

**Detailed Project  
Report On  
Establishment of Rural  
Home-Stay Tourism for A  
Tourism Cooperative Society**

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## Executive Summary

Over the decades, tourism has experienced a continuous growth and increasing diversification to become one of the fastest growing economic sectors in the world. The tourism sector can be considered an important driving force of economic development. Many developing countries recently ranked tourism high in their national sustainable development. One of the countries actively stimulating its tourism industry is the India.

Tourism in India is economically important and is growing rapidly. The World Travel & Tourism Council calculated that tourism generated ₹15.24 lakh crore (US\$230 billion) or 9.4% of the nation's GDP in 2017 and supported 41.622 million jobs, 8% of its total employment. The sector is predicted to grow at an annual rate of 6.9% to ₹32.05 lakh crore (US\$480 billion) by 2028 (9.9% of GDP).

***Homestay program have been a successful tool to increase tourism visitation and broaden accommodation options in poorer rural communities.***

The offering of these homestays is clean traditional houses with basic amenities and unforgettable experience to the guest which they cannot get even in the most expensive of hotels and resorts in the world.

Rural tourism is closely related to the villages, sinking in the age old culture. Village tour is always in the colour of festivals connected with life style, which is ritualistic and brings forth the phenomenon of the originality of the cultural depth.

This project is mainly aimed at socio-economic growth, of rural population/sector via rural tourism - homestay program, through cooperative societies of the state and to provide "Homely stay arrangements to the tourists and to promote and make aware of the local culture of the Rural sector among the tourist" at very economical tariffs.

The cooperative societies wants to start Homestay services with four (4) master bedrooms (with attached Bathroom and kitchen) under this project, which will have all the modern facilities and very much touch of rural infrastructure in the vicinity of village. Commutation to the nearby places/villages to understand the local culture will be part of the rural homestay tourism.

Once the Homestay facility is operational it will be a revenue generation model for cooperative societies and parallely it will result into socio-economic development and growth of the rural areas of Himachal Pradesh State.

## **Introduction**

Keeping in view the potential and existing infrastructure available to accommodate the tourist it is planned to target those tourists who want to have a unique experience of the rural part of Himachal.

The tourists generally stay at hotels, guest-houses or dharmshallas, depending on needs and budget. However, there are tourists who wish to stay in a homely environment and not spend too much money on accommodation. Their service expectations are modest; they do not expect room-service or round the clock service. On the other hand, there are people who have surplus accommodation in their own premises; are interested in taking guests and earning additional income by providing part of the house and extending hospitality to the guests.

## **Importance and Relevance of Homestay with cooperative society**

With the aim of providing comfortable Home Stay facilities of standardized world class services to the tourists, and to supplement the availability of accommodation in the rural tourist destinations, the basic idea is to provide a clean and affordable place for domestic tourists including an opportunity for foreign tourists to stay with Himachali families to experience Himachali customs and traditions and relish authentic Indian/Himachali cuisine. On the other hand Homestay business will generate additional income to the cooperative society and employment as well. The cooperative society provides to the guest a decent room, attached toilet, toiletry kit and breakfast. The guest may avail of meals - lunch, dinner, snack- at an extra cost.

## **Project Vision, Mission & Objectives**

### **Vision:**

Vision is to promote rural tourism in HP state through cooperative, keeping in view to continuously minimize the tourism cost to customer as well as optimum profit to the society and to explore untouched part of the Kullu District of HP state.

### **Mission:**

Mission is to maximise footfalls of the tourist and to provide comfortable and secured rural village home stay.

- To develop rural tourism.
- To develop Socio-Economic of the Rural sector
- To provide job opportunities.

### **Objectives:**

- To provide hospitality at its best leading to be a very special & soothing experience to feel at home staying away from Home.
- To create a feel to experience the benefits of Nature, the homely treatment, exposure to the Art and the Culture
- To make it a Traditional style home stay with fully equipped lodging for travellers with very earthy and a natural ambience.

## **Project Overview**

Society is having land in its own name and other modern machineries at several locations in nHimachal Pradesh. Society's financial health is very good and have not incurred any losses in last 7 years.

To promote rural tourism in the nearby area and to generate additional revenue for the cooperative society and further to its members the cooperative society wants to enter into tourism business with Homestay business model primarily starting with 4 Master Bed Rooms with attached Bath and Kitchens.

