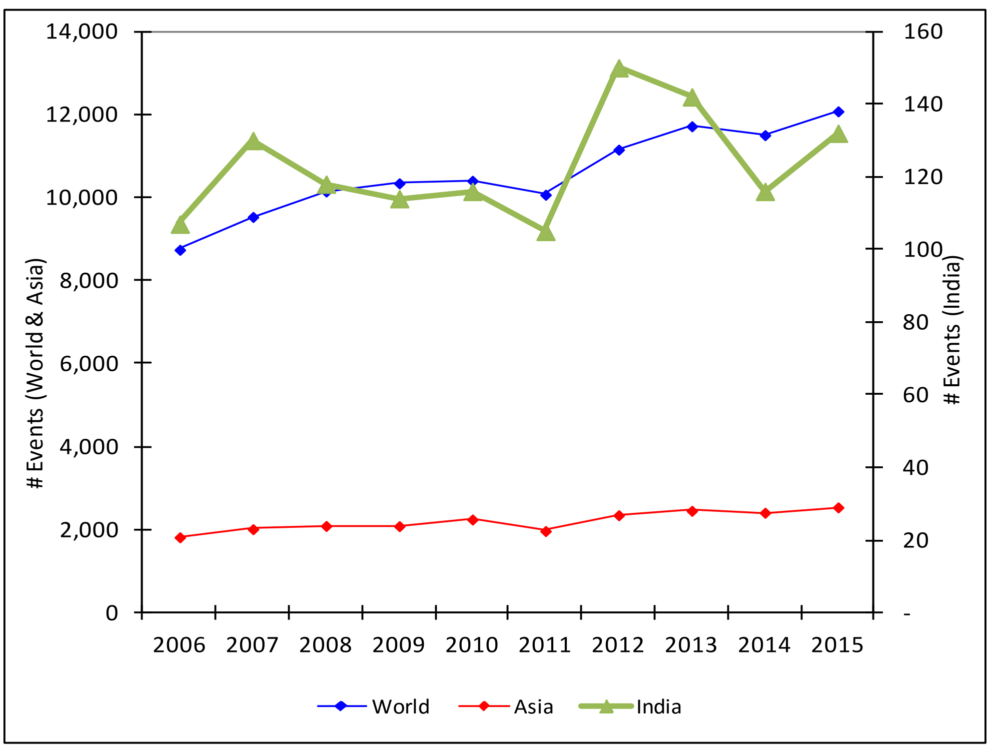
INTERNATIONAL MICE MARKET OVERVIEW

4.3 Meetings can be classified as Corporate Meetings, Internal, External, Internal / External, Non-Corporate Meetings, Association / NGO and International Government Organizations. International Congress and Convention Association (ICCA) is one of the premier worldwide organizations tracking worldwide MICE market and events and has amongst the most comprehensive statistical databases. ICCA collates and tracks Association MICE meetings. To be included, events needs to have a minimum attendance by 50 delegates, must be organized on a regular basis (one-time events excluded) and should rotate between at least 3 countries. Many of these association meetings are sponsored by Corporates. e.g. medical conferences, etc.

4.4 This section provides an analysis of the statistics from the ICCA Statistics Report, 2015 which was published in May / June 2016. The statistics for the year 2016 are yet to be published and estimated to be released in May / June 2017.

4.5 As can be observed in *Exhibit 4.4* below, in 2014, the number of events witnessed a marginal dip across the world, including Asia-Pacific + Middle East (APAC+ME) and India. However, the numbers increased in 2015. The number of events in World & APAC+ME grew at a CAGR of 3.7% & 3.8% respectively between 2006 & 2015. In comparison, India grew at a CAGR of 2.4% during the same period APAC+ME's share of world events has stayed stable at about 20% over the years. India's share of APAC+ME events has been around 5% on an average from 2006 – 2015.

EXHIBIT 4.4
NUMBER OF EVENTS PER YEAR



4.6 USA and Germany retained their top two ranks by number of events in 2015. They hosted 7.7% and 5.5% of the total events respectively. It may be noted that their share has remained constant at about 13% in the last 5 years but has fallen from 15% of world events in 2002. India hosted 132 events in 2015 and was ranked 31st (compared to 33rd in 2011). India's global market share has been constant at around 1.1% in the last 5 years however has been increasing steadily from 0.92% in 2002.

EXHIBIT 4.5
COUNTRY RANKINGS

Rank (2014)	Rank (2015)	Country	# Events (2015)	Events % (2015)
1	1	U.S.A.	925	7.7%
2	2	Germany	667	5.5%
4	3	U.K.	582	4.8%
3	4	Spain	572	4.7%
5	5	France	522	4.3%
6	6	Italy	504	4.2%
7	7	Japan	355	2.9%
8	8	China P.R.	333	2.8%
9	9	Netherlands	333	2.8%
12	10	Canada	308	2.6%
10	11	Brazil	292	2.4%
15	12	Portugal	278	2.3%
33	**31**	**India**	**132**	**1.1%**
		Others	6,275	52.0%
		TOTAL	**12,078**	**100%**

Source: ICCA Statistics Report 2015 and 2014

Rank (2014)	Rank (2015)	Country	# Participants (2015)	Participants %
1	1	U.S.A.	412,845	8.8%
3	2	Germany	244,141	5.2%
2	3	Spain	242,281	5.1%
5	4	U.K.	232,324	4.9%
6	5	Italy	202,910	4.3%
4	6	France	196,168	4.2%
8	7	Canada	174,764	3.7%
11	8	Republic of Korea	159,053	3.4%
10	9	Brazil	146,674	3.1%
12	10	Austria	142,936	3.0%
9	11	Netherlands	133,015	2.8%
7	12	Japan	125,251	2.7%
		Others	2,305,215	48.9%
		TOTAL	**4,717,577**	**100%**

4.7 USA retained its top slot by number of participants in 2015. India was ranked 33rd by number of participants in 2011. The most recent ICCA report includes these figures for the top 30 countries only. Hence, India's ranking by total number of participants isn't available.

4.8 Berlin with 195 events was the top city by number of events. The top ranked Indian cities include New Delhi, Mumbai, Bengaluru, Hyderabad, Goa and Chennai. Hyderabad witnessed the highest promotion in the past (340th rank to 150th rank and 1 meeting to 14 meetings between 2002 & 2011). This can be partially attributed to the HICC facility opening in 2006. During 2015, Hyderabad's ranking fell with other cities like New Delhi, Mumbai and Bengaluru moving up in the rankings. In 2015, New Delhi is the highest ranked Indian city (64th) amongst all cities surveyed.

EXHIBIT 4.6
CITY RANKINGS

Rank (2006)	Rank (2014)	Rank (2015)	City	# Events (2015)
4	7	1	Berlin	195
2	1	2	Paris	186
3	2	3	Barcelona	180
1	5	4	Vienna	178
7	4	5	London	171
6	3	6	Madrid	171
5	10	7	Singapore	156
9	8	8	Istanbul	148
12	24	9	Lisbon	145
14	9	10	Copenhagen	138
56	**69**	**64**	**New Delhi**	**41**
212	**222**	**182**	**Mumbai**	**14**
212	**222**	**191**	**Bengaluru**	**13**
150	**134**	**207**	**Hyderabad**	**12**
345	**n.a.**	**276**	**Goa**	**8**
273	**240**	**335**	**Chennai**	**6**
			TOTAL	**12,078**

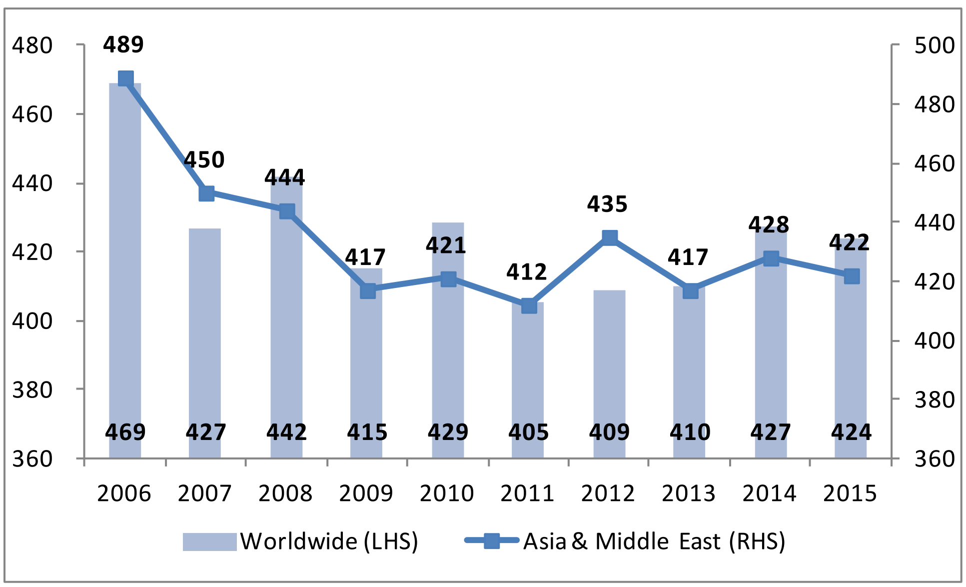
Source: ICCA Statistics Reports

4.9 The average size of events in 2015 globally and in Asia & the Middle East is approx. 420 pax. It is approx 360 – 480 pax for all regions. The average event size is witnessing a downwards trend since 2002 i.e. events are getting smaller globally as depicted in *Exhibit 4.7* overleaf.

4.10 In FY 14-15, India is ranked 25th with 60 participants per meeting. The figures around the world are as mentioned below-

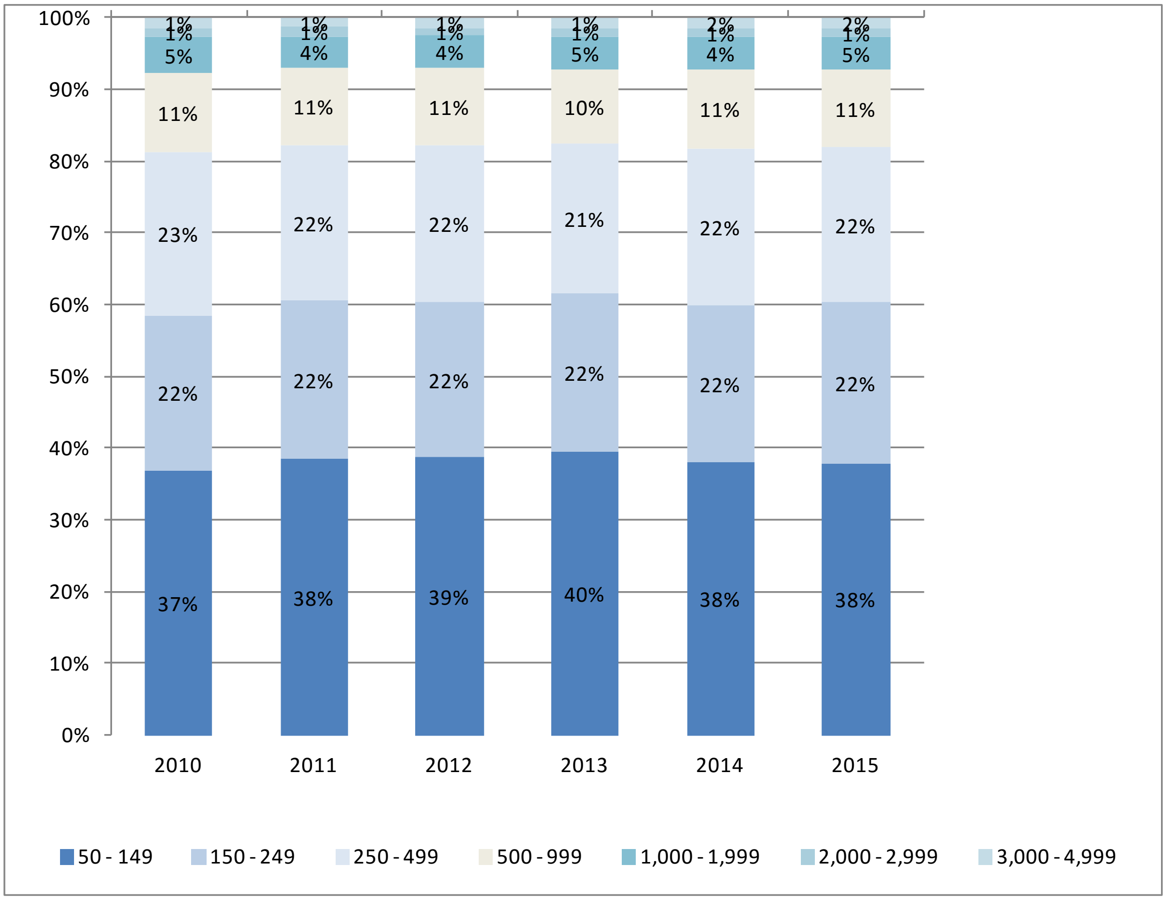
- USA – 365 participants per meeting
- Spain – 289 participants per meeting
- Germany – 264 participants per meeting
- France – 233 participants per meeting
- UK – 199 participants per meeting
- China & Brazil – 127 participants per meeting

