

7 ETHNO TOURISM



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1. INTRODUCTION

Uttarakhand is home to ethnic communities, each with its distinct rituals, art forms, and ways of life. From the vibrant festivals that reverberate through the valleys to the intricate craftsmanship that tells tales of generations, the state encapsulates a living heritage that is both timeless and dynamic. The proposed ethno-tourism complex is envisioned as a gateway for visitors to delve deep into the rich culture of Uttarakhand. It will be a dynamic space that not only narrates stories of the past but also actively involves visitors in the present, fostering a connection that goes beyond the superficial.

2. SERVICE & ITS APPLICATION

The proposed ethno-tourism complex in Uttarakhand will offer a diverse range of services designed to engage visitors in an immersive cultural experience.

- The Ethnic Food and Beverage Outlet will provide an authentic taste of the region's culinary diversity, featuring traditional dishes like "Aloo Ke Gutke" and "Bhang ki Chutney." An entrepreneur can keep several food dishes like Kumaoni Raita Chaat, Garhwal Dal Pakwan, Pahadi Palak Kebabs, Uttarakhandi Thechwani, Himalayan Honey Nut Cake, Nainital Nettle Soup, etc.
- Performance and demonstration spaces will bring the living artistry of local artists and craftspeople to the forefront. An entrepreneur must arrange for traditional performances like Jhora, Langvir Nritya, and Pandav Nritya, showcasing the vibrant heritage of the region.
- Dwelling units, built in the local style will allow guests to experience traditional living, while the Wellness Facility will offer therapies rooted in local practices.
- The Local Clothing and Accessories Facility will invite visitors to explore and try on traditional attire.
- Sales outlets and souvenir stores will sell a curated collection of crafts, art, clothing, and local products, each telling a unique story. The souvenirs include options like Wooden Handicrafts, Himalayan Honey & Herbal Teas, Traditional Garhwali Jewelry, Hand-painted Uttarakhand Maps, Woolen Socks, Blankets, Ayurvedic Products, Kumaoni Handloom Fabrics, Pottery from Tehri, etc.

Together, these services will create a holistic and authentic journey, celebrating the diverse heritage of Uttarakhand.

3. DESIRED QUALIFICATION FOR PROMOTER

The promoter should have a strong background in tourism and hospitality management, with a deep understanding of the local culture and traditions. Experience in project development and management will be crucial for the success of the complex.

4. BUSINESS OUTLOOK AND TRENDS

Uttarakhand is strategically positioning itself in the global tourism landscape by envisioning and developing new products that resonate with the preferences of contemporary travelers. The tourism policy emphasizes both the enhancement of existing infrastructure and the development of new, sustainable infrastructure to elevate visitor experiences, improve convenience, strengthen the brand image, and enhance connectivity. In alignment with that,

Uttarakhand's unique blend of cultural heritage and natural beauty positions it as a prominent player in the growing ethnic tourism market. The envisioned ethno tourism complex will stand out as a testament to this commitment, providing a platform to showcase the rich cultural tapestry of the region offering visitors a unique and genuine connection with Uttarakhand's traditions and landscapes.

5. KEY BUSINESS ELEMENTS

The key business elements for the ethno-tourism complex in Uttarakhand are centered around three core principles;

- **Cultural Authenticity:** The success of the ethnic-tourism complex hinges on its ability to authentically represent the diverse culture of Uttarakhand. This involves a meticulous approach to every detail, from architectural elements to exhibits, performances, and culinary offerings.
- **Community Engagement:** A community-centric approach preserves the authenticity of the experience and ensures that the benefits of tourism are distributed equitably.
- **Innovative Marketing:** Leveraging the power of online platforms, social media, and strategic partnerships, the marketing efforts will lead to widespread awareness and interest in the ethno-tourism experience offered by Uttarakhand.

6. MARKET POTENTIAL AND MARKETING ISSUES; IF ANY

The rising interest in ethno-tourism globally enhances the market potential of an ethno-tourism complex in Uttarakhand. The "Simply Heaven" storyline provides a compelling narrative to attract a diverse range of tourists, from adventure seekers to cultural enthusiasts, fostering sustained growth in visitor numbers. While the potential is high, marketing issues may arise, including competition from other destinations and the need to effectively communicate the authenticity of the experience. Collaborations with travel influencers, strategic partnerships with travel agencies, and social media platforms can help create a strong digital presence, effectively reaching and resonating with the target audience.