## **Objective**

The Rural Tourism-Homestay shall have the following objectives:

- (a) To diversify business and generate additional income in tourism sector
- (b) To Broaden the stake holder's base for tourism in the State
- (c) To Take tourism to the rural and interior areas of the State
- (d) To generate employment and economic values in the interior areas

## **Services to Offer**

1. Home Stay (*Main Activity*)
2. Tours & Travels (*Part of Main Activity*)
3. Food & Beverages (*Part of Main Activity*)

## **Key Activities –**

- comfortable economic Homestay at village level or interiors of the State
- Sight Seeing facility
- Local cultural Experience through involvement in local festivals
- Local food habit experience

## **Key Resources –**

- Comfortable as well as modernise home stay along with rural home stay arrangements
- Direct as well as indirect approach to attract tourist (e.g. HPTDC or tie with private partners i.e. OYO etc.)
- Transportation, additional beddings and other additional feasible requirements may be the additional revenue stream

### **Value Proposition**

- Economical availability of Home Stay arrangements in rural/urban area to explore untouched beauty of Himachal Pradesh state.
- Cross Cultural living experience
- Availability of homely stay as very low cost

### **Customer Relationships**

- To develop Friendly and familiar relationship with tourist
- Self-service arrangement (e.g. self-cooking etc.)

### **Channels**

- Through HP tourism dept.
- Through Pvt partners (e.g. OYO etc.)
- Self-Promotion activities

### **Customer Segments**

- Domestic Customer
- Foreign Tourist

### **Key Partners**

- Cooperative Societies
- State Govt
- Tourism Dept
- Pvt partners
- Local Suppliers
- Local People

### **Assistance in Online Reservation/Marketing**

For marketing and booking of homestay Himachal Pradesh Tourism department can provide online booking facility in exchange of minimal service fee and can be tie-up with private online website e.g. MMT, Yatra etc.

## MARKET POTENTIAL

The market for home stay facilities is in the early stage of development. The relevant segments now are:

- Individual foreign tourists
- Students, young professionals and domestic tourists

There are other potential sub-segments, e.g., elderly domestic tourists, long-stay tourists and tourist-families for whom, the concept is appropriate. These segments are not yet harnessed fully mainly because of lack of awareness and the low-key brand equity of concerned website. The travel agents do not engage, by and large, in selling home stay facilities.

The market for such facility exists primarily at

- Tourist destinations
- Large cities
- Business hubs

Tourist destination business potential is evident; some tourists may prefer home-stay. The large cities, because of their character, attract some tourists (even if tourism attractions are slender), professionals/executives – in-transit and long-stay business travelers. Hence, the potential. The business hubs have hotels, which are too expensive for some visitors. Besides, there are repeat visitors who desire familiar and home-like atmosphere.

The business will be generated mainly through affiliation with a trusted website and reviews of guests who actually stay. The approval of the facility by Govt. of India will enhance credibility. The pricing will be influenced by the hotel-accommodation pricing in the city, the quality of accommodation, class (gold or silver) of home stay facility awarded by Govt. of India and the guest reviews. Most home-stay facility price of room corresponds to pricing of three star hotels.



## **Feasibility Assessment**

The Homestay-Rural Tourism is feasible in the area as there is high volume of tourist throughout the year. Also most of the hotels too costly to afford and are in main city of the district which is very far from the main tourist spots. The proposed facility is on the highway and approachable to the tourist spots.

In the year 2017 total tourist footfalls in HP state was 196.02 Lacs which is 12 lacs more than the previous year. Statistics shows that every year tourists are increasing in the state and hence huge demand for stay arrangements. At present about 2,907 hotels having bed capacity of about 81,514 are registered with the tourism department.

Keeping in mind the number of hotels already available in the state it is viewed as opportunity to start a Home-stays concept at rural Level at low cost so that target tourists can be approached and livelihood of the rural families can be increased.

The Project Revenue has been taken into consideration from the homestay tariffs along with foods and transportation.

### **Mandates of the Homestay run by Cooperatives**

- a) The Cooperative shall get the Home Stay unit registered with the Department of Tourism H.P and follow the guidelines framed there under for the Himachal Pradesh Home Stay, Scheme which shall be binding on the owner of the Home Stay Unit.
- b) The Home Stay Unit shall at all times maintain the minimum standards of the cleanliness, sanitation, quality food etc.
- c) The operative cooperative of Homestay shall maintain a register for letting out the rooms to the tourists, which can be inspected by the concerned Dist. Tourism Development Officer.
- d) The operative cooperative of Homestay shall maintain a bill book/ Home Stay pad for issuing the bills to the tourist's with a stamp.
- e) All the Home Stay Unit holders shall to submit Form C with passport details to the nearest Police Station as done by the hotels accommodating foreign tourists.