EXHIBIT 4.7
EVENT SIZE



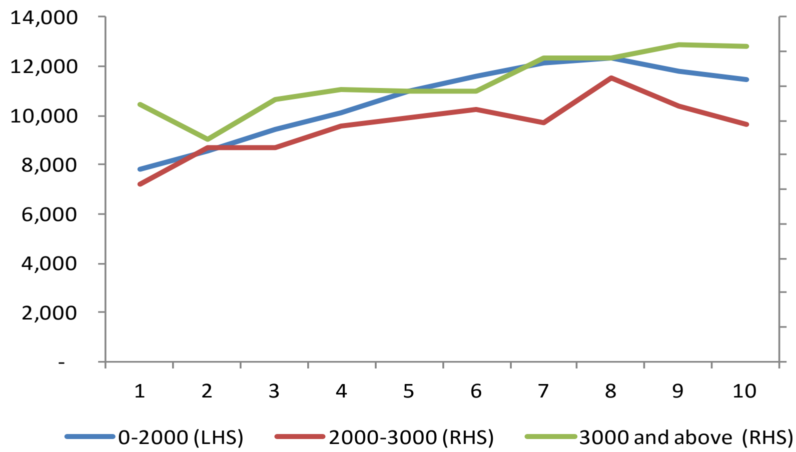
4.11 A venue with capacity of 2,000 pax can address 97% of the target market. The number of events with over 2,000 participants has remained stagnant at 2-3% between 2006 and 2015. This signifies that increasing number of events are getting smaller over the years. Nevertheless, the total number of events has also grown. Therefore, the number of larger events has grown at a much slower rate. This inference is made more evident in the following *Exhibit 4.8* overleaf.

EXHIBIT 4.8
NUMBER OF PARTICPANTS



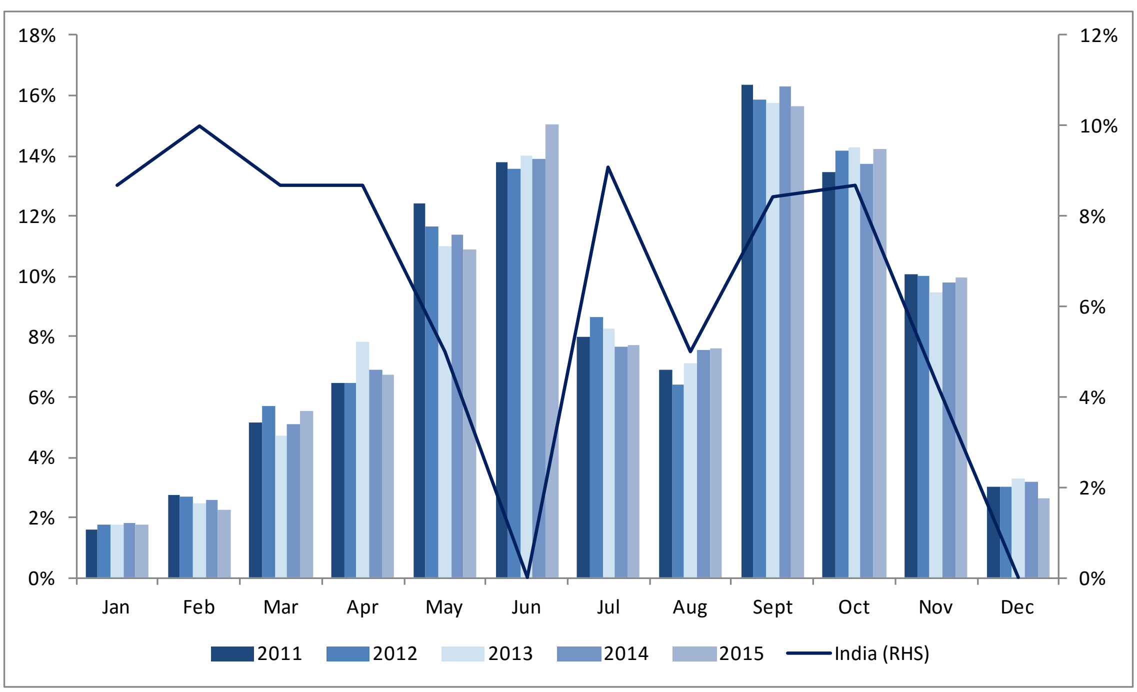
4.12 The following key trends over the recent history (10 years) can be observed from the following *Exhibit 4.9* overleaf. The 0 – 2,000 pax. category is the most versatile category, growing 1.5 times (4% p.a. CAGR) over the period. The number of events in the > 3,000 pax. category has stayed constant over the period, growing just 1.2 times (2% p.a. CAGR) over the period. The 2,000 to 3,000 pax. category has grown 1.3 times (3% p.a. CAGR) over the period.

EXHIBIT 4.9
NUMBER OF PARTICPANTS IN EVENTS



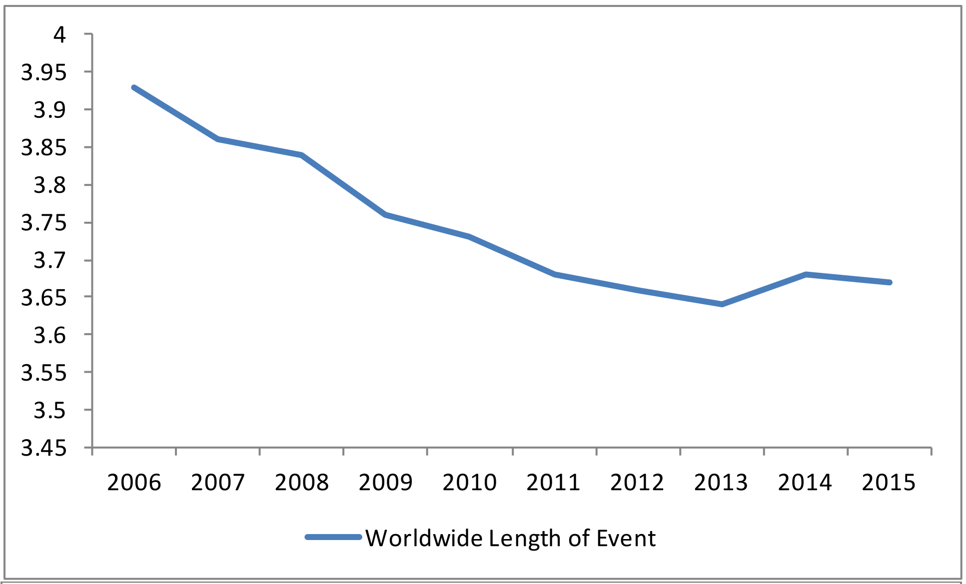
4.13 September is the most popular month (16%) for events globally, followed by June & October (14% each), and May (11%). January (2%) and December (3%) are the least preferred months. In comparison, February (10%) is the most popular month in India followed closely by March, April and October. May, June and December are the least popular. Unlike global events May and June are not amongst the preferred months, which can be attributed to the hot summers in most Indian cities.

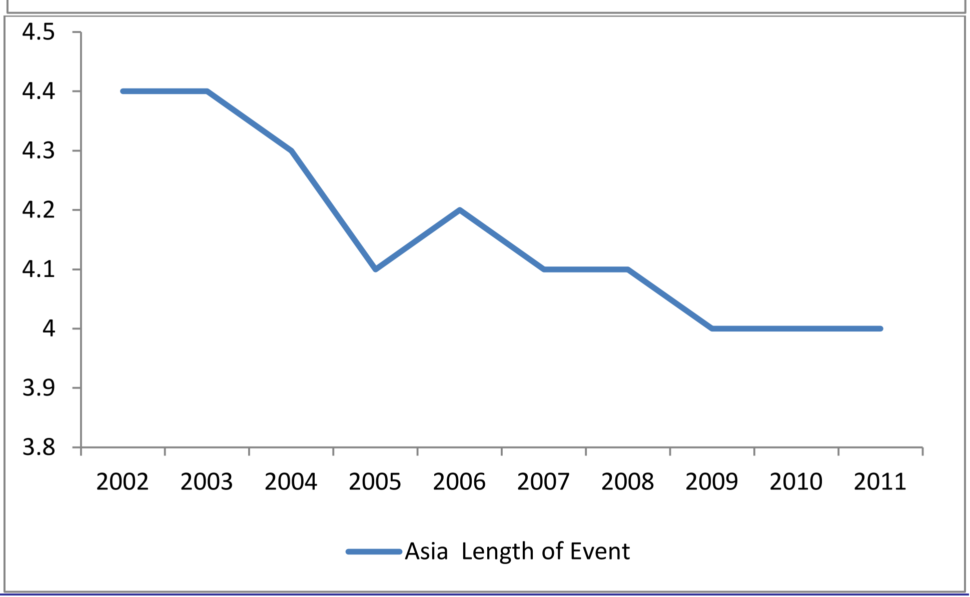
EXHIBIT 4.10
EVENT SEASONALITY



4.14 As can be seen from the *Exhibit 4.11* below, the average length of meetings has been decreasing over the years. The average length has reduced from 3.93 days to 3.74 days (worldwide from 2006 to 2015) and 4.4 days to 4.05 days (Asia /ME from 2002 to 2011).

EXHIBIT 4.11
EVENT LENGTH

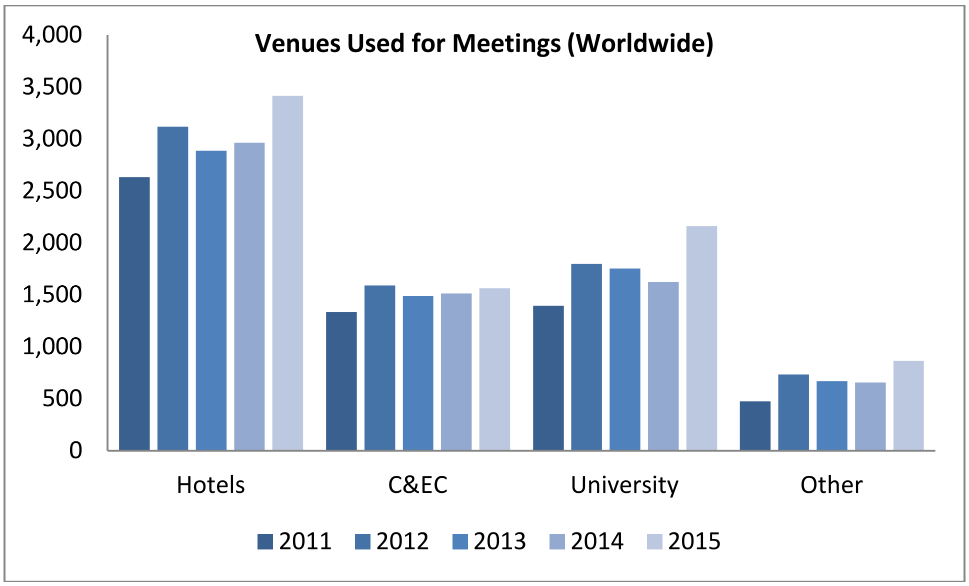


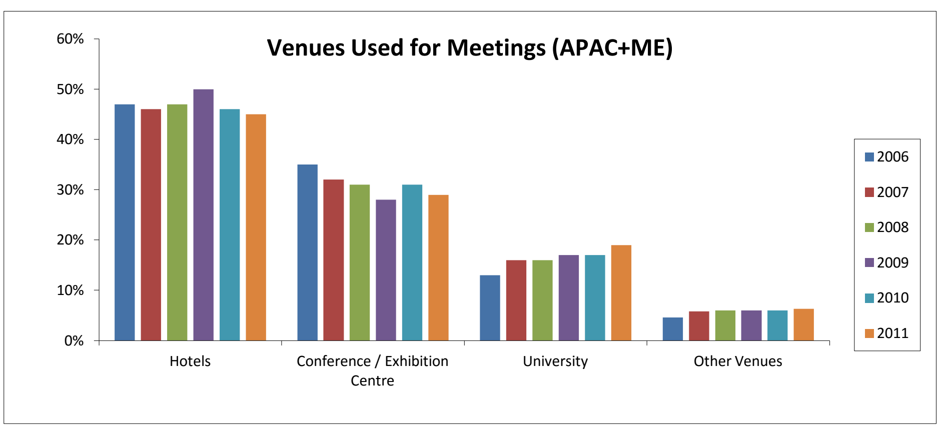


Note: Only meetings of which the exact dates (and thus duration) are stored in the Association Database are included in these figures.

