

## Rating Rationale

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### **Brickwork Ratings assigns “BWR-KA-B” (Provisional) for the Tourism – Homestay Rating of Silvergate Homestay, Chikkamagaluru Taluk, Chikkamagaluru District, Karnataka**

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Brickwork Ratings India Pvt Ltd (BWR) has assigned “BWR-KA-B”<sup>#\*</sup> (Provisional) (Pronounced **BWR Karnataka B**) **Tourism – Homestay** rating to **Silvergate Homestay, Chikkamagaluru Taluk, Chikkamagaluru District, Karnataka**, which indicates that the organization provides/delivers **Adequate 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:**

**Silvergate Homestay (SH)**, Chikkamagaluru Taluk, Chikkamagaluru District was established by Ms. Deepa Prakash and her family. SH is located at survey number 503 near Indavara Village connecting Nalluru- Ukkunda Road, Chikkamagaluru Taluk in Chikkamagaluru district of Karnataka surrounded by coffee estate, plane fields and hills spread over 4.30 acres. The built up area of the homestay is ~9600 Square feet. SH commenced operations on October 1 2016 to accommodate the needs of leisure travellers with their families and friends with comforts of homestay. SH is around 4 Km from Chikkamagaluru Town and around 150 kms from Mangalore in Karnataka.

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

SH enjoys locational advantages as it is situated in Chikkamagaluru district and Chikkamagaluru Town (4 Km) is located near the homestay. The nearest Police Station is available in Chikkamagaluru Town. Government hospital, Medical dispensary/ pharmacy, local government office, convenience stores, post office and nearest bus stand, bank, ATM etc are also available in Chikkamagaluru Town. SH is situated near waterfalls and lakes which are around 10 -20 Km from SH . Manikyadhara Falls, Kallathigiri Falls, Hebbe Falls, Shanti Falls, Hanumana Gundi Falls, Kadambi Falls, Sirimane Falls, Hirekolale lake and Ayyenkere lake are nearby tourist attractions.

SH offers antique ambience and luxury. SH has 5 rooms, common living room (3 nos), common dining hall (3 nos), common sit out (4 nos), common kitchen and store room (2 nos). Each room offers single/double accommodation with amenities like attached bathroom with 24 hours hot water, tables, wardrobe, dressing mirror, fans, towels, newspapers and basic toiletries 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. There are separate storerooms for outdoor sports and groceries. SH has a playground and also provides items required for camp fire at night and outdoor & indoor games like trekking, cricket, football and volleyball. SH has parking space for around 10 cars. SH provides complimentary tea/ coffee, toiletries, breakfast, lunch and dinner (vegetarian and non vegetarian food).

**# 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.**

The standard tariff is Rs. 3,000 per head for 23 hours of stay. SH is expected to take copies of ID proofs of guests during check in time. SH is also expected to provide assistance with luggage, wakeup call service on request, paid transportation on call, information on nearby tourist destinations and critical information like nearby Hospital contact details etc.

The homestay property has natural fencing with lockable gate. CCTV's (8 nos) are fixed in the homestay. Generator/ UPS is available to address power supply issues and each room has boiler facility, geyser and solar for hot water. The bookings would be made through word of mouth, emails, telephone, online booking. The home stay has maintained registers like guest register, bill book and Complaint/ suggestion book. Digital locks/ safety lockers are not provided. First aid facility is available and fire safety measures are in place presently.

#### **MANAGEMENT:**

Ms. Deepa Prakash has 1-2 experience in homestay business and is the proprietor of Silvergate Homestay. The proprietor stays in the homestay with her family. The day to day operations of the homestay are taken care of by the proprietor and her husband, Mr. Prakash. 2 cooks, 1 security guard, 2 cleaners and 2 caretakers are appointed as a part of cooking, cleaning and security arrangements.

#### **STATUTORY COMPLIANCES:**

Silvergate Homestay has the following documents viz., Land Use Permit dt. September 14, 2012 from Gram Panchayat, Police verification certificate dt. June 21, 2016 issued in the name of the proprietor Ms. Deepa Prakash and the homestay, approval from Gram Panchayat dt August 2, 2015 for operating a homestay and Property Tax paid receipts for 2014-15, 2015- 16 and 2016-17. SH is yet to obtain original Registration Certificate of the homestay from Department of Tourism – Government of Karnataka. However, SH has submitted an online application for Homestay Registration and received the acknowledgement from Department of Tourism, Government of Karnataka, which states that SH'S Application number is 16110328 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 Silvergate Homestay positively factors the accessibility to bus stand, railway station and Chikkamagaluru town center, nearby tourist attractions, clean, spacious rooms, scenic environment, ambience and comfortable facilities. However, the rating is constrained by the limited track record, inherent seasonality risk associated with the cash flows of the homestay industry and competition from other homestay players in the vicinity.

Silvergate Homestay's ability to cater to the requirements of guests by consistently offering services of good quality and provide secure, value for money stay options would be the key rating sensitivities. 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.