

## **Rating Rationale**

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### **Brickwork Ratings assigns “BWR-KA-C-” (Provisional) for the Tourism – Homestay Rating of Haveli Estate Stay, Madikeri Taluk, Kodagu District, Karnataka**

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Brickwork Ratings India Pvt Ltd (BWR) has assigned “**BWR-KA-C-”<sup>#</sup> (Provisional) (Pronounced BWR Karnataka C Minus) Tourism – Homestay rating to Haveli Estate Stay**, Madikeri Taluk, Kodagu District, Karnataka, which indicates that the organization provides/delivers **Moderate Quality of Facility**. This Provisional Rating is valid for 6 months and will be considered as a regular rating at the discretion of BWR, upon submission of the Original Homestay Registration Certificate issued by the Department of Tourism, Government of Karnataka.

#### **HOMESTAY PROFILE:**

**Haveli Estate Stay (HES)**, Madikeri Taluk, Kodagu District was established by Mr. K. M. Muthanna. HES is located at Survey no. 194/5, Door No. 88, P.O.Biligeri, Madikeri, Karnataka. The home stay is built on land area of ~2 acres and the built up area of the homestay is ~1200 sq ft. HES commenced operations since 2012. The homestay is maintained and run by Mr. Muthanna to accommodate the needs of leisure travellers with their families and friends with comforts of homestay. HES is around 9 Km from Madikeri town. HES is surrounded by greenery and 2 acres of coffee plantations. The land is owned by Mr. K. M. Muthanna.

#### **OPERATIONS, FACILITIES AND SERVICES:**

HES enjoys locational advantages, as it is located in a coffee estate. HES is 4 km away from the Madikeri-Virajpet main road and the approach road to the homestay is motorable. HES is situated in Madikeri Taluk with tourist attractions like Omkareshwara Temple, Raja's seat, Abbey Falls & Madikeri Fort which are 9 km from the home stay. Essential services like government hospital, medical dispensary/ pharmacy, police station, local government office, convenience stores, bus stand, bank, ATM etc are 9 Km away from the homestay.

The Rooms at the homestay are comfortable and homely. HES has 5 separate rooms, each room offers double accommodation with amenities like attached bathroom with 24 hours hot water, wardrobe, furniture, dressing mirror, fans, towels, basic toiletries, beverage sachets etc. The rooms are clean and well maintained. The sizes of the rooms and bathrooms in the homestay are adequate. The doors of the rooms are fitted with ordinary locks. HES has

**# KA stands for Karnataka**

***\*Please refer to [www.brickworkratings.com](http://www.brickworkratings.com) for definition of the rating & rating scale. The rating assigned is not a credit rating.***

parking space for around 10 cars. HES provides complimentary breakfast, tea/coffee, snacks and toiletries. Lunch and Dinner are served on request with additional charge.

The standard tariff is Rs.750 per head for 24 hours of stay. HES provides assistance with luggage, information on nearby tourist destinations.

The homestay property has a compound with lockable gate. One CCTV is fixed at the entrance of the homestay. UPS and Diesel generator is available to address power supply issues and each room has electric and gas geyser facilities for hot water. The bookings are made through website, travel agents and brokers. The home stay has maintained registers like guest register. First aid facility is available, safety lockers are provided, there is no security guard and no fire extinguisher as part of the security and safety measures.

#### **MANAGEMENT:**

Mr. K. M. Muthanna is an ex-hospitality consultant and the proprietor of Haveli Estate Stay. The proprietor stays in the same building of the homestay. The day to day operations of the homestay are taken care of by the proprietor Mr. K. M. Muthanna and by appointed assistants.

