

CAMPING FACILITY

1. INTRODUCTION

There is a significant growth in eco-tourism and adventure tourism. The tourists wish to experience flora and fauna. They wish to live amidst nature. Hence, the interest in camping. On the other hand, there are environmental restrictions around sanctuaries coast-line and other fragile ecological elements which prohibit construction and therefore make camping mandatory. Given the inadequacies of infrastructural facility (electricity, water supply, camping know-how and camping equipment, it is not easy for average tourists and amateur trekkers to set up camping facility on their own. This opens up scope for ready tenting facility at locations which are entry or transit or destination points for eco-tourists. The facility can also include arrangement for giving on hire/sale some provisions of common interest.

2. PROJECT PROPOSAL

It is proposed to set up camping facility at an appropriate location (discussed later) consisting of the following:

Sr. No	Particulars	No.
1	Twin sharing tent with attached bath-room	10
2	Group (6 persons per tent with attached bath-room)	5
3	Common bath-rooms	4
4	Kitchen Tent	1
5	Dining Tent	1
6	Pantry Tent	1
7	Staff Tent	1
8	Shelter Facility	1
9	Parking Facility	12 Vehicles
10	Utility Kiosk to sell toiletries, beverages, snacks, flashlights, chargers, mosquito repellents, emergency	

	food packets	
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In addition to providing tenting facility and selling utility items, the project will provide on hire the following facilities

- ❖ Complete camping gear
- ❖ Sleeping bags
- ❖ Survival tools and kits
- ❖ Emergency blankets
- ❖ Hand and foot warmers
- ❖ Trekking poles
- ❖ Binoculars
- ❖ Sport Balance cycle with helmet (adult)
- ❖ Sport Balance Cycle with helmet (child)
- ❖ Portable heaters

3. DESIRABLE PROMOTER BACKGROUND

This is a project which warrants promoter presence at the site, particularly during the busy season. The project will be located at a rather remote site. The promoter willingness to live at a remote site, at least some months in a year, is essential. If the promoter has experience or flair for camping/trekking, it will be an advantage because he will be able to build a rapport with customers quickly. The promoter network in the surrounding area – medical assistance, transport-on-call, helpers–on-call guides-on-call – will enhance the project-image and hence success – prospects. The promoter should also possess the tact to ward off indecent or irresponsible behavior on the part of the campers.

4. INDUSTRY OUTLOOK AND TREND

The camping business in India, until some years ago, was nearly limited to Kumbh Mela. The popular perception associated camping with hardship – inconvenient sleeping bags, bugs and insects, leaky tents, lack of proper toilet. This, however, is not true now. The advances made by camping gear industry has made it possible for tourists to live amidst nature in a comfortable (even luxurious) tent. The camping gear is sold as well as rented out. In addition, there are aggregators of camping sites. The aggregator verifies and compares all camping sites at a given location and addresses, among other things, the customer concern regarding safety.

The global adventure tourism market, in 2015, was estimated at 7880 billion. It was expected to grow at a CAGR of 46% during 2016-2020.

The Indian camping market is likely to grow strongly because of the following reasons.

- ✓ Expansion of youth market
- ✓ Entry of new segments, e.g., families, middle age groups, to camping market
- ✓ Growth of camping sites, particularly in Uttarakhand, Himachal Pradesh, Ladakh, Rajasthan, Maharashtra, Goa, Northeast
- ✓ Improvement in the quality of tents and facilities at camping sites.

5. MARKET POTENTIAL

The tenting capacity envisaged is for 50 persons-20 on twin sharing basis and 30 persons on group basis.

- ✓ The demand for tenting and allied facilities emanates from the following streams.
- ✓ Trekkers/rock climbers and other adventure tourists
- ✓ Leisure tourists who wish to undergo the experience of staying in tented accommodation.
- ✓ Tourists – leisure/adventure/other who wish to stay at locations (because of its physical features or proximity to special physical feature location, e.g., close to Himalaya) where built up tourist accommodation does not exist.
- ✓ School children are also a segment in itself.

The market prospects will depend on the choice of location. It is at location close to national parks, sanctuaries, mountain/hill-ranges, river-belts, skiing areas, beaches that tenting will attract customers. This means that Uttarakhand, Himachal Pradesh, Northeast, Rajasthan, Goa, Andhra Pradesh, Karnataka, Jammu & Kashmir, West Bengal and Orissa are the particularly relevant states for the project. The project will be marked by seasonality. However, the promoter may utilize pricing, promotion among less established segments (e.g., corporate) and such other methods to reduce seasonality.