4.15 Between years 2006-2011, hotels were the most preferred venues for these events (45% of total), followed by Convention / Exhibition Centres at 29%. For worldwide events between years 2011-2015 hotels were used for 43% and Universities were used for 27% of the events.

EXHIBIT 4.12
VENUES USED





Source: ICCA Statistics reports, 2011 &2015.

Note: Included in these figures are only international association meetings stored in the database of which the type of congress venue that was used is known to ICCA.

4.16 In 2015, delegates spent an estimated US$ 2.3 bn. on event fees and US$ 10.6 bn. in total expenditure during the events. This shows a multiplier effect of 4.6 times for the local economy. This is perhaps one of the reasons why local governments subsidize Convention & Exhibition facilities and events. Moreover, a large proportion of these guests are foreign guests, who tend to spend more than the domestic guests. The average amount spent by delegates per day increased by a CAGR of 1.8% over 5 years from 2011-2015.

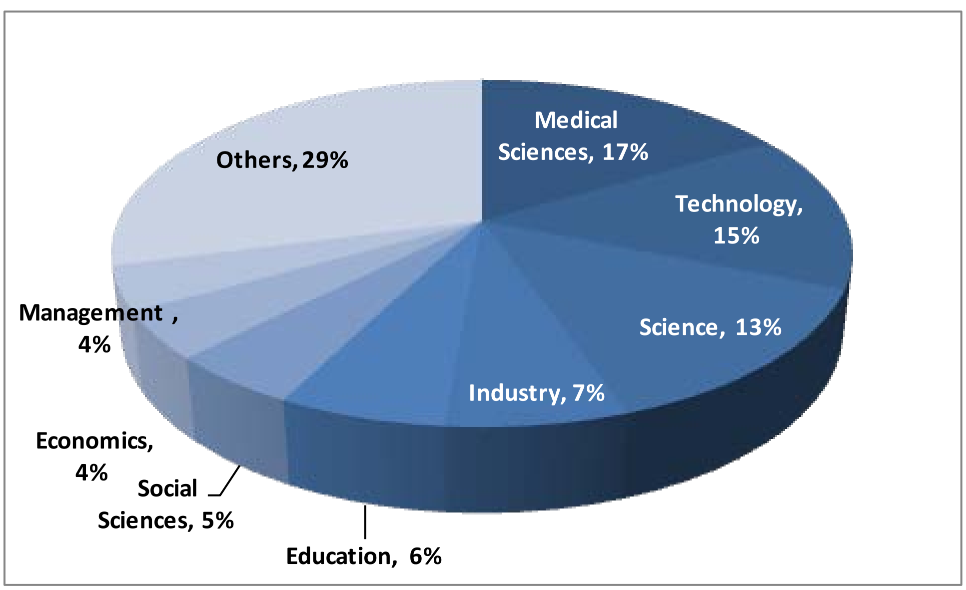
EXHIBIT 4.13
AVERAGE REGISTRATION FEE & TOTAL EXPENDITURE (US$)

Year	Total Fees & Expenditure (US$ millions)		Average Spend Per Delegate Per Event (US$)		Average Spend Per Delegate Per Day (US$)	
	Fee Income	Expenditure	Fee	Expenditure	Fee	Expenditure
2011	2,176	9,892	479	2,179	135	615
2012	2,361	10,730	486	2,209	136	618
2013	2,335	10,613	480	2,184	136	620
2014	2,471	11,232	520	2,362	150	681
2015	2,339	10,632	496	2,255	145	659
CAGR (2011 to 2015)	1.8%	1.8%	0.9%	0.9%	1.8%	1.7%

Source: ICCA Statistics Report 2015

4.17 Medical, Technology and Science are the three major subjects for events worldwide, together accounting for 45% of the events. Bengaluru, with its IT/ITES and perhaps Bio-technology base is well placed to target these major segments of business.

EXHIBIT 4.14
MEETING SUBJECTS



Source: ICCA Statistics Report, 2015.

4.18 India is ranked 9th in the APAC+ME region by number of events. It hosted 116 events in 2014, which is 4.8% of the total events held in the region. Japan with 337 events, hosted 13.9% of the events and was ranked no. 1.

EXHIBIT 4.15
INDIA'S RANKING IN PEER GROUP

Rank - # events (2014)	Country	2014	
		Participants	Events
1	Japan	147,245	337
2	China	127,997	332
3	Australia	151,808	260
4	Republic of Korea	115,418	222
5	Chinese Taipei	52,791	145
6	Singapore	57,497	142
7	Malaysia	71,157	133
8	Thailand	42,742	118
9	India	60,132	116
10	Hong Kong, China-P.R.	41,956	98
	Others	100,222	514
	Total (APAC + ME)	**968,965**	2,417
	India's Share	*6.2%*	*4.8%*

4.19 Singapore has retained the top slot for most of the 10 year period. New Delhi, with 41 events, was ranked 14th amongst its peer set in 2015. An interesting trend can be observed where the number of events hosted by Hyderabad has shot up significantly since 2006. This can be largely attributed to the HICC opening in January 2006, and put Hyderabad on the world convention map.

EXHIBIT 4.16
INDIA'S RANKING IN PEER GROUP

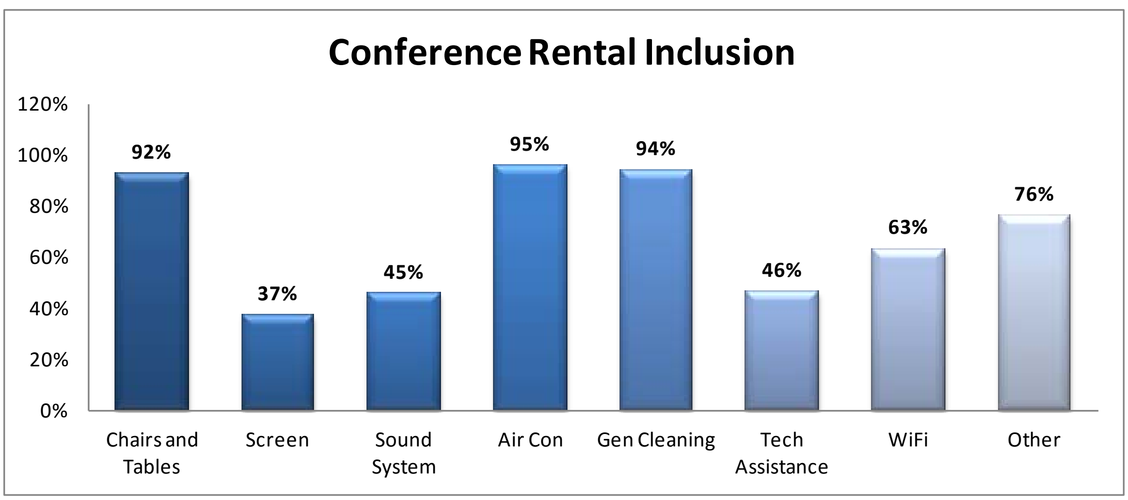
Rank	City	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	CAGR (2006 to 2015)
1	Singapore	131	142	137	120	148	142	150	175	142	156	2.0%
2	Seoul	103	89	119	109	98	99	100	125	99	117	1.4%
3	Hong Kong	79	86	76	83	94	77	96	89	98	112	4.0%
4	Bangkok	77	99	83	85	56	70	105	93	73	103	3.3%
5	Beijing	108	119	100	132	113	111	109	105	104	95	-1.4%
6	Taipei	48	82	65	81	107	83	80	78	92	90	7.2%
7	Sydney	57	67	73	64	105	57	86	93	82	86	4.7%
8	Tokyo	57	80	98	69	74	50	69	79	90	80	3.8%
9	Kuala Lumpur	69	83	85	91	82	78	69	68	73	73	0.6%
10	Dubai	14	28	35	30	39	34	38	37	56	56	16.7%
11	Shanghai	57	61	73	61	90	72	64	72	73	55	-0.4%
12	Melbourne	53	43	45	37	53	62	54	52	61	54	0.2%
13	Kyoto	33	39	36	39	48	29	61	43	47	45	3.5%
14	Manila	28	24	28	26	21	22	31	28	22	41	4.3%
14	New Delhi	36	43	41	30	41	37	48	35	35	41	1.5%
15	Bali	17	22	25	23	37	23	47	55	38	40	10.0%
	Hyderabad	**8**	**13**	**`15**	**15**	**11**	**14**	**14**	**17**	**18**	**12**	**4.6%**
	Mumbai	**12**	**15**	**11**	**14**	**11**	**9**	**19**	**19**	**10**	**14**	**1.7%**
	Bangalore	**18**	**14**	**12**	**7**	**9**	**9**	**16**	**19**	**10**	**13**	**-3.6%**
	Chennai	**6**	**13**	**8**	**10**	**8**	**7**	**13**	**7**	**9**	**6**	**0.0%**
	Goa	**6**	**5**	**2**	**4**	**3**	**5**	**n.a.**	**5**	**n.a.**	**8**	**3.2%**
	APAC + ME Total	**1,826**	**2,021**	**2,099**	**2,094**	**2,254**	**1,976**	**2,370**	**2,470**	**2,427**	**2,533**	**3.7%**

Source: ICCA Statistics Reports

FINDINGS – ICCA VENUE COMPARISON REPORTS, 2010 and 2015

4.20 ICCA conducts a Venue Comparison Survey, which is a biannual survey of participating venues. The last survey report was released in 2016 for 2015. 137 venues participated in this comprehensive survey in 2015. This includes Convention & Exhibition facilities and excludes hotels. The key results of this survey are presented below:

EXHIBIT 4.17
ICCA VENUE COMPARISON SURVEY



4.21 In almost all cases, conference rentals included use of furniture like chairs and tables, services like housekeeping and use of air-conditioning, these items add to the cost of hosting a conference, making conferences a comparatively lower margin business as compared to exhibitions.

EXHIBIT 4.18
ENVIRONMENTAL IMPACT

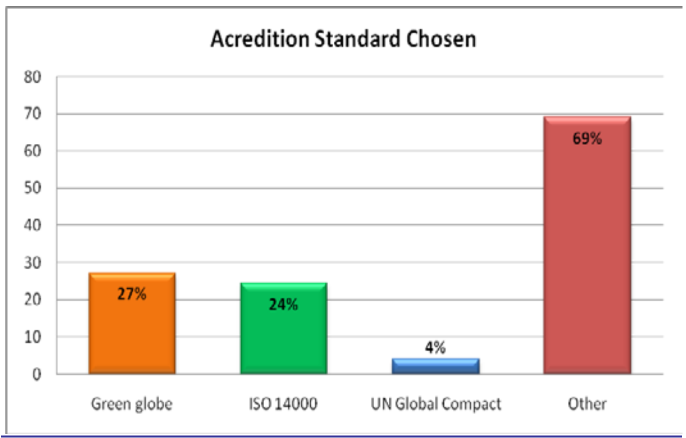
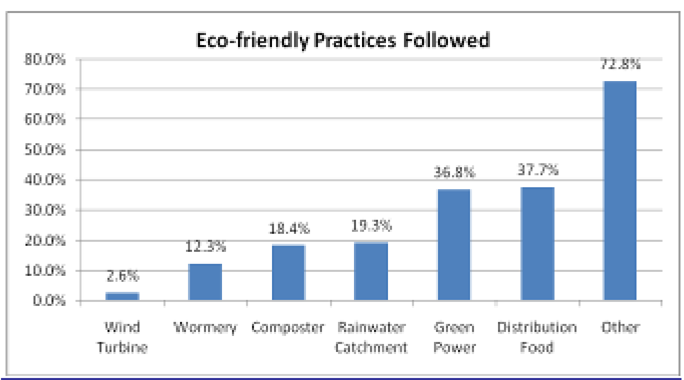
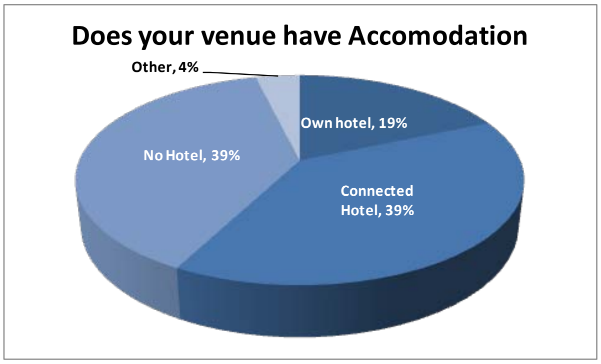


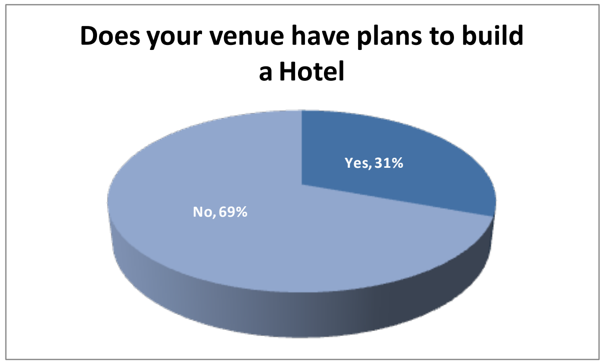
EXHIBIT 4.19
ENVIRONMENTAL IMPACT



4.22 69% of the respondents mentioned not having gone for the 3 prevalent environmental ratings. Most of these are expected to have not gone for any ratings, this number is however not available. The exhibit above brings out the fact that venues are not very keen to get an environment rating, but are more focused on eco-friendly practices. This could perhaps be due to the higher upfront capital expenditure to meet the rating norms. Amongst practices, distributing food and green power are the most followed practices. Apart from these, as many as 73% follow other practices. These statistics are based on the ICCA Venue Comparison report published in 2011. The most recent report is unavailable.