#### **STATUTORY COMPLIANCES:**

Haveli Estate Stay has the following documents viz., Land Use Permit dt. 7 April 2015 from Gram Panchayat, Police verification certificate dt. 7 December 2016 issued in the name of the proprietor Mr. K. M. Muthanna, approval from Gram Panchayat dt 7 April 2015 for operating a homestay and Property Tax paid receipts for 2014-15, 2015-16 and 2016-17. HES is yet to obtain original Registration Certificate of the homestay from Department of Tourism – Government of Karnataka. However, HES has submitted an online application for Homestay Registration and received the acknowledgement from Department of Tourism, Government of Karnataka, which states that HES's Application number is 16110419 dated 21 November 2016 and that they would be notified by the department officials in case they need clarifications or if they find discrepancies in the submitted application.

#### **RATING RATIONALE:**

The Tourism- Homestay rating assigned for Haveli Estate Stay positively factors the proprietor's experience and satisfactory track record of the homestay, the nearby tourist attractions, clean, spacious rooms and adequate facilities. However, the rating is constrained by the need for improvement in security and fire safety measures, inherent seasonality risk associated with the cash flows of the homestay industry and competition from other homestay players in the vicinity.

Haveli Estate Stay's ability to sustain its good quality services and ensure value for money stay options would be the key rating sensitivities. Provision of additional amenities, improvement in safety and security measures, collection of identity proof from the guests during check in and ensuring better services for differently abled guests with special needs is necessary.

### **METHODOLOGY ADOPTED:**

BWR Tourism Ratings reflects BWR's current opinion on the quality of the specific Tourism Product or Service in Karnataka. Department of Tourism (DoT), Government of Karnataka has issued Tourism Products Rating Guide – Karnataka 2015 ([http://karnatakaturism.org/policy/Tourism Products Rating Guide-Accomodation.pdf](http://karnatakaturism.org/policy/Tourism_Products_Rating_Guide-Accomodation.pdf)) which has defined the Quality Standards which shall be applied by the empanelled Rating Agencies for assessing the quality of tourism products in Karnataka. Guidelines for registration of Homestays in Karnataka have been issued vide GO (Government order) No. TD 429 TTT2015 Bengaluru, dated 31-3-2016. (<http://karnatakaturism.org/policy/go-dated-31.03.2016-kan-eng-agency-address-parameters.pdf>), ಸಂಖ್ಯೆ : ಪ್ರಇ 201 ಪ್ರವಾಯೋ 2016, ಬೆಂಗಳೂರು , ದಿನಾಂಕ : 24-6-2016, ಸಂಖ್ಯೆ : ಪ್ರಇ 201 ಪ್ರವಾಯೋ 2016, ಬೆಂಗಳೂರು , ದಿನಾಂಕ : 27/08/2016 and GO (Government order) ಸರ್ಕಾರದ ಆದೇಶ ಸಂಖ್ಯೆ : ಪ್ರಇ 201 ಪ್ರವಾಯೋ 2016, ಬೆಂಗಳೂರು , ದಿನಾಂಕ :13/10/2016 ([http://karnatakaturism.org/policy/Homestay Governmentorder.pdf](http://karnatakaturism.org/policy/Homestay_Governmentorder.pdf)) . In addition, BWR has drawn up several qualitative and quantitative parameters, based on its own research and in consultation with various experts in this field and in the “user industries”, to make a comprehensive assessment of the quality of Tourism Products/Services. The DoT parameters constitute 80% weightage of the Rating while BWR parameters constitute 20% weightage. The rating is carried out on a scale of A to E with (+) or (-) modifiers for A through C except D and E, to reflect comparative standing within the category. Rating Parameters are broadly categorized as Infrastructure, Services, Safety and Security, Statutory Compliances, Good Design Practices, Evaluation of business model, Promoters/Management analysis, Location analysis, Scale, diversification and coverage, Brand strength and Networking and Developmental efforts.

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**Important Note:** Brickwork Ratings (BWR) has assigned the rating based on the information and documents provided by the Home Stay management. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR has not verified the authenticity of the documents submitted by the home Stay and does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion and not a recommendation to use or not to use the specified home Stay facility and BWR shall not be liable for any damages/losses of any kind suffered by users of the home stay facility or users of this report or from any use of this report or its contents. BWR has the right to change, suspend or withdraw the rating at its discretion, at any time for any reasons.