A tie-up, besides travel portal-with organizations/resource persons engaged in adventure tourism/sport will enhance market prospects.

6. PROPOSED SIZE OF THE PROJECT

The key parameter is tented accommodation. This will be for 50 persons, 40% on twin-sharing basis and 60% on group-sharing basis. The facility, however, expects some non-staying transit business and hence the dining tent will have capacity to seat 80 persons. There will be a shelter tent to seat 10 persons.

7. MANUFACTURING PROCESS

This is a service sector project and hence the following is pertinent.

TECHNICAL REQUIREMENT

The facility will be set up a relatively inhospitable location. The provision of amenities-electricity, water, heating, sewage treatment/disposal-at such a location is critical. Likewise, tents and other facilities are subject to wear-and-tear and hence replacement and maintenance are of utmost importance.

OPERATIONAL REQUIREMENT

The functioning will be market by seasonality, warranting deployment of additional four or five persons. The customers, depending on conditions, are likely to make special demands – food, hot water, heating, etc. The capacity to meet reasonable extra demands is essential.

8. MANPOWER REQUIREMENT

This is estimated as follows:

Sr. No.	Particulars	No.
1	Facility Manager	1
2	Front Office/Customer Relations	1
3	Housekeeping	3
4	Chef and assistants	2
5	Admin/Account	1
6	Maintenance	1
7	Store	1

8	Helper	1
	Total	11

During busy season, the facility will need additional manpower.

9. COST OF THE PROJECT

The project will be spread over an area of 15000 sq.mtrs. The cost is estimated as follows (Rs.in lacs)

Sr. No.	Particulars	Rs in lakhs
1	Deposit for Lease-Rent(three months)	1.50
2	Ground-levelling, fencing, bore-well, electricity line, genset, sewage treatment facility, lighting, spotlights, firefighting equipment, batteries, chargers, ladder, airpumps, water-purifiers, etc.	10.00
3	Twin-sharing tents with attached toilet-complete with furniture/furnishing/fixation	16.00
4	Group sharing tents with attached toilet-complete with furniture/furnishing/fixatio	12.00
5	Common Toilets	3.00
6	Kitchen Tent	3.00
7	Dining Tent, complete with furniture/furnishing/fixation	5.00
8	Shelter/Lounge Tent complete with furniture/furnishing/fixation	4.00
9	Staff Tents complete with furniture/furnishing/fixation	4.00
10	Pantry Camps	1.00
11	Kitchen equipment, appliances, pots and pans, crockery, cutlery	10.00
12	Linen, electric blankets, sleeping bags, survival tods and kits, maps and compasses, Hand and foot warmers, personal defence (pepper spray), trekking poles, two way Radios, first aid, flashlights, emergency food packs, portable heaters, lanterns, waterproof Bags and containers, bear sprays, mosquito repellents, and air mattresses	15.00
13	Outdoor area Furniture, firepits	2.00
14	Bicycles (5) Motorcycles (2)	2.00
15	Preliminary and pre-operative expense	6.00
16	Margin for working capital	5.00
	Total	99.50

10. WORKING CAPITAL REQUIREMENT

This is estimated at Rs. 5.00 lacs and we do not envisage working capital loan.

11. MEANS OF FINANCE

Sr. No.	Particulars	Rs in lakhs
1	Equity	39.80
2	Term Loan	59.70

12. MACHINERIES AND ILLUSTRATIVE LIST OF SUPPLIERS

The project would require mainly camping tents, kitchen equipment & house - keeping equipment.

KITCHEN EQUIPMENT

- ❖ Gas bank, steam cooking devices, tandoors, preparation equipment, warmers, brain maries, trolleys, washing equipment, sinks, exhaust system, ventilation equipment, refrigerated equipment, freezers and grills, pots, pans, safety equipment.

HOUSEKEEPING EQUIPMENT

Vacuum cleaners, water tank cleaning equipment, janitor multifunction carts.