## SWOT Analysis

<b>Strength</b>	<b>Weakness</b>	<b>Opportunity</b>	<b>Threat</b>
Aims to Bring benefits of tourism to rural communities	No community involvement during planning and policy making process	Homestays as prospective summer vacation homes	Competition from similar mountain destinations in the same segment.
Increase in inventory in the areas that lack hotels and lodges and non interest of private players to invest in those areas	No institutional mechanism for generating awareness, providing training and finance and for marketing and promotion.	'Home like' factor with the opportunity for more personalised service and care	Rural communities moving away from agri/horticulture in pursuit of tourist
Employment opportunities and augmented supplementary income for rural	No defined criteria of fixing rates and inspection of these accommodations	Create rural micro economies	Pursuit of education for professions other than tourism gets diluted in rural communities

## Project Costs & Financing

### Construction cost and broad specification of Homestay Facility

There will be 4(four) new rooms to be constructed under homestay arrangement and each room having an area of approximately 15 sq ft necessarily consisting of a bedroom and attached toilet and kitchen with modern fittings and a walk-in closet. The time for construction is considered is 6(Six) months.

### The specifications of the construction should be as follows :-

- (i) Plastic paint to interior walls including providing marble flooring
- (ii) Anodised aluminium/wooden doors and windows
- (iii) Weather shield exterior wall finish
- (iv) Bathroom fittings should be of branded company with ISI mark. Water closet, cistern, basin etc should be of porcelain and bib cocks, towel rails, soap trays etc should be chrome plated.
- (v) Provision of solid waste management with incinerators and rain water harvesting

### Means of Finances

Cooperative contribution	2.00 Lakhs
Term loan	20.00 Lakhs <i>(16 Lakhs for base Infrastructure Development and 4 Lakhs for other operative expenses)</i>
<b>Total</b>	<b>22.00</b> Lakhs

### Cost of the project Particulars (Breakup of rate for construction considered)

<b>LAND AREA</b>	1000 Sqft
<b>FLOORS</b>	Ground Floor Only
<b>No of Rooms</b>	4 Rooms
<b>PAINT TYPE</b>	Premium
<b>DOOR TYPE</b>	TeakWood
<b>FLOORING</b>	Wooden
<b>4 Rooms Homestay Construction Cost (Aprx)</b>	<b>₹ 16,62,188</b>

<b>Foundation</b>			<b>₹ 1,82,390</b>
<b>Earthwork and Excavation</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Labour and Earth Filling	2,625 cubic ft @ ₹ 10 per unit	26,250	
	Total Price	26,250	
<b>Cement Concrete</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Cement	9 bags @ ₹ 270 per unit	2,430	
Sand	3 cubic meters @ ₹ 6,500 per unit	19,500	
Course Aggregate	5 @ ₹ 600 per unit	3,000	
	Total Price	24,930	
<b>Brick Work</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Bricks	4,840 nos. @ ₹ 6 per unit	29,040	
Cement	16 bags @ ₹ 270 per unit	4,320	
Sand	4 cubic meters @ ₹ 6,500 per unit	26,000	
	Total Price	59,360	
<b>DPC</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Horizontal DPC	120 sqft @ ₹ 130 per unit	15,600	
	Total Price	15,600	
<b>Labour</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Labour Cost excl Earthwork	113 man days @ ₹ 500 per unit	56,250	
	Total Price	56,250	
	<b>TOTAL FOR FOUNDATION</b>	<b>₹ 1,82,390</b>	