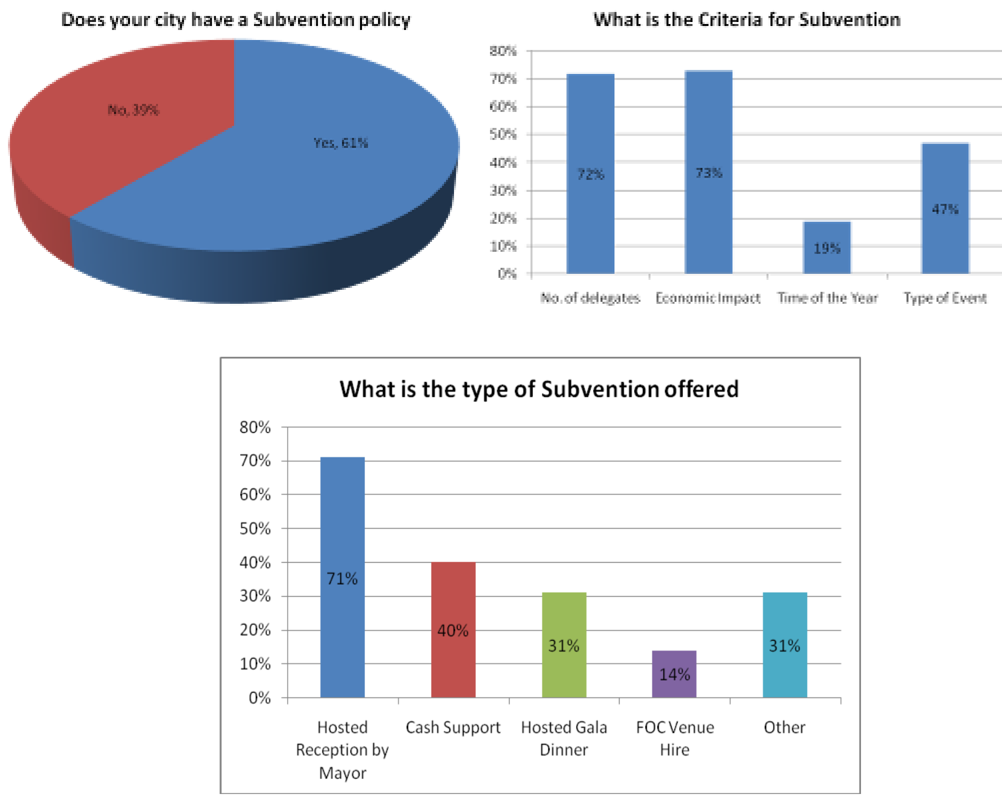
EXHIBIT 4.20
ACCOMMODATION





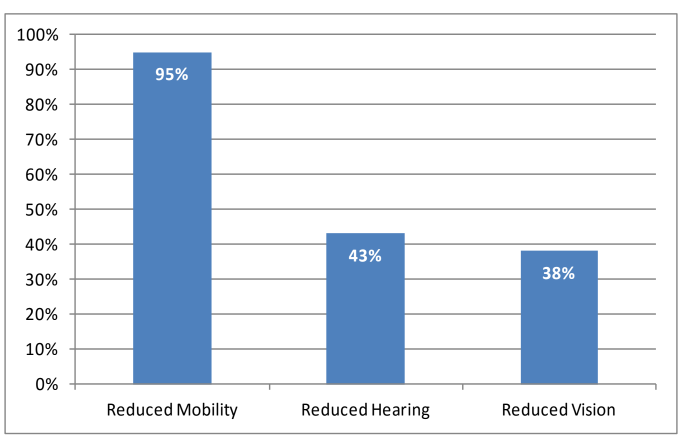
4.23 58% of the venues surveyed had an on-site hotel, either owned by the same group or connected to the venue. Of the respondents surveyed, 31% have plans to build a hotel as part of the venue. Therefore, most if not all the venues either have a host hotel or plan to build one. This signifies the importance of a host hotel for a venue.

EXHIBIT 4.21
SUPPORT FROM CITY / LOCAL GOVERNMENT



4.24 The exhibit above clearly shows that most of the cities / local government bodies offer various kinds of support for convention venues. This can be attributed to multiplier effect that a convention has on the local economy. For every rupee spent on the convention, a delegate spends Rs. 4.5 in the local economy. These statistics are based on the ICCA Venue Comparison report published in 2011. The most recent report is unavailable.

EXHIBIT 4.22
DISABLED PERSON FRIENDLINESS



4.25 At least 95% of the venues are designed keeping in mind requirements of disabled people. However, very few venues are designed keeping in mind people with disabilities other than mobility. These statistics are based on the ICCA Venue Comparison report published in 2011. The most recent report is unavailable.

MICE FACILITIES & INDUSTRY FEEDBACK

Key Findings

4.26 International convention venues have huge hotel room inventory, which is important to host large events. Cities like Vienna (31,070), Singapore (64,347), Las Vegas (149,339), Beijing (44,605) and even Seoul (17,408) and Bangkok (30,132) have much larger hotel inventory as compared to Bengaluru (9,188 Grade A rooms, say 12,500 total rooms if we include all types).

4.27 Passenger handling capacity is an important factor for hosting large events. Singapore airport has a capacity of 66 mn passengers p.a., Bangkok 45 mn p.a., Beijing 82 mn. p.a., Seoul 44mn p.a. In comparison, Bengaluru's current capacity is 26 mn p.a. A second parallel runway is proposed south of the existing runway, which is currently under construction. Therefore, Bengaluru is well poised to target global events.

4.28 Major international C&EC destinations have some key characteristics which make them MICE destinations. Such as Las Vegas & Macau are gaming destinations, Hong Kong is an important financial centre and very close to Macau where gaming is allowed, Vienna (Austria) is centrally located in Europe, is politically neutral (striking a balance between capitalist & communist country) and therefore caters to international organizational meetings. Although Singapore is generally a strict country in terms of gaming, Marina Bay Sands & Resorts World and Sentosa are places where casinos are allowed making them important attractions. Bengaluru is the technology capital of India. Moreover, it is the base for major companies in the biotechnology, aero industry, etc. These industries are expected to be the prime demand drivers for the proposed facility.

4.29 Most international facilities are Convention-cum-Exhibition facilities rather than only Convention or Exhibition. For almost all such venues, the size of Exhibition facility is much larger than the Convention facility. This is also observed in Convensia Convention Centre, Songdo and Marina Bay Sands, Singapore which are amongst the latest purpose-built facilities. Similar to global venues, even for Indian C&EC facilities, the proportion of large functions is minuscule; HICC which is the largest purpose built facility at present 87% of events had participants less than 500. This has increased from 78% in 2006, signifying that the proportion of smaller events has increased. Only 7% of all conferences held were of more than 2,000 pax size. Similarly, Marriott Convention Centre Pune had only 1% of the conferences more than 1,000 pax 97% of the conferences hosted were less than 500 pax. Grand Hyatt Mumbai has only 10-12 large conferences p.a. (of average size 1,000 pax) as compared to 350 – 450 small conferences p.a. of average size 300 pax.

Industry Stakeholders' Comments & Suggestions

4.30 Most events have an exhibition element. Venue choice is based on total cost (for the event), infrastructure availability and proximity to hotel / F&B facilities and therefore hotels are sometimes preferred. High ceilings are preferred, gives a grand feel (at least 24 ft.) and adequate power supply and backup is necessary; high power plug points should be available at various places within the halls. Drop down screens are not recommended as organizers prefer to bring their own screens, drop down screens don't allow flexibility in layouts, are generally a mechanical nightmare to operate. Lighting in different sections of the hall should be separately controllable. Location within the city is important as it affects access for the local residents.

Potential Target Market

4.31 Medical / Biotechnology / Healthcare Conferences are typically of very large sizes E.g. World Congress of Diabetes India – over 3,000 pax, Ophthalmology Conference - over 10,000 pax, World Aids Conference - 25,000 pax. They generally rotate between different cities and are on an annual basis. Most of them have a Convention and an Exhibition element. Bengaluru is the technology capital of India and the venue can target the main events for these companies such as the annual Day celebration / Annual party, Kick-off meetings for new hires (which are in huge numbers in IT / ITES industry). For example, companies like Sun Microsystems used to fly over 5,000 techies to Hyderabad for 2 nights every year so that they can all be accommodated in one hall. Major companies include SAP TechEd Conference, Semiconductor Industry events, IBM, Microsoft, Infosys, etc.

4.32 International Music Concerts – Rock Concert, etc. are also a good target market. Bengaluru & Mumbai are the two cities in India where rock culture exists. Presence of young cosmopolitan population, fond of global music boost demand for such concerts and most of these are currently held in open grounds or hotels.

4.33 Bengaluru base of HAL and generally the aviation industry in India, Aero Show, held biannually, attracts 600 Visitors from across the world and ancillary events / exhibitions for the aviation industry can be held at the proposed facility.

4.34 Weddings / social events are considered to be a 'no brainer' target segment. Every year there are approximately 100 – 120 mahurat days in the Hindu calendar including 40-50 auspicious wedding days as per the Kannada / Hindu calendar in Bengaluru when almost all venues are sold out. In fact, on some days, people use non-traditional venues like school grounds / halls for lack of availability. Bengaluru weddings are generally not as lavish as their counterparts in Delhi or Hyderabad. Nevertheless, this is an important target segment. An illustrative list of mahurat days, which are generally 'sold out' dates for most banquet & wedding ground facilities, for the calendar years 2015 & 2016 is provided in *Exhibit 4.23* overleaf.

EXHIBIT 4.23
AUSPICIOUS BENGALURU WEDDING DAYS

2017																																Days
January	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	**17**	**18**	**19**	**20**	21	22	23	24	25	26	27	28	29	**30**	31	5
February	**1**	**2**	**3**	4	5	**6**	7	8	9	10	11	12	**13**	**14**	15	**16**	**17**	**18**	19	20	21	22	23	24	25	26	27	**28**	29	30	31	9
March	**1**	2	3	4	5	**6**	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	2
April	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	**17**	18	**19**	**20**	**21**	22	23	24	25	26	27	28	29	30	31	4
May	1	2	3	**4**	5	6	7	**8**	**9**	10	11	12	13	14	**15**	16	**17**	**18**	**19**	20	21	22	23	24	25	26	**27**	28	29	30	31	8
June	1	2	**3**	4	5	6	7	8	9	10	11	12	13	14	15	16	17	**18**	**19**	20	21	22	23	24	25	26	27	**28**	29	**30**	31	5
July	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
August	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
September	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
October	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
November	1	2	3	4	5	6	7	8	9	10	**11**	12	13	**14**	**15**	16	17	18	19	20	**21**	22	23	**24**	25	**26**	**27**	28	29	30	31	7
December	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
																																40

2016																																
January	1	2	3	4	5	6	7	8	9	10	11	12	13	14	**15**	**16**	17	18	19	**20**	21	22	23	24	25	**26**	27	**28**	**29**	30	31	6
February	1	**2**	**3**	**4**	**5**	**6**	7	8	9	10	**11**	**12**	13	14	15	16	**17**	18	19	20	21	**22**	23	**24**	25	26	**27**	**28**	29	30	31	12
March	**1**	2	**3**	4	**5**	6	7	8	**9**	**10**	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	6
April	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	**18**	**19**	**20**	21	**22**	**23**	**24**	25	**26**	**27**	28	**29**	30	31	9
May	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
June	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
July	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
August	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
September	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
October	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
November	1	2	3	4	5	6	7	8	9	10	**11**	**12**	13	14	**15**	**16**	17	18	19	20	21	22	**23**	**24**	**25**	**26**	**27**	28	29	30	31	9
December	1	2	**3**	4	5	6	7	**8**	**9**	10	11	**12**	**13**	**14**	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	6
																																48

source: https://vedicastrologylessons.com/auspicious-hindu-marriage-dates-in-2016-bengaluru-karnataka/
http://www.hindu-blog.com/2016/04/kannada-marriage-dates-in-2017-hindu.html

4.35 *Exhibit 4.24* overleaf draws a comparison between the C&EC's in Bengaluru versus its international counterparts worldwide.