SUPPLIERS CAMPING TENT

1. Mahavir Tents (India), Ghaziabad
2. Carabin Adventure , Gurgaon
3. M.M. Thakkar & Co., Mumbai
4. Schafbock Design Workshop, Ahmedabad
5. Ratilal & Sons, Mumbai
6. Kohinoor Dyeing & Tent works, Jaipur

KITCHEN EQUIPMENT

1. Hotel Kitchen Equipments India, Ahmedabad
2. Vibhu Kitchen Equipment, New Delhi
3. Mehta Kitchen Equipments, New Delhi
4. Galaxy Engineers, Pune

HOUSEKEEPING EQUIPMENT

1. SGT Multiclean Equipments, Bengaluru
2. Yuva Safety India, Hyderabad
3. Blue Ocean Cleaning Solutions, Mumbai

4. Anakali, Delhi
5. Amsse Products India, Delhi

13. PROFITABILITY

There will be three streams of income

- ✓ Overnight stay
- ✓ Food and beverage (those who stay as well as those who do not stay)
- ✓ Renting out some equipment and provisions.

The facility will operate for 300 days in a year. Depending on the location, it will remain closed for over two months in a year because of such reasons as inclement weather, difficult access or virtual absence of tourists/business.

The working days (300) will be divided into

High season	(100 days)
Medium season	(100 days)
Low season	(100 days)

We estimate the following daily business during these seasons (**second year of operation**)

Sr. No.	Particulars	High season	Medium season	Low season
1	Twin-sharing Tent	7 tents/day	4 tents/day	2 tents/day
2	Group (six persons sharing tent)	3 tents/day but 4 persons/tent	1.5 tents/day but 4 persons/tent	0.5 tents/day but 4 persons/tent
3	Food & Beverage Business	140 meals/day	90 meals/day	40 meals/day

We propose a tariff (accommodation only) of Rs.2000 for twin-occupancy tent and Rs.800 per person for group sharing tent.

The average price per meal will be Rs.250 per person.

The income on account of hiring out equipment/provisions will be 5% of tent accommodation income.

The operating expenses will be as follows (Rs.in lacs)

Sr. No.	Particulars	Rs. In lakhs
1	Lease Rent	6.00
2	Manpower, admin	25.00
3	Electricity	5.00
4	Water supply	2.40
5	Sewage Treatment	1.20
6	Repair, maintenance, upkeep	6.00
7	Cost of food & beverage	18.00
8	Sales & marketing @10% of annual income	13.89

The profitability is worked out for the five years of operation as follows.

Profitability Over Five Years

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Total annual income before expenses , term loan interest and depreciation	12501000	13890000	14584500	15279000	15973500
total annual expense	7749000	7749000	7903980	8058960	8213940
income less all expenses except interest and depreciation	4752000	6141000	6680520	7220040	7759560
term loan interest	919380	771622.5	574612.5	377602.5	180592.5
income less all expenses except depreciation	3832620	5369377.5	6105907.5	6842437.5	7578967.5
Depreciation	1417500	1417500	1417500	1417500	1417500
Profit before tax	2415120	3951877.5	4688407.5	5424937.5	6161467.5
Tax	724536	1185563.25	1406522.25	1627481.25	1848440.25
Profit after tax	1690584	2766314.25	3281885.25	3797456.25	4313027.25

For projection, second year is the reference year.

In first year, we have assumed 10% lower income than in second year, while keeping operating expenditure identical. In third, fourth and fifth year, income increases @ 5% per year (simple growth, compared to second year).

In first and second year, we have assumed that operating expenditure will remain same, while operating expenditure rises @ 2% per year (simple growth, compared to second year)

The unit cost of power is taken at Rs. 6. The depreciation is taken at the rate of 15%.

14. IMPLEMENTATION SCHEDULE

This will take six months since tying up the premises. The milestones will be

❖ Cleaning and sprucing up of premises	1 month
❖ Interior design and plan	simultaneous
❖ Execution of interior plan	3 months
❖ Hiring of manpower	1 month
❖ Pre-opening promotion	1 month
❖ Trial Run	1 month
❖ Opening	1 month

15. BACKWARD AND FORWARD LINKAGES

The linkages based business opportunities are

- ❖ Another camping site
- ❖ Guide-cum-escort service
- ❖ Transport hire
- ❖ Tour packages

16. GOVERNMENT CLEARANCE

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 permits are required

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

17. TRAINING CENTRES / COURSES

Udyamimitra portal (link : www.udyamimitra.in) can also be accessed for handholding services viz. application filling / project report preparation, EDP, financial Training, Skill Development, mentoring etc.

Entrepreneurship program helps to run business successfully is also available from Institutes like Entrepreneurship Development Institute of India (EDII) and its affiliates all over 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.