<b>Super Structure</b>			<b>₹ 4,97,708</b>
<b>RCC Pillars</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Cement	38 bags @ ₹ 270 per unit	10,260	
Sand	4 cubic meters @ ₹ 6,500 per unit	25,256	
Coarse Aggregate	8 cubic meters @ ₹ 600 per unit	4,800	
MS Steel	471 cubic meters @ ₹ 48 per unit	22,608	
	Total Price	62,924	
<b>RCC Beams</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Cement	91 bags @ ₹ 270 per unit	24,570	
Sand	10 cubic meters @ ₹ 6,500 per unit	65,000	
Coarse Aggregate	19 cubic meters @ ₹ 600 per unit	11,400	
MS Steel	1,238 Kg @ ₹ 48 per unit	59,424	
	Total Price	1,60,394	
<b>Brick Work – Sidewalls</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Bricks	8,820 nos. @ ₹ 6 per unit	52,920	
Cement	28 bags @ ₹ 270 per unit	7,560	
Sand	6 cubic meters @ ₹ 6,500 per unit	39,000	
	Total Price	99,480	
<b>Brick Work – Innerwalls</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Bricks	7,075 nos. @ ₹ 6 per unit	42,450	
Cement	23 bags @ ₹ 270 per unit	6,210	
Sand	5 cubic meters @ ₹ 6,500 per unit	32,500	
	Total Price	81,160	
<b>Labour</b>			
<b>ITEM</b>	<b>QUANTITY</b>	<b>PRICE</b>	
Labour	188 man days @ ₹ 500 per unit	93,750	
	Total Price	93,750	
	<b>TOTAL FOR SUPER STRUCTURE</b>	<b>₹ 4,97,708</b>	

<b>Flooring</b>			<b>₹ 3,62,220</b>
<b>Main Flooring</b>			
ITEM	QUANTITY	PRICE	
Wooden	530 sqft @ ₹ 390 per unit	2,06,700	
Labour	21 man days @ ₹ 500 per unit	10,500	
Miscellaneous	LUMP SUM	1,24,020	
	Total Price	3,41,220	
<b>Bathroom and Kitchen Flooring</b>			
ITEM	QUANTITY	PRICE	
Tiles	150 sqft @ ₹ 75 per unit	11,250	
Labour	6 man days @ ₹ 500 per unit	3,000	
Miscellaneous	LUMP SUM	6,750	
	Total Price	21,000	
	<b>TOTAL FOR FLOORING</b>	<b>₹ 3,62,220</b>	

<b>Plastering and Wall Tiles</b>			<b>₹ 2,61,380</b>
<b>Plastering - Walls</b>			
ITEM	QUANTITY	PRICE	
Cement	20 bags @ ₹ 270 per unit	5,400	
Sand	5 cubic meters @ ₹ 6,500 per unit	32,500	
Labour	280 man days @ ₹ 500 per unit	1,40,000	
	Total Price	1,77,900	
<b>Plastering – Ceiling</b>			
ITEM	QUANTITY	PRICE	
Cement	4 bags @ ₹ 270 per unit	1,080	
Sand	1 cubic meters @ ₹ 6,500 per unit	6,500	
Labour	60 man days @ ₹ 500 per unit	30,000	
	Total Price	37,580	
<b>Wall Tiles</b>			
ITEM	QUANTITY	PRICE	
	Total Price	45,900	

ITEM	QUANTITY	PRICE
Glazed Tiles – Kitchen	360 @ ₹ 40 per unit	14,400
Glazed Tiles – Bathroom	400 @ ₹ 40 per unit	16,000
Labour	31 man days @ ₹ 500 per unit	15,500
	Total Price	45,900
	<b>TOTAL FOR PLASTERING AND WALL TILES</b>	<b>₹ 2,61,380</b>

<b>Wood Work</b>		<b>₹ 85,600</b>
<b>Doors</b>		
ITEM	QUANTITY	PRICE
Teakwood Frames	260 ft @ ₹ 95 per unit	24,700
Teakwood Shutters	200 sqft @ ₹ 130 per unit	26,000
Iron grilling with labour	200 sqft @ ₹ 20 per unit	4,000
	Total Price	54,700
<b>Windows</b>		
ITEM	QUANTITY	PRICE
Teakwood Frames	120 ft @ ₹ 95 per unit	11,400
Teakwood Shutters	130 sqft @ ₹ 130 per unit	16,900
Iron grilling with labour	130 sqft @ ₹ 20 per unit	2,600
	Total Price	30,900
	<b>TOTAL FOR WOOD WORK</b>	<b>₹ 85,600</b>

<b>Painting</b>		<b>₹ 1,36,890</b>
<b>Exterior Painting</b>		
ITEM	QUANTITY	PRICE
Putty and primer – ceiling	150 sqft @ ₹ 12 per unit	1,800
Paint – ceiling	150 sqft @ ₹ 15 per unit	2,250
Putty and primer – walls	1,210 sqft @ ₹ 12 per unit	14,520
Paint – walls	1,210 sqft @ ₹ 15 per unit	18,150
	Total Price	36,720
<b>Interior Painting</b>		