EXHIBIT 4.24
COMPARISON OF INTERNATIONAL C&EC FACILITIES & LOCATIONS

City	Convention & Exhibition Centre	Area (sq.mts.)	Population (Mn. in 2016)	No. of Hotel Rooms	Airports Capacity(2016) No. of airlines	Passenger Arrivals	Passenger Capacity (mn.)
Bangalore	BIEC	70,479					
	KTPO	15,589					
	Proposed Convention & Exhibition Centre, Devanahalli	41,146					
	Total	**127,214**	**11.5**	**11,799**	**27**	**11**	**26.0**
Hannover	Deutsche Messe, Hannover	496,000					
	Total	**496,000**	**0.5**	**7,000**	**38**	**5.5**	**5.4**
Beijing	Beijing International Convention Center	18,721					
	China National Convention Center (CNCC)	57,808					
	World Trade Center	275,000					
	China International Exhibition Center (CIEC)	53,280					
	New China International Exhibition Center (NCIEC)	660,000					
		1,064,809	**18.5**	**44,605**	**95**	**94.4**	**82.0**
Las Vegas	Las Vegas Convention Centre	300,000					
	Mandalay Bay Convention Center	93,000					
	Sands Expo & Convention Center	232,257					
	Cashman Centre	11,612					
	Total	**636,869**	**2.0**	**149,339**	**33**	**47.4**	**55.0**
Frankfurt	Messe, Frankfurt	578,000					
		578,000	**0.7**	**21,945**	**140**	**60.8**	**65.0**
Bangkok	IMPACT Muang Thong Thani	171,124					
	Queen Sirikit National Convention Centre	25,184					
	BITEC	77,401					
	Total	**273,709**	**8.3**	**30,132**	**130**	**55.9**	**45.0**
Dusseldorf	Messe Dusseldorf, Dusseldorf	262,700					
		262,700	**1.2**	**12,941**	**70**	**23.5**	**22.0**
Singapore	Marina Bay Sands	120,000					
	Singapore Expo	102,463					
	Resorts World Sentosa	16,399					
	Suntec SICEC	29,284					
	Total	**268,146**	**5.6**	**64,347**	**76**	**58.7**	**66.0**
Hong Kong	Hong Kong Convention & Exhibition Centre	93,350					
	AsiaWorld Expo	70,000					
	HITEC	155,004					
	Total	**318,354**	**7.2**	**74,000**	**95**	**70.5**	**70.0**
Guangzhou	GZBICC	61,351					
		61,351	**11.5**	**19,054**	**70**	**55.2**	**31.0**
Macau *	Venetian - Cotai Expo	74,682					
	Macao Cultural Centre	45,000					
	Macau Tower Convention & Exhibition Centre	8,000					
	Macau Forum	7,280					
	Macau Dome	4,860					
	Macau Fishermans Warf	5,260					
	Total	**145,082**	**0.6**	**29,725**	**33**	**5.8**	**6.0**
Berlin	Messe Berlin	160,000					
		160,000	**3.7**	**140,000**	**77**	**32.9**	**35.0**
Vienna	Messe Wien Exhibition & Congress Center	62,000					
	Austria Centre, Vienna	22,000					
	Hofburg Vienna	7,923					
	Regent International Hotel	13,510					
	Hilton Vienna	2,759					
	Total	**108,192**	**1.9**	**31,070**	**103**	**23.4**	**22.0**
Kuala Lumpur	Kuala Lumpur International Convention Center	17,281					
	Malaysia International Exhibition and Convention Center (MIECC)	17,960					
	Total	**35,241**	**1.8**	**42,000**	**59**	**49.0**	**70.0**
Shanghai	Shanghai New International Expo Centre	300,000					
	Shanghai Everbright C&EC	77,000					
		377,000	**24.2**	**61,129**	**104**	**66.0**	**60.0**
Songdo, Incheo	ConvensiA Convention Center	28,633					
	Total	**28,633**	**3.0**	**30,000**	**75**	**58.0**	**44.0**

Source: M&A Survey, IPC Reports
Note: All areas exclude car parking
**** - Macau has a low passenger handling capacity because it is easily accessible by boat/ferry from China Mainland and HongKong.***
*****- Total room inventory for the Songdo, Incheon includes Seoul city***

4.36 The facilities at the proposed C&EC are in line with international C&EC's as displayed in *Exhibit 4.25 and Exhibit 4.26* below.

EXHIBIT 4.25
FACILITY SUMMARY FOR INTERNATIONAL C&ECS

Facility	Convention Area		Exhibition Area		Total Area		Ancillary Area	
	Sq. mt.	Sq. ft.	Sq. mt.	Sq. ft.	Sq. mt.	Sq. ft.	Sq. mt.	Sq. ft.
Proposed Convention & Exhibition Centre	***8,652***	***93,130***	***10,000***	***107,640***	***18,652***	***200,770***	***22,494***	***242,125***
Las Vegas Convention Center	22,393	241,038	180,289	1,940,631	202,682	2,181,669	94,605	1,018,328
IMPACT- Thailand	34,097	367,020	137,027	1,474,959	171,124	1,841,979	8,000	n.a.
Singapore Expo	12,463	134,152	90,000	968,760	102,463	1,102,912	n.a.	n.a.
HKCEC- Hong Kong	19,305	207,799	74,357	800,379	93,662	1,008,178	n.a.	n.a.
BITEC- Thailand	11,362	122,301	66,039	710,844	77,401	833,144	n.a.	n.a.
GZBICC- Guangzhou	15,471	166,530	45,553	490,332	61,024	656,862	327	3,520
Marina Bay Sands- Singapore	29,108	313,319	31,750	341,757	60,858	655,076	n.a.	n.a.
CNCC- China	22,103	237,917	35,000	376,740	57,103	614,657	705	7,589
CIEC- China	1,675	18,030	51,605	555,476	53,280	573,506	n.a.	n.a.
AsiaWorld Expo	39,163	421,551	-	-	39,163	421,551	1,115	12,002
Suntec City	17,284	186,045	12,000	129,168	29,284	315,213	n.a.	n.a.
ConvensiA Convention Centre - Songdo	4,068	43,788	24,094	259,348	28,162	303,136	471	5,070
QSNCC- Thailand	10,758	115,799	9,585	103,173	20,343	218,972	4,841	52,109
BICC - Beijing	9,261	99,685	9,205	99,083	18,466	198,768	255	2,745
MIECC - Malaysia	1,448	15,586	16,512	177,735	17,960	193,321	n.a.	n.a.
Resorts World Sentosa- Singapore	16,399	176,519	-	-	16,399	176,519	n.a.	n.a.
KITEC- Hong Kong	11,005	118,458	-	-	11,005	118,458	143,998	1,549,994

Source: M&A Survery

EXHIBIT 4.26
CONVENTION HALL SUMMARY FOR INTERNATIONAL C&ECS

Facility	Largest Hall			Total Convention Area	
	Capacity	Hall Area			
	Theatre Style	Sq. mt.	Sq. ft.	Sq. mt.	Sq. ft.
Proposed Convention & Exhibition Centre	***6,000***	***6,500***	***69,966***	***8,652***	***93,130***
AsiaWorld Expo	13,500	10,880	117,112	39,163	421,551
IMPACT- Thailand - Arena	11,440	4,000	43,056	34,097	367,020
IMPACT- Thailand - Royal Jubilee Ballroom	*3,500*	*3,500*	*37,674*		
Marina Bay Sands- Singapore	10,880	7,664	82,495	29,108	313,319
Singapore Expo	7,000	10,000	107,640	12,463	134,152
Resorts World Sentosa- Singapore	6,500	6,000	64,584	16,399	176,519
CNCC- China	5,700	6,400	68,890	22,103	237,917
QSNCC- Thailand	5,200	4,656	50,117	10,758	115,799
HKCEC- Hong Kong	3,880	3,880	41,764	19,305	207,799
BITEC- Thailand	3,700	3,564	38,363	11,362	122,301
KITEC- Hong Kong - Multi Purpose Hall	3,600	2,912	31,345	11,005	118,458
Suntec City	3,242	4,000	43,056	17,284	186,045
GZBICC- Guangzhou	2,700	2,800	30,139	15,471	166,530
BICC - Beijing	2,350	1,900	20,452	9,261	99,685
ConvensiA Convention Centre - Songdo	2,100	1,716	18,471	4,068	43,788
Las Vegas Convention Center	2,000	1,566	16,855	22,393	241,038
MIECC - Malaysia	550	512	5,511	1,448	15,586
CIEC- China	500	798	8,590	1,675	18,030

Source: M&A Survery

Note : IMPACT, Thailand has an Arena which is a multi purpose facility and a large Ballroom for Convention use.

4.37 *Exhibit 4.27* below the number of events, the total number of days occupied and the average number of days per event at the major international C&EC's in 2012.

EXHIBIT 4.27
EVENT SUMMARY FOR INTERNATIONAL C&ECS

Convention Center	No. of Events	CY 2016 Actuals	
		Total No. of Days Occupied	Avg. No. of Days / Events
KITEC - Hong Kong	175	245	1.4
IMPACT - Thailand	131	570	4.4
QSNCC - Thailand	130	460	3.5
HKCEC - Hong Kong	81	281	3.5
CIEC - China	75	240	3.2
BITEC - Thailand	65	270	4.2
CNCC - China	51	161	3.2
Suntec City	49	125	2.6
MIECC - Malaysia	34	99	2.9
Grand Total / Average	**791**	**2,451**	**3.1**

Source: M&A Survery
Note: The data indicates the no. of public events published on the event calendars of the respective venues

4.38 *Exhibit 4.28* below draw a comparison between the C&EC's in Bengaluru versus its domestic counterparts in India.

EXHIBIT 4.28
COMPARISON OF DOMESTIC C&EC FACILITIES & LOCATIONS

City	Convention & Exhibition Centre	Area (sq.mts.)	Population (Mn.in 2016)	Existing Office Space (mn.sq.ft.)	No. of hotel rooms	Airports Capacity (FY 2016)		
						No. of Airlines	Passenger Arrivals (mn)	Passenger Capacity
Bangalore	Bangalore International Exhibition Center Trade Center Bangalore *Proposed Convention & Exhibition Centre, Devanahalli*	70,479 15,589 *41,146*						
	Total	**86,068**	**11.5**	**143.7**	**11,799**	**27**	**19.0**	**26.0**
Ahmedabad	University Convention Centre University Grounds (Open Ground)	10,500 n.a.						
	Total	**10,500**	**7.0**	**24.8**	**3,154**	**16**	**6.5**	**4.6**
NCR	India Expo XXI□ Pragati Maidan Ashok Hotel	67,748 77,985 3,062						
	Total	**148,795**	**26.1**	**109.5**	**20,680**	**66**	**48.4**	**35.0**
Mumbai	Bombay Exhibition Centre Grand Hyatt Renaissance Hotel & Convention Centre World Trade Centre MMRDA Grounds (Open Ground)	55,188 2,059 1,673 3,628 158,000						
	Total (excluding open grounds)	**62,548**	**20.7**	**126.2**	**13,054**	**53**	**41.7**	**40.0**
Hyderabad	HICC HITEX	17,385 38,022						
	Total	**55,407**	**10.1**	**62.4**	**6,262**	**25**	**12.4**	**12.0**
Chennai	Chennai Trade Center	12,460						
	Total	**12,460**	**8.5**	**78.0**	**7,787**	**38**	**15.2**	**23.0**
Kochi	Le Meredian Resort & Convention Centre	4,484						
	Total (excluding open grounds)	**4,484**	**2.5**	**n.a.**	***2,500***	**26**	**7.8**	**12.0**
Goa	International Centre Goa	9,511						
	Total (excluding open grounds)	**9,511**	**2.8**	**n.a.**	**5,596**	**24**	**5.4**	**4.0**
Surat	Surat International Exhibition & Convention Centre	27,883						
	Total	**27,883**	**6.0**	**1.3**	***600***	**n.a.**	**n.a.**	**n.a.**
Gandhinagar	Mahatma Mandir- Gandhinagar	24,127						
	Total	**24,127**	**1.3**	**4.1**	**371**	**n.a.**	**n.a.**	**n.a.**

Source: M&A Survey, IPC Reports
Note: All areas exclude car parking
All areas exclude car parking
Figures in Italics are approximates

4.39 The proposed C&EC will be at par with international C&EC's and will be one of the largest C&EC's in India as displayed in *Exhibit 4.29 and Exhibit 4.30* below.