7. BACKWARD LINKAGE

This involves sourcing local materials for construction, engaging local artisans for exhibits and products, and partnering with local communities for various services. For instance, sourcing traditional handicrafts directly from local artisans not only ensures authenticity but also contributes to the economic well-being of the communities.

8. BUSINESS MODEL

The business involves multiple revenue streams and a focus on sustainability. Revenue sources include ticket sales, accommodation, food and beverage services, sales from outlets, and potential partnerships with local businesses. Collaborations with local communities ensure a fair distribution of economic benefits. The model also incorporates principles of responsible tourism, emphasizing environmental conservation and community well-being.

9. ETHNO-TOURISM BUSINESS LAYOUT

The proposed ethno-tourism complex is 1000 square meters. It promises a multifaceted cultural odyssey.

- Commencing at the Entrance Plaza, spanning 50 square meters, visitors are greeted by a traditional archway and informative kiosk.
- The Culinary Corner, occupying 200 square meters, boasts kiosks offering local delights like Kumaoni Raita Chaat and Garhwal Dal Pakwan.
- In the Central Performance Arena (150 sq meters), amphitheater-style seating showcases live performances.
- About 300 square meters are the clustered two Dwelling Units (150 sq. m each) showcasing traditional living.
- The Wellness Pavilion (100 sq meters) offers therapeutic experiences rooted in local practices, while a 50-square-meter Traditional Attire Section invites exploration of indigenous clothing.
- Souvenir Street, spanning 50 square meters, is lined with diverse outlets presenting crafts, art, and local products.
- Interconnected with 50 square meters of Garden Walkways, an Information Center (20 sq meters), and a 50-square-meter Exit Plaza, this thoughtfully optimized layout promises an enriching cultural journey within the space.

10. BUSINESS PROCESS

The business process involves the following steps:

- Visitor Engagement: Utilizing interactive exhibits, live demonstrations, and immersive experiences to captivate and involve visitors in the cultural narrative of Uttarakhand.
- Local Collaboration: Establishing robust partnerships with local communities and artisans to ensure sustainable business practices, thereby fostering economic growth and preserving cultural heritage.
- Continuous Innovation: Consistently refreshing exhibits, performances, and offerings to maintain a dynamic and appealing experience, aligning with evolving visitor preferences and sustaining the ethno-tourism complex's cultural immersion objectives.

11. MANPOWER REQUIREMENT

Sr. No	Particulars	No.	No of month in year	Wages/Salaries per month (Rs. In Lakhs)	Annual Expense (Rs. In Lakhs)
1	Self-employed	1	-	-	-
2	Area/Department Manager	3	12	0.3	10.8
3	Support Staff	5	12	0.25	15
4	Housekeeping and Attendants	5	12	0.12	7.2
	Total				33.00

12. IMPLEMENTATION SCHEDULE

Sr. No.	Activity	Time Required (in months)
1	Acquisition of premises	1
2	Construction (if applicable)	1.5
3	Procurement & installation of Plant & Machinery	2.5
4	Arrangement of Finance	1
5	Recruitment of required manpower	1
6	Total time required (some activities shall run concurrently)	3

13. COST OF PROJECT

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
1	Land	-
2	Building (rented)	-
3	Plant & Machinery	6.95
4	Preliminary & Preoperative Expense	0.15
5	Misc. Assets	-
6	Working Capital Margin	9.45
	Total Project Cost	16.55

14. MEANS OF FINANCE

Bank-term loans are assumed @ 60%

Sr. No.	Particulars	Annual Expenses (Rs. in lakhs)
1	Promoter's contribution	6.62
2	Bank Finance	9.93
	Total	16.55

14. FURNITURE AND FIXTURES

Sr. No	Particulars	Total Amount (Rs. in lakhs)
1	Tools (Kitchen equipment, crafts and artisan tools, wellness facility tools, etc.)	1.50
2	Furniture & Set-up (Tables, chairs and décor, Beds, wardrobes, and traditional-style furniture)	2.50
3	Counseling area furniture, therapy beds, and waiting room seating	0.60
4	Display counters, racks, and fitting room furniture	0.85
5	Benches, shade structures, and waiting area furniture	1.50
	Total	6.95

Local suppliers in India offer a wide range of furniture and fixtures. The entrepreneur can avail office furniture after thorough research and analysis. Below are the tentative suppliers in India. Besides these, online platforms such as India Mart, Trade Mart, etc. can also be explored for ordering online.