ITEM	QUANTITY	PRICE
Putty and primer – ceiling	750 sqft @ ₹ 12 per unit	9,000
Paint – ceiling	750 sqft @ ₹ 15 per unit	11,250
Putty and primer – walls	2,760 sqft @ ₹ 12 per unit	33,120
	Total Price	1,00,170
ITEM	QUANTITY	PRICE
Paint – walls	2,760 sqft @ ₹ 15 per unit	41,400
Paint - Doors and Windows	360 sqft @ ₹ 15 per unit	5,400
	Total Price	1,00,170
	<b>TOTAL FOR PAINTING</b>	<b>₹ 1,36,890</b>

<b>Electrical and Plumbing</b>		<b>₹ 1,36,000</b>
<b>Electrical</b>		
ITEM	QUANTITY	PRICE
Electrical	LUMP SUM	61,200
	Total Price	61,200
<b>Plumbing</b>		
ITEM	QUANTITY	PRICE
Plumbing	LUMP SUM	74,800
	Total Price	74,800
	<b>TOTAL FOR ELECTRICAL AND PLUMBING</b>	<b>₹ 1,36,000</b>



## Business Revenue Model

The project will be acting as a revenue model and the main source of income is from rental income.

### Home-Stay Room Tariff Chart

Season	Month	Cost/Room
Peak Season	April-june	2500
Mid-Season	Nov-March	2000
Off-Season	July-Oct	1000

### Expected Annual Earning

Season	Month	No of Days	Cost/Room /Day	Units	%age of Occupancy Days	No of Occupancy Days	Expected Earning/Outcome
Peak Season	April-june	90	2,500.00	4	90%	81	8,10,000.00
Mid-Season	Nov-March	150	2,000.00	4	70%	105	8,40,000.00
Off-Season	July - Oct	120	1,000.00	4	50%	60	2,40,000.00
<b>Total (Annual Earning Approximation)</b>							<b>18,90,000.00</b>

### Expected Capacity Utilisation Year-wise

Year	% Capacity Utilization
1st year	65%
2nd Year	70%
3rd year	75%
4th year	80%
5th year	90%

## Cash Flow

Year	0	1	2	3	4	5
<b>Potential Rental Income</b>	<b>0</b>	<b>1,890,000.00</b>	<b>1,890,000.00</b>	<b>1,890,000.00</b>	<b>1,890,000.00</b>	<b>1,890,000.00</b>
General Vacancy	0	661,500.00	623,700.00	472,500.00	378,000.00	189,000.00
<b>Effective Rental Income</b>	<b>0</b>	<b>1,228,500.00</b>	<b>1,266,300.00</b>	<b>1,417,500.00</b>	<b>1,512,000.00</b>	<b>1,701,000.00</b>
Depreciation (10% / Annum)	0	122,850.00	126,630.00	141,750.00	151,200.00	170,100.00
Taxes (NIL)	0	-	-	-	-	-
Insurance (0.02%)	0	245.70	253.26	283.50	302.40	340.20
Management Expense (Salary Etc)	0	120,000.00	130,000.00	140,000.00	150,000.00	160,000.00
Maintenance (5%)	0	61,425.00	63,315.00	70,875.00	75,600.00	85,050.00
<b>Total Expense</b>	<b>0</b>	<b>304,520.70</b>	<b>320,198.26</b>	<b>352,908.50</b>	<b>377,102.40</b>	<b>415,490.20</b>
<b>Net Operating Income</b>	<b>0</b>	<b>923,979.30</b>	<b>946,101.74</b>	<b>1,064,591.50</b>	<b>1,134,897.60</b>	<b>1,285,509.80</b>