EXHIBIT 4.29
FACILITY SUMMARY FOR DOMESTIC C&ECS

Facility	Convention Area		Exhibition Area		Total Area		Ancillary Area	
	Sq. mt.	Sq. ft.	Sq. mt.	Sq. ft.	Sq. mt.	Sq. ft.	Sq. mt.	Sq. ft.
Proposed Convention & Exhibition Centre	***8,652***	***93,130***	***10,000***	***107,640***	***18,652***	***200,770***	***22,494***	***242,125***
Pragati Maidan - Delhi	12,074	129,965	65,911	709,466	77,985	839,431	n.a.	n.a.
India Expo XXI - Noida	10,100	108,716	57,648	620,523	67,748	729,239	n.a.	n.a.
BIEC - Bengaluru	3,153	33,939	59,826	643,967	62,979	677,906	7,500	80,730
Bombay Exhibition Centre - Mumbai	252	2,713	54,866	590,578	55,118	593,290	n.a.	n.a.
SIECC - Surat	1,263	13,595	25,980	279,649	27,243	293,244	640	6,889
Mahatma Mandir - Gandhinagar	10,562	113,689	10,375	111,677	20,937	225,366	3,190	34,337
HICC - Hyderabad	15,900	171,148	-	-	15,900	171,148	1,486	15,995
Chennai Trade Centre - Chennai	1,900	20,452	10,560	113,668	12,460	134,119	n.a.	n.a.
HITEX - Hyderabad	-	-	11,400	122,710	11,400	122,710	n.a.	n.a.
CIDCO Exhibition Centre - Navi Mumbai	-	-	11,000	118,404	11,000	118,404	1,665	17,922
University Ground - Ahmedabad	5,500	59,202	5,000	53,820	10,500	113,022	n.a.	n.a.
Trade Centre Bengaluru	1,500	16,146	5,789	62,313	7,289	78,459	n.a.	n.a.
World Trade Centre - Mumbai	1,282	36,880	2,345	25,242	3,627	62,122	n.a.	n.a.
ICG - Goa	438	4,715	-	-	438	4,715	9,073	97,662

Source: M&A Survery, Mar 2017

EXHIBIT 4.30
CONVENTION HALL SUMMARY FOR DOMESTIC C&ECS

Facility	Largest Hall			Total Convention Area	
	Capacity Theatre Style	Area Sq. mt.	Area Sq. ft.	Sq. mt.	Sq. ft.
Proposed Convention & Exhibition Centre	***6,000***	***6,500***	***69,966***	***8,652***	***93,130***
HICC - Hyderabad	6,072	6,150	66,199	15,900	171,148
Mahatma Mandir - Gandhinagar	5,000	6,375	68,621	10,562	113,689
Pragati Maidan - Delhi	*3,500*	4,200	45,209	12,074	129,965
HITEX - Hyderabad	2,500	n.a.	n.a.	n.a.	n.a.
University Ground - Ahmedabad	2,300	2,500	26,910	5,500	59,202
Chennai Trade Centre - Chennai	*2,000*	1,900	20,452	1,900	20,452
SIECC - Surat	*1,500*	1,200	12,917	1,263	13,595
BIEC - Bengaluru	1,400	1,368	14,725	3,153	33,939
Vigyan Bhawan - Delhi	1,285	n.a.	n.a.	n.a.	n.a.
Trade Centre Bengaluru	*1,000*	1,500	16,146	1,500	16,146
India Expo XXI - Noida	*800*	772	8,310	10,100	108,716
ICG - Goa	125	202	2,174	438	4,715
Bombay Exhibition Centre - Mumbai	n.a.	n.a.	n.a.	252	2,713

Source: M&A Survery, Mar 2017
Note : Figures in Italics are estimates.

4.40 *Exhibit 4.31 below* examines the number of events, the total number of days occupied and the average number of days per event at the major international C&EC's.

EXHIBIT 4.31
EVENT SUMMARY FOR DOMESTIC C&ECS

Convention Center	No. of Events	Annual	
		Total No. of Days Occupied	Avg. No. of Days / Events
HICC- Hyderabad (2016)	534	n.a.	n.a.
Chennai Trade Centre- Chennai (FY 2018)	120	493	4.1
Pragati Maidan- Delhi (FY 2017)	95	430	4.5
International Centre - Goa (FY 2017)	74	81	1.1
HITEX- Hyderabad (2016)	41	168	4.1
Mahatma Mandir- Gandhinagar (2016)	35	71	2.0
World Trade Centre- Mumbai (2016)*	30	30	1
BIEC - Bengaluru (2016)	22	98	4.5
India Expo XXI- Noida (2016)	21	77	3.7
Trade Centre Bengaluru (FY 2016)	14	64	4.6
Grand Total / Average	**986**	**1,512**	**1.5**

Source: M&A Survery, March 2017
****Data for exhibitions held at World Trade Centre Mumbai is not available for the whole year.***
Note: The data indicates the no. of public events published on the event calendars of the respective venues

4.41 *Exhibit 4.32 overleaf* provides an overview of rates charged at various Indian C&EC venues.

EXHIBIT4.32
RATE COMPARISON AT MAJOR VENUES IN THE COUNTRY

S. No.	Venue	Price (Rs. / sq.mt. / day) Exhibition	Price (Rs. / sq.mt. / day) Non-Exhib.	Remarks
1	**NESCO, Mumbai**			
	Halls I, V, VI, VII and VII A	254	127	Electricity from Reliance on usage
	For corporate events (product launches, etc.)	127	127	Service tax - 15%
	Hall 2			Used only for corporate and social events - per pax rate approx. Rs. 1,750/-
2	**HITEX, Hyderabad**			Housekeeping - Rs. 35,000 on event days
		175	100	Electricity - Rs. 15 / unit on usage
				Service Charge - 2.5%
				Service tax - 15%
				Per pax rate for corporate events: Rs. 1,650/-
3	**HICC, Hyderabad**	450-550	450-550	
4	**Mahatma Mandir, Gandhinagar**	*110*	*110*	Housekeeping - Rs. 15 psm.p.day
				Electricity - Rs. 15 per unit
5	**Pragati Maidan (ITPO), Delhi**			
	Peak Period (Nov to Feb)			Smaller halls are available for rent at Rs. 13,300 - Rs. 66,500 per day
	AC Hall	292	237	Service Tax is extra
	Non-AC Hall	125	100	
	Open Space	148	123	
	Semi Peak Period (Mar, Apr, Sept & Oct)			
	AC Hall	247	203	
	Non-AC Hall	95	75	
	Open Space	135	110	
	Lean Period (May to Aug)			
	AC Hall	111	90	
	Non-AC Hall	55	47	
	Open Space	60	50	
6	**India Expo**			
	Exhibition Hall	242	121	
	Central Function Building (food court)	*165*	*165*	
	Open Lawn	*7*	*3*	
	Open Area	*55*	*55*	
	Banquets	*127*	*64*	With AC & without AC on exhibition and other days
	Board Room	*364*		
	VIP Lounge	*204*		
	Mini Board Room	*250*		
7	**KTPO**			
	Exhibition Hall	90(53 no A/C)	90 (53 no A/C)	Power: 1KWH- Rs. 8.20 per unit to 15,000 sq. mtrs.
	Conference Hall	1 lakh & 75,000 no A/C)		Water: Rs. 70 per kilo liter
	Outside Covered halls- 7 nos	70	70	Service Tax: 15%
	Open Space	25	25	Luxury Tax: 10%
8	**Kormangal Indoor Stadium**			
	Hall	300,000	150,000	rent for dismantle: Rs. 75,000
	Outdoor Space	100	100	generator charges per hour w/ fuel & maintenance(437kv nos): Rs. 4,000
				ventilation charges per day w/ fuel & maintenance: Rs. 4,000
				Luxury Tax 10%
				Service Tax 15%
				Educational cess 3%
				Website charges each programme Rs. 5,000
9	**BIEC**			
	Hall 1	230	120	Telephone connection per day: Rs. 2,000
	Hall 2	230	120	Power Connection per KW connected load: Rs. 950.00
	Hall 3	230	120	Power Consumption per KW connected load: Rs. 182.00
	Rent per day			
	Jacaranda	200,000	100,000	Water connection charges per 1/2 in. connection: Rs. 2,000
	Gulmohar	119,000	59,500	Water consumption per connection/ day: Rs. 60
	Cassia	46,290	23,145	Compressed air connection charges per connection: Rs. 5,00
	Parijatha	50,000	25,000	Compressed air consumption charges per connection/ day: Rs. 1,500
	Hybiscus (boardroom)	36,000	18,000	
	Bougainvillea	40,000	20,000	
	Protocol Lounge	60,000	30,000	
	Lagoon	13,225	6,613	
	Amphi Theatre	120,000	60,000	

Source: M&A Survey, March 2017.

Note: Figures in italics are estimates

4.42 MMRDA Grounds, Mumbai are let out for a flat rent of approx. Rs. 6.5 lakhs for set-up and dismantling days and also for parking areas. The rent for event days is approx. Rs. 12.5 lakhs.

FEEDBACK FROM EVENT ORGANIZERS

FICCI

4.43 FICCI stands for the Federation of Indian Chambers of Commerce and Industry and the Ministry of Commerce is a parent body for FICCI. FICCI organizes 3 main types of events which are international events were they host delegations from various countries, organizing delegation visits to other countries, etc. This is generally done in collaboration with its counterparties in those countries & Indian Embassies there. Domestic events are mostly done by various industry specific departments within FICCI. These departments organize their own events. Generally, each department has one major event every year / biannual. Trade Fairs and Exhibitions are the third type of events organized and they generally include the major event of various departments.

4.44 FICCI organized approx 400-450 events in 2016. Approximately 20 large events are held per annum of which almost 90% are exhibitions seeing high footfalls of over 3,000 pax. Most exhibitions have a small conference element to it – approximately 300 - 350 pax. 10-15 flagship industry specific events are held every year which are 1,000 – 3,000 pax. 80-100 events per year are about 400-1,000 pax and the balance 300 events or so are mostly industry-specific workshops / training sessions of 150 – 200 pax.

4.45 Venues are subjectively chosen on the basis of the type of event. Meeting rooms in 5-star Hotels, Convention centres and exposition grounds are popular choices. Headquartered in Delhi, most of the events organized by FICCI are held in the NCR region. However about 20% of the events are held in Mumbai, especially those pertaining to the Banking and Finance industry. On an average around 5% of their total events are held in Bengaluru. About 50% of the events held in Delhi are held in the FICCI premises itself – The office has 2 auditoriums of 200 and 100 pax respectively and 2 meeting rooms that can accommodate about 30-50 pax. The main venue deciding factors are central location within city, pricing, event size & suitability. For this reason India Expo in Greater Noida is not used often, due to distance factor.

4.46 Most of the large events are government owned (PBD, Aero Show, DefExpo) or government supported (Stone Mart). Conferences include Pravasi Bharatiya Divas (owned by Ministry of International Affairs while FICCI organizes it for them), Real Estate Summit, Banking Conclave. Therefore, NCR is a preferred venue as many ministers, secretary level people of GOI, who are the policy makers are based there and visiting foreign delegations, heads of states, etc. visit Delhi.

4.47 Major events organized by FICCI include Pravasi Bharatiya Divas (PBD) which is owned by Ministry of International Affairs, which appoints organizers (generally through a bidding process). FICCI organizes the event for the Ministry. Stone Mart which is organized with CDOS and is held in Jaipur. FRAMES is owned &organized by FICCI at Mumbai every year and hosts over 2,500 delegates. Great Indian Travel Bazaar (GITB) is supported by Government of Rajasthan, therefore held at Jaipur every year and is an exhibition for travel & tourism industry. DefExpo India is owned by Defence Exhibition Organization, Ministry of Defence and FICCI is the event manager.

4.48 Other events include the Bio Asia (supported by Andhra Pradesh), FICCI Higher Education Summit, FIBAC (with IBA), FICCI HEAL, India Aviation (with Ministry of Civil Aviation, GOI), India Steel (Ministry of Steel, GOI), India Chem (Dept. of Chemicals & Petrochemicals, GOI), India Telecom, NGO India, Poly India, VASTRA, WITFOR, etc.

