

# Start-up

30 | A New Frontier for Science & Enterprise 32 | Creating Young Role Models in Entrepreneurship 34 | Online Liquor Retailing is a Business With a Twist

## Adventure tourism picks up steam in India

**6.31m**

In 2011, 6.31 million foreign tourists were arrived in India.

**6.65m**

In 2012, 6.65 million (provisional) foreign tourists were arrived in India

## ADVENTURE TOURISM INVOLVES EXPLORATION OF REMOTE AREAS, EXOTIC LOCALES AND ENGAGING IN VARIOUS ACTIVITIES INCLUDING TREKKING, CLIMBING, CAMPING, SAFARIS IN JEEPS OR CYCLES, WHITEWATER RAFTING AND OTHER WATER SPORTS.

**MANISH ARORA**

Earlier, people used to plan their adventure trips along with all required equipment and they also had to hire a guide. But now companies have come up with a plan to provide adventure tourist a complete package – a trainer with equipment and all logistics to go on an adventure trip.

Not only the planning, but entrepreneurs have set up special infrastructure for tourists to get a complete package of adventure tourism in India. For adventure trekking, tourists prefer to go for trekking to places like Sikkim, Himachal Pradesh and Jammu and Kashmir. Whitewater rafting is also getting popular in India in states like Uttarakhand, Assam and Arunachal Pradesh.

### How Adventure Tourism Started?

The Ministry of Tourism started operations Adventure Tourism in 90s, and later several domestic players started arranging adventure sports for tourists.

Life Away From Life, a venture started by Prateek Deo, brought in a new idea of adventure trips for people like forest camping, rafting, cycling and mountaineering.

Kavitha Reddy, Founder, Basecamp Adventures that has a complete infrastructure of adventure sports in Bangalore, says, “I was passionate about adventure sports. Adventure sports were really growing in India,

so I decided to start my own venture in this field.”

Some entrepreneurs, belonging to the family of defence people, were familiar with the techniques and idea of adventure sports, so they decided to enter this business. One of them is Sandhya, Founder, Adventure Hills, a renowned company in adventure tourism. He says, “Being from a defence family, we had been always travelling all over the country and went for hikes and treks as children. This prompted us to take up our passion for wilderness travel to our profession.”

Rafting was first introduced in India in 1975 with the Indo-German expedition down the Indus in Ladakh. In 1990, two leading rafters of India, Akshay Kumar and Ajay Maira, led the first rafting descent down the mighty Brahmaputra.

Some people, who were mountaineering enthusiasts, in an informal meeting about adventure activity, decided to start a club called Indian Himalayan Adventure (IHA). IHA offers adventure experience with Himalayas like trekking, mountaineering, rafting and skiing. They also have special classes in their clubs at various places in India to educate, empower and enrich people about the Himalayas.

### Inspiration

The international players like Extreme Sports in Africa and Real Aussie Adventures in Australia

have been an inspiration for the entrepreneurs in this field.

“We studied about the business for a long time and it was very much popular in other countries like South Africa and Australia. Tourists from the entire world have been searching for adventure sports and it has been now popular here in India also,” said Sandhya.

“Like the Alps in Europe, Himalaya has also been a famous spot in India. Domestic players have set up their infrastructure and have also divided up their regions to provide adventure services to the tourists,” says Ajeet Bajaj, President, Adventure Tour Operators’ Association of India (ATOAI).

### Low Investment, High Returns

The investment required in starting up the business in this stream depends on the type of infrastructure an entrepreneur thinks to set up.

Sandhya says, “It depends on what you plan to do like setting up a camp is an expensive affair but if you plan to be an adventure service provider company, then you need to spend less, as you need money only for your technical requirements.”

To set up a camp, an entrepreneur needs tents, lights, fencing, food-preparation equipment, ropes, a vehicle for each group and the most important thing is the trainers certified from the Ministry of Tourism.

It may cost up to Rs 10 lakh for setting up this infrastructure. Kavitha says, “Rs 6 lakh was the equity we brought. Moreover, we invested in training, IT, infrastructure, marketing and branding and later we expended at a very larger scale.”

### Consents Required

The Indian Mountaineering Foundation (IMF) lays down the guidelines and grants permissions to mountaineering and climbing expeditions in the Himalayas while the Ministry of Tourism gives the permissions for starting up an adventure tourism business in India.

Kavitha says, “We are a private



looking to recharge themselves to face new challenges in life. What could be better than adventure in Himalayas? Just soothe with nature. So I think market would just be doubled in the coming years,” says Gautam.

### Investors See Great Potential

With the international and domestic tourists’ interest in adventure tourism in India poised to grow in the coming years, In the year 2005, Rs 250-crore Country Club of India Limited (CCIL), a family chain of clubs, invested Rs 100 crore in wildlife and adventure tourism in India to tap the growing market.

At present, investors see a great potential in the market. Companies like Basecamp Adventures and IHA have completely brought a new idea of providing a trip that is full of adventure at a single place in the same time.

Hemendra Mathur, Managing Director, Seaf India Investments Advisors, completely agrees with the growth of the sector and says, “There are several venture companies that have come up with the idea of setting up infrastructure for adventure trips of the people. We look to invest in these companies in future.”

“The industry is expected to grow at a higher rate in the coming years as the players are still few in comparison to other businesses. There is a huge opportunity in the business for the next some years,” adds Mathur.

“The industry is growing at a decent rate presently and is expected to grow