**Cash Flow Statement of Kullu Cooperative Society Ltd., Kullu (Himachal Pradesh)**

Sr. No.	Years Particulars	Actual					Projections					
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24			
		Int Rate 10.98%					Effective Int Rate 11.55%					
1	Business Turnover	1,21,76,325	1,33,93,958	1,54,03,051	1,69,43,356	1,86,37,692	2,05,01,461	2,25,51,607	2,46,06,768			
2	<b>INCOME</b>											
a	Trading Profit	2,70,092	2,83,597	2,97,776	3,12,665	3,28,299	3,44,713	3,61,949	3,80,047			
b	Interest Received	46,40,779	47,80,002	49,23,402	50,71,105	52,23,238	53,79,935	55,41,333	57,07,573			
d	NPA Recovery	42,835	44,120	45,444	46,807	48,211	49,658	51,147	52,682			
e	Misc. Income	615	646	678	712	748	785	824	865			
f	Income from Homestay	-	-	-	1,22,850	1266300	1417500	1512000	1701000			
g												
	<b>Total Income</b>	<b>49,54,321</b>	<b>51,08,365</b>	<b>52,67,301</b>	<b>55,54,139</b>	<b>68,66,795</b>	<b>71,92,591</b>	<b>74,67,253</b>	<b>78,42,166</b>			
3	<b>Expenditure</b>											
a	Interest paid	32,93,383	33,59,251	34,26,436	34,94,964	35,64,864	36,36,161	37,08,884	37,83,062			
b	Employee Salary	7,96,625	8,20,524	8,45,139	8,70,494	8,96,608	9,23,507	9,51,212	9,79,748			
c	Provisions	72,190	75,800	79,589	83,569	87,747	92,135	96,742	1,01,579			
d	Misc. Expenses	2,84,886	2,99,130	3,14,087	3,29,791	3,46,281	3,63,595	3,81,774	4,00,863			
e	Operating expense for homestay	-	-	-	3,04,520	3,20,198	3,52,908	3,77,102	4,15,490			
e	Depreciation	3,009	2,859	2,716	2,580	2,451	2,328	2,212	2,101			
f	Interest on NCDC Loan				2,31,000	1,84,800	1,38,600	92,400	46,200			
	<b>Total Expenditure</b>	<b>44,50,093</b>	<b>45,57,563</b>	<b>46,67,967</b>	<b>53,16,918</b>	<b>54,02,949</b>	<b>55,09,233</b>	<b>56,10,326</b>	<b>57,29,043</b>			
4	<b>Net Profit (2-3)</b>	<b>5,04,228</b>	<b>5,50,802</b>	<b>5,99,334</b>	<b>2,37,221</b>	<b>14,63,846</b>	<b>16,83,357</b>	<b>18,56,927</b>	<b>21,13,123</b>			
5	Cash for Debt Service	7,89,114	8,49,932	9,13,420	4,70,801	16,51,097	18,24,285	18,59,139	21,15,227			
6	<b>Debt Service Obligation</b>											
	NCDC Loan (at year end)	-	-	-	20,00,000	16,00,000	12,00,000	8,00,000	4,00,000			
a	Installment NCDC Loan	-	-	-	4,00,000	4,00,000	4,00,000	4,00,000	4,00,000			
b	Interest NCDC Loan	-	-	-	2,31,000	1,84,800	1,38,600	92,400	46,200			
	<b>Total Debt Service 6(a+b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,31,000</b>	<b>5,84,800</b>	<b>5,38,600</b>	<b>4,92,400</b>	<b>4,46,200</b>			
7	DSCR	-	-	-	0.75	2.82	3.39	3.78	4.74			
8	Average DSCR for 5 Years	-	-	-	-	-	3.09	-	-			
9	Net Cash Flow for IRR	-	-2200000.00	-	4,70,801	16,51,097	18,24,285	18,59,139	21,15,227			
10	IRR	-	-	-	-	-	50.82%	-	-			
11	Pay Back Period(Non-discounting)	-	-	-	-	-	2 Years, 0 Month & 15 days	-	-			
12	Discounting Cash Flow @11.55%	-	-	-	416424.13	1460398.70	1613584.62	1644412.87	1870923.49			
13	Pay Back Period@DCF	-	-	-	-	-	2 Years, 2 Months & 12 days	-	-			

## **Conclusion & Recommendation**

Cooperative are the backbone of the rural economy. Developing rural tourism via cooperatives will definitely a self-sustaining revenue model which will flourish the cooperative and its members with the generation of employment in tourism and allied activities which results in boost in rural economy and ultimately helps in generating revenue for the cooperative society. Society is in profit since last 7 years and showing strong financials. Also society is agreed for the security against the loan amount required and hence it is safe investment.

It is clearly analyzed from the facts and figures shown in the project report that it is a good revenue model for the society and hence project may be financed for economic growth of the cooperative society.

SAMPLE