4.49 We have been informed that less than 10% of events have flexible city / venue. These are events like PBD (where Ministry decides the venue), Poly India (Dept. of Chemicals & Petrochemicals, GOI). For the government owned / jointly conducted events, the respective ministry decides the venue. Most of the events viz. Bio Asia, FIBAC, FICCI HEAL, FRAMES, Stone Mart, GITB, Aero Show, DefExpo, India CHEM, are fixed venues i.e. organized in the same city every time.

CII

4.50 The Confederation of Indian Industry organized 137 events Maharashtra in 2017 and approximately 80-90 in Karnataka, most of which were held in Bengaluru. On a pan-India level, approximately 1,200 – 1,400 events are held, about 5-8% of which are held in Bengaluru. Almost all events are exhibitions and held at fixed cities and all events are organized by the respective industry departments within CII. Major exhibitions organized by CII include Auto Expo which is owned by SIAM with CII being one of the 3 joint organizers. It is held in Delhi every 2 years and the total Exhibition Area required is about 115,000 sq.mt.. IMME stands for the International Mining & Machinery Exhibition which is held at Kolkata every 2 years with GOI and a total Exhibition Area of about 55,000 sq.mt. IETF – International Engineering & Technology Fair. Is held at New Delhi every 2 years with a total Exhibition Area of about 25,000 sq.mt. IREE is the International Railway Equipment Exhibition, Held at New Delhi every 2 years with a total Exhibition Area of about 11,000 sq.mt. The Aero Show in Bengaluru is owned by GOI and CII is one of the potential organizers. Agrotech –is held in Chandigarh every 2 years with Ministry of Agriculture, GOI and a total Exhibition Area of about 6,500.

4.51 Major conferences organized by CII include the Partnership Summit at Jaipur, which is attended by approximately 500 delegates and CII AGM at Delhi, attended by 600 – 700 pax. In Maharashtra, about 20% of the events are 400-500 pax while only 1-2 events are attended by more than 1,000 pax. The average no. of participants is approximately 150-200 pax on a national level.

MM ACTIV

4.52 MM Activ Sci-Tech Communications Pvt. Ltd. is engaged in creating, planning, development and implementation of the fully integrated national & international trade shows, focusing on frontier technologies. It organizes approximately 10 -15 events a year and most of them are 'technology' related B2B events. 50% of their events are held in Bengaluru and the remaining 50% are held in other cities in India. About 80% of their events are for 800 – 1,000 delegates with 2,000 – 2,500 visitors with the average size of conventions organised by them is 600 – 700 pax. Their flagship event Agrovision is held every year in Nagpur. It is a 4 day event including a 1 day conference attended by about 250 pax and the rest 3 days comprise exhibitions with about 350 exhibitors and see footfalls of lakhs of farmers.

EVENTS CASE STUDIES

Pravasi Bharatiya Divas (PBD)

4.53 It is an annual conference for NRIs, an event sponsored by the Ministry of External Affairs, which appoints associations like FICCI, CII, etc. to organize it. The event moves between various cities but with a bias towards New Delhi. The ministry decides the city, generally supported by the respective state governments. Of the 15 PBD events held till date, 8 have been in New Delhi, 1 each in Mumbai, Hyderabad, Jaipur, Chennai, Kochi, Gandhinagar and Bengaluru. PBD 2017 was organized at the BIEC, Bengaluru.

4.54 Le Meridien, Kochi and had approximately 3000 participants, 1500 NRIs and 1500 domestic visitors and used almost all the hotels in the city during the event. PBD 2012 was organized at B. M. Birla Auditorium, Jaipur and had over 2000 participants with approximately 1500 NRIs and used almost all the hotels in the city during the event.

FICCI Frames

4.55 FICCI Frames is the other large convention organized by FICCI apart from PBD. This is an annual event of the Media & Entertainment Industry organized by FICCI at Mumbai. The event includes films, broadcast (TV & Radio), digital entertainment, animation, gaming, visual effects industries. The event is attended by approximately 2,000 Indian and 800 foreign delegates from the media and entertainment industry. The 18th edition of FICCI FRAMES was organized on 21st - 23rd March 2017 at the Renaissance Hotel & Convention Center, Mumbai.

Invest Karnataka 2016 (Global Investors Summit)

4.56 A biennial event held by the Karnataka State Govt., the Global Investor Summit is aimed at getting industry leaders, business persons, investors, and corporations together to discuss current and future plans for their respective industries. The three-day event took place in Bengaluru from 3rd Feb to 5th Feb 2016 at the Bengaluru Palace Grounds.

4.57 The 2016 meet concluded with 1,201 approved projects and MoUs valued at Rs. 308,810 crores. It was attended by 5,000 participants including 1,000 from overseas. The main sectors that attracted investment are aerospace, defence, energy, IT and telecommunications. Out of the Rs. 4.5 lakh crore investment proposals Rs 1.73 lakh crore ($25.44 billion) has already been approved by the Karnataka State Government. The MoUs were signed for the remaining proposals during the meet. Apart from this, the centre has announced Rs 1.50 lakh crore ($22.05 billion) investments for the development of roads, ports and other mega projects in Karnataka.

Aero India 2017

4.58 Aero India is Asia's premier air show, it is hosted at Air Force Station Yelahanka, Bengaluru. The show is a biennial event and was held from 14-18 Feb 2017 and is organized by the Defense Research and Development Organization (DRDO), Ministry of Defense, Government of India in association with the Aeronautical Society of India. Approximately 549 companies participated in the event, of which 279 were foreign companies and 270 Indian. 65 ministerial and other high-level delegates from several countries attended the event. 109 foreign delegations, 72 aircrafts on display, about 3 lakh visitors and a total utilized area of 260,000 sq.mt. at the event.

5. BENGALURU HOTEL SUPPLY & DEMAND ANALYSIS

5.1 This section of the report examines the overall supply of hotel rooms and meeting space in Bengaluru. It should be noted that the consulting team has undertaken the market assessment with the view that there is merit in examining the subject facility's market positioning as a "Multi Purpose Facility" (MPF). MPF's are convention centres that are designed in a manner to provide maximum flexibility in configuration of function space which enhances their potential to cater to a multitude of events and hence generate additional revenue. This would provide flexibility to the operator in terms of catering to different type of events and help even out space utilization especially during the slack season. It would also allow the subject facility to rely upon sources of revenue other than conventions and meetings thus reducing its exposure to this segment. Based on this premise, the consulting team undertook an assessment of the three primary sources which would compete with the subject facility :

i. Competing Convention and Exhibition Centres
ii. Room Inventory and Meeting / Conference facilities available in hotels
iii. Stand-alone facilities such as Halls and Auditoriums.

HOTEL ROOM INVENTORY SUPPLY

5.2 Having one of the highest densities of Grade-A office stock in the country, Bengaluru over the years has consistently witnessed double-digit growth in demand. This has been due to the increase in the IT & Software industry and the boom in the economy, which has resulted in an upswing in trade and commerce in the country. With branded hotel supply growing at a modest 6.1%, hotels across most micro-markets were able to significantly ramp up occupancy and moderately increase average rate last year.

5.3 According to a recent HVS Report the existing room supply grew by 6.1% in 2015-16 amounting to 11,799 branded rooms in the city (as of 31 March 2016).There are several key characteristics of a destination which are viewed by convention and event planners as critical to the success of a convention centre. One of the most important of these would be the number of hotel rooms available and the quality of these properties. It should also be borne in mind that the inventory of hotel rooms available for convention business is very important, not just the gross number of hotel rooms in the area.

5.4 A brief description about the existing hotels of reasonable quality in the vicinity of the Site is provided in the following paragraph.

5.5 Angsana Oasis Spa & Resort: An upscale resort, spread over 9 acres and located on the Main Doddaballapur Road in Rajanukunte, near Yelahanka. The Hotel comprises of 79 keys comprising of 52 Executive Rooms (400 sq.ft.), 18 One BR Suites (592 - 914sq.ft.), 8 Two BR Suites (1,700 – 1,765 sq. ft.) and 1 Presidential Suite (710 sq. ft.). The Hotel achieved an Average Room Rate (ARR) of Rs. 6,000 with an occupancy level of 75%in YTD January 2017.The total staff strength at the Hotel was185 with a staff to room ratio of 2.34:1. Majority of the room business comes from residential conferences (75%) and corporates in the vicinity (15%), followed by FITs (10%). The Hotel has three food & beverage (F&B outlets) - Tangerine (Multi-cuisine) with 90 covers and an Average Pay Check (APC) of Rs. 600 and Covers Per Day (CPD) of 150. Sundance is the Bistro with 96 covers. It is only opened when Tangerine is full or for serving corporate groups during residential conferences. The Hotel also has a Bar & Lounge called Mirage of 40 covers; the APC of the bar is Rs.750 at a CPD of 25.The Hotel also has leisure facilities such as a swimming pool and gymnasium, Angsana Spa of 6 treatment rooms and floodlit tennis courts and a squash court.

EXHIBIT 5.1
PHOTOGRAPHS OF ANGSANA OASIS SPA & RESORT

EXHIBIT 5.2
BANQUET FACILITIES AT ANGSANA OASIS SPA & RESORT

Space	Size		Capacity	Banquet Rates		Rental
	sq. ft.	sq. mt	(Theatre)	Day Conf	Cocktail Dinner	per day
Hall 1	3,600	335				45,000
Hall 2	2,000	186				31,500
Hall 3	750	70				20,000
Hall 4	750	70		1,350	2,500	15,000
Board Room 1	250	23				20,000
Board Room 2	200	19				15,000
Lawn 1			1,500			30,000

5.6 The Hotel hosts many residential conferences with an average pax. Of 150 – 200 in 2011. The residential conference package (all inclusive – meals etc.) is Rs. 6,500 / person on a twin sharing basis. The non-residential pax rate is Rs. 1,300 – 1,500 / pax for lunch + 2 Tea/ Coffees. The conference facilities cater to companies from the cities who want to have a residential conference in a resort environment while staying close to the City. They do an average of 5 conferences per day and about 15 weddings per year. The Hotel also has open lawn areas of 600 -1,500 pax which are used for weddings with a rate of Rs.1,200 / pax including food, facility usage and set-up.

5.7 Royal Orchid Resort &Convention Centre: The Hotel is spread across 10 acres, and is the only branded hotel within the Yelahanka area. The Hotel has 54 keys which comprises of 42 Deluxe Rooms (300 sq.ft.), 8 Superior Rooms (375 sq.ft.) and 4 Cottages (550 sq.ft.).40% of the Hotel business was from residential conferences, 28% from CGVR. 20% from FITs, 7% from Long Stay and 5% from Crew.The Hotel achieved an Average Room Rate (ARR) of Rs. 3,750 with an occupancy level of 68%in YTD January 2013.The total staff strength at the Hotel was 182 with a staff to room ratio of 3.4:1. The Hotel has two F&B outlets - 9th Mile Dhaba (Indian Cuisine) with 120 covers and a CPD of 85 and an APC of Rs. 705. Verve (Multi-cuisine) has 108 covers (incl. Verve's Attached Lounge Bar) with a CPD of 110 and an APC of Rs. 605. The Hotel also has a swimming pool and gymnasium, tennis court and badminton court and open lawns with an area of about 14,000 sq. ft. which can be used to host over 2,000 guests for weddings.

EXHIBIT 5.3
PHOTOGRAPHS OF ROYAL ORCHID RESORT & CONVENTION CENTRE

EXHIBIT 5.4
BANQUET FACILITIES AT ROYAL ORCHID RESORT & CONVENTION CENTRE

Space	Size		Capacity
	sq. ft.	sq. mt	(Theatre)
Hall 1	18000	1,675	1,000
Hall 2	3204	298	350
Hall 3	2970	276	100
Hall 4	1020	95	75
Hall 5	1020	95	75
Board Room 2	200	19	12
Lawn 1	14000	1,303	2,000

5.8 The Hotel has around 40 events a month out of which only about 5-6 are social events, the rest are corporate eventsin Arena I & II with a combined average pax of 35 – 40. Of the 35 events, 15 of these events are residential conferences. 20 events per month are held in Dome with 80 - 100 avg. pax of which 8 of these events are residential conferences.12 events per month are held in the Convention Centre with 500-600 avg. pax. The banquet rates are Rs. 1,300/ pax for corporate events depending on number of pax, and company requirements. 5 weddings are held per month with 200 – 250 avg. pax at an average rate of about Rs. 1,500/pax for wedding with 30% of wedding pax are usually residential guests of the hotel.