1. Shree Balaji Traders

73-74, Shree Plaza, Begum Bridge Road,
Near Boundary Road, Lalkurti,
Jawahar Nagar, Meerut-250001,
Uttar Pradesh, India

2. Leja Racks and Interior

Near Maharshi School, Dewalchour Kham,
Haldwani, Haldwani-263139,
Uttarakhand, India

1. A-one Creations
B-21, Amar colony,
Lajpat Nagar-IV- 110024,
New Delhi, India

16. REVENUE STREAMS & SERVICES

Sr. No	Service	Charges per Person (value in INR)
1	Entrance Fee	Adults: 1000
		Children (6-12 years): 500
		Children (below 6 years): Free
2	Culinary Experiences	Traditional Food Tasting: 500 per person
3	Artistic Performances and Demonstrations	Live Performance: 500 per ticket
		Art Workshop: 500 per participant
4	Dwelling Units	Traditional Living Experience: 5,000 per night (inclusive of meals)
5	Wellness Facility	Spa Package: 2,000 per session
		Local Therapies: 2,500 per session
6	Local Clothing and Accessories Facility	Traditional Attire Try-On: 200 per person
7	Sales Outlets and Souvenir Stores	Prices vary based on the type of product, ranging from 200 to 2,000.

17. PROFITABILITY CALCULATIONS

The basis of profit calculation is:

Sr. No	Particulars	Annual Expenses (Rs. in lakhs)
A.	Sales realization	81.00
B.	Cost of production	
i)	Raw materials	36.45
ii)	Utilities	1.60
iii)	Manpower Cost (Salaries/wages)	33.00
iv)	Administrative expenses	0.28
v)	Selling & distribution expenses	1.44
vi)	Rent	2.00
vii)	Interest	1.13
	Total (B)	75.90
	Gross profit/loss (A – B)	5.10
	Less: Depreciation	0.80
C.	PBIT	4.31
D.	Income-tax	0.86
E.	Net profit/loss	3.44
F.	Repayment (Annual)	0.95
G.	Retained surplus (E-F)	2.49

18. REVENUE STREAMS & SERVICES

(Rs. in lakhs)

Fixed cost	
Land & Building Rent	2.00
Depreciation	0.80
Interest	1.13
Manpower	9.90
Total Fixed cost	13.82
Variable cost	
Raw materials	36.45
Utilities	1.60
Manpower	23.10
Administrative expenses	0.28
Selling & distribution expenses	1.44
Total Variable cost	62.87
Contribution margin	20%
Break-Even Point in Value	69.12

19. STATUTORY/GOVERNMENT APPROVALS

The project needs to carry out general formalities pertaining to firm establishment; tax registration and shops/establishment registration. The fire safety clearance is the specific requirement. The following specific permit is required.

1. Pollution Control Clearance from the state government board; National Green Tribunal in some cases.
2. Protected Area permit, if the site is in forest area.

20. TRAINING CENTERS AND COURSES

Training centers that offer professional training and certification in entrepreneurship and business management are as follows:

1. National Institute for Entrepreneurship and Small Business Development (NIESBUD)
Regional Centre, Dehradun
NSTI Campus, Green Park, Dehradun-248001,
Uttarakhand, India
2. Indian Institute of Entrepreneurship (IIE)
NH-37 Bypass, Near Game Village,
Lalmati Guwahati- 781029,
Assam, India
3. Institute of Entrepreneurship Development (IEDUP)
A - 1 & 2, Industrial Area, Sarojini Nagar,
Kanpur Road, Lucknow-226008,
Uttar Pradesh, India

Disclaimer

Only few machine manufacturers are mentioned in the profile, although many machine manufacturers are available in the market. The addresses given for machinery manufacturers have been taken from reliable sources, to the best of knowledge and contacts. However, no responsibility is admitted, in case any inadvertent error or incorrectness is noticed therein. Further the same have been given by way of information only and do not carry any recommendation.