5.9 Clarks Exotica: The Hotel is spread across 73 acres and is located in Swiss town, Devanahalli, off Airport road. The hotel has an inventory of 132. The Hotel achieved an ARR of Rs. 5,500 at an occupancy level of 75% in YTD January 2017. The F&B outlets include Ambrosia (Multi Cuisine All Day Dining), Blue Alps (Chinese Specialty), Buvette (Pool-side Coffee shop) and Illusion (Bar). Other facilities include a spa and salon, club house with squash, table tennis, tennis, snooker, badminton and a swimming pool.

EXHIBIT 5.5
PHOTOGRAPHS OF CLARKS EXOTICA

EXHIBIT 5.5
BANQUET FACILITIES AT CLARKS EXOTICA

Space	Size		Capacity	Banquet Rates (in lieu of hall rentals)		Hall Rentals
	sq. ft.	sq. mt	(Theatre)	Day Conf	Cocktail Dinner	
Hall 1	35,000	3,257	3,000	1600 - 1,800	2,300-2,500	800,000
Hall 2	10,000	931	850			400,000
Hall 3 (divisible in 2)	3,200	298	350			150,000
Hall 4	1,400	130	180			70,000
Hall 5	1,200	112	100			35,000
Hall 6	700	65	60			30,000
Hall 7	600	56	50			30,000
Hall 8	600	56	50			30,000
Hall 9	500	47	40			15,000
Hall 10	400	37	40			15,000
Board Room 1	n.a.	n.a.	16			25,000
Board Room 2	n.a.	n.a.	10			25,000

5.10 **Mövenpick:** Located at a distance of 30 km from the Airport, this is a 5 Star hotel with 182 keys and exclusive floors of 19 rooms and suites dedicated to the business traveler with exclusive access to the Executive Lounge. The Club by Mövenpick consists of 36 rooms and suites dedicated to the business traveler. The standard room size is 39 sq.mt.33% of their business is CVGR (primarily corporates based in Manyata Business Park and Peenya Industrial Area), 29% of their business is Long Stay, 23% is from Crew and Air force demand comprises 15% of the business. The F&B outlets at the Hotel include Mezzaluna (Italian Specialty), My Place (Multi-cuisine All-Day-Dining), Obsidian (Bar) and Crazy Sky. The leisure facilities include swimming pool and gymnasium and a spa measuring 2,500 sq. ft. managed by Sohum with 8 treatment rooms.

EXHIBIT 5.6
PHOTOGRAPHS OF MOVEPICK

EXHIBIT 5.7
BANQUET FACILITIES AT MÖVENPICK

Space	Capacity (Theatre)	Banquet Rates	
		Day Conf	Cocktail Dinner
Hall 1	350	1,550	1,650
Hall 2	200		
Hall 3	150		
Meeting Room 1	15-20		
Meeting Room 2	15-20		
Meeting Room 3	15-20		

5.11 The hotel has about 35-40 events in a month, 60% of which are corporate while the rest are social events. The Hotel hosts approximately 18 smaller residential conferences per annum of 50 pax each which occupy approximately 10-15 keys and approximately 42 larger conferences per annum of 150 pax each which occupy 40 keys. There are approximately 150 day conferences per annum of 30-50 pax each. The Hotel hosts 4-5 weddings a month with 100 – 150 avg. pax mainly in the months of November, December and January. There are 1-2 weddings a month with 500 avg. pax in the months of November, December and January. The average rate of Rs. 1,500 – 1,700 / pax for weddings. Typically 30% of wedding pax are usually residential guests of the hotel. The hotel also does 3-5 Outdoor Caterings per month for up to 400 pax at approximately Rs.2,000 per head.

ADDITIONS TO ROOM SUPPLY

5.12 It is imperative when examining the number of hotel rooms available that one takes into account not only the total rooms available but also the likely future supply by category. The city is estimated to add 5,209 rooms by 2020-21 taking the total room inventory up to 15,265 (FY21). Out of the total future supply of rooms 39% is in the Upscale segment followed by 28.2% in the Midscale segment, 16.5% in Budget, 12.8% in Luxury and 3.5% in the extended stay segment (Serviced Apartments). The possible new projects in close proximity to the Site (i.e. within a radius of about 35 km) based on our survey are as follows:

- Courtyard by Marriott, Hebbal is expected to be operational in October, 2017 with 193 keys.
- Hyatt Place, Devanahalli located within Ozone Urbana, an integrated township. Will have an inventory of 175 keys and is expected to be completed by December, 2017.
- The Four Seasons development by Embassy group is located at Mekhri Circle. Four Seasons Residences with 110 units is expected to be operational by December 2017 and the Four Seasons Hotel with 230 keys is expected to be operational by April 2019.
- Marriott Hotel & Convention Centre, Nandi Hills will have an inventory of 300 keys including extensive banquet facilities to accommodate approximately 4,000 pax. It is expected to be completed by Q3 2018.
- RMZ Galleria is a mixed use development by RMZ corp in Yelahanka which includes a mall and a 204 key serviced apartment complex to be managed by Ascot International. Projected opening date is 2018.
- The Monarch Group, Bellary Road has proposed a 150 key hotel at a distance of 16 km. from the Site. The hotel has been proposed with an estimated opening date of April 2019.
- C&C Hotel Venture has signed with Aloft located at Devanahalli, opposite the airport. The hotel at 130 keys is expected to be operational by December 2019 however, there is not much work ongoing at the site and the opening date is therefore not confirmed.

- **Hilton** is planning two hotels in the expansion of **Manyata Tech Park**. 253 key Hilton and 388 Hilton Garden Inn. The two hotels will be operation by 2020.
- The **Holiday Inn, Brigade Group, BIAL Area is** proposing a 150 key hotel at a distance of 15 km. from the Site. Work is progressing slowly and the estimated opening date is unknown.
- **GVK** is proposing a 250 key hotel at a distance of 15 km. from the Site. The project is in planning stages and the opening date is unknown.
- The **BIAL Airport Hotels** has planned 2 hotels of as 500 keys each at a distance of 7 km. from the Site. It is assumed that the inventory will form part of the integrated Airport development and the status of the projects is unknown.
- The **Gopalan Holiday Inn Express, Yelahanka** has proposed a 150 key hotel at a distance of 16 km. from the Site. The opening date is unknown.
- The **Opus Hotels & Resorts, Hebbal** has proposed a hotel at a distance of greater than 25 km. from the Site. The hotel is in planning stages.
- The **Rajmahal Enterprises (Devanahalli)** has proposed a hotel, however the project is only in planning stages.
- The **Elements Mall Hotel, Thanisandra** is proposing a 120 key hotel at a distance of 23 km. from the Site. Work is progressing slowly and the estimated opening date is unknown.
- **KSL** is a budget hotel located opposite the airport at Devanahalli. The shell of the 120 key hotel has been ready since the last few years however, work has stalled and the date of commencement is unknown.
- **Sabri Hotel** located at Devanahalli is a budget hotel. The work has stalled on the development of this 70 key hotel and the date of commencement is unknown.
- The 20 mn sq.ft. **Bhartiya city** is planned to have 5 branded hotels on completion of the entire project. The group, in partnership with The **Leela Palaces Hotels and Resorts**, has devised limited edition apartments – Leela Residences. The branded residential block will have 44 premium residences and will be maintained and serviced by the Leela Hotel.

DEMAND ANALYSIS - HOTEL MARKET PERFORMANCE

5.13 A key factor in determining potential future demand for the proposed convention and exhibition centre would be to understand the local market characteristics and the present demand base for the M.I.C.E. market in the state. Bengaluru's hotel market performance surged in 2015-16. The citywide Average Room Rate (ARR) is estimated at Rs. 5,430 (1.2% increase from previous year) with an average occupancy of 66.2% (14% increase from previous year). The city witnessed the highest year-on-year RevPAR growth among the other top cities (Delhi, Mumbai, Pune etc.) at 15.3%.

5.14 Hotels have recently started following industry reports to track performance data across their competitive set of hotels. These industry reports provide category wise performance data and not for individual properties. However, due to connections in the hospitality market, the consultants have procured some property-wise performance data that has been presented below:

EXHIBIT 5.12
SELECT HOTELS PERFORMANCE DATA (FY 2015 & 2016)

Competitive Hotels	FY 2016			FY 2015		
	Rooms	ARR	OCC	Rooms	ARR	OCC
Category I						
Taj West End	117	10,500	80%	117	9,000	63%
Leela Palace	357	10,823	79%	357	10,659	63%
The Oberoi	160	7,259	85%	160	7,897	69%
ITC Windsor Manor	240	6,500	72%	240	6,425	53%
ITC Gardenia	292	7,973	73%	292	n.a.	n.a.
Ritz Carlton, Residency Road	277	n.a.	n.a.	231	n.a.	n.a.
JW Marriott	281	9,600	76%	273	n.a.	n.a.
Total / Wtd Avg	1,724	8,873	77%	1,670	8,769	61%
Category II						
Vivanta, MG Road	167	7,165	84%	167	7,087	66%
Royal Orchid	195	7,047	75%	195	3,959	40%
Hyatt / Ista, MG Road	143	4,452	83%	143	4,267	70%
The Park	109	4,836	80%	109	4,382	63%
Chancery Pavillion	234	4,689	80%	234	3,860	49%
Taj Gateway	98	6,852	76%	98	4,740	63%
Lemon Tree Premier	188	3,990	79%	188	4,030	56%
Fortune Cosmos	134	4,633	82%	134	3,705	59%
Fairfield by Marriott, Rajajinagar	117	n.a.	n.a.	117	n.a.	n.a.
Fairfield, ORR	170	n.a.	n.a.		not operation	
Courtyard ORR	165	n.a.	n.a.		not operation	
Vivanta	199	7,630	81%	199	6,376	62%
Zuri	162	4,528	67%	162	5,130	37%
Alila	120	4,177	70%	120	4,960	25%
Marriott Whitefield	324	n.a.	n.a.	324	n.a.	n.a.
Sub Total / Wtd Avg	2,525	5,504	78%	2,190	4,780	53%

Competitive Hotels	FY 2016			FY 2015		
	Rooms	ARR	OCC	Rooms	ARR	OCC
Category III						
Aloft	166	3,873	68%	166	4,136	57%
Lemontree / Clarion	130	3,102	71%	130	3,191	48%
Pride Hotel	99	3,662	79%	99	3,643	62%
Royal Orchid Suites	88	2,898	77%	88	2,162	30%
Royal Orchid Central	130	4,442	80%	130	3,250	59%
Radha Regent	104	2,135	78%	104	2,265	61%
Lemon Tree	175	3,212	72%	175	2,423	74%
Total / Wtd Avg	892	3,392	74%	892	3,065	58%
Category IV						
Hometel	102	2,514	65%	102	2,339	55%
Keys	222	2,641	72%	222	2,176	43%
Svenska	56	2,056	78%	56	2,181	74%
Ramee Guestline - Attibele	96	1,962	75%	96	2,181	57%
Keys	159	2,339	76%	159	2,092	40%
IBIS, Hosur Road	185	2,456	76%	185	2,137	52%
Premier Inn	95	2,632	75%	95	2,009	33%
Formule 1	131	2,089	80%	131	1,288	40%
Sub Total / Wtd Avg	1,046	2,386	75%	1,046	2,047	47%
Total / Wtd Avg	6,187	5,611	77%	5,798	5,172	62%

Source : M&A Surveys

EXHIBIT 5.13
SELECT HOTELS PERFORMANCE DATA (YTD FY 2017)

Competitive Hotels	YTD Feb 2017		
	Rooms	ARR	OCC
Category I			
Taj West End	117	11,000	82%
ITC Windsor Manor	240	6,700	65%
ITC Gardenia	292	8,759	65%
Ritz Carlton, Residency Road	277	8,200	70%
JW Marriott	281	9,760	75%
Total / Wtd Avg	1,724	8,672	70%
Category II			
Vivanta, MG Road	167	7,990	70%
Fairfield by Marriott, Rajajinagar	117	4,115	67%
Fairfield, ORR	170	4,629	35%
Courtyard ORR	165	7,000	56%
Marriott Whitefield	324	8,885	74%
Sub Total / Wtd Avg	943	7,038	62%

Source : M&A Surveys

5.15 Given the significant corporate base in Bengaluru, its world class international airport, and good airline connectivity, the 2016 HVS Report indicates that Bengaluru requires a truly international-grade convention centre to tap into the burgeoning demand from the MICE segment. Development activity of new hotels also seems to have picked up pace with approximately 67% of 5,209 new hotel rooms proposed over the next five years being actively constructed. While that might seem to be a significant increase in supply, their entry into the market is anticipated to be in a phased manner allowing them to be successfully absorbed by the growing demand in the city. Overall, Bengaluru's performance seems to be optimistic with steady increase in RevPAR forecasted over the next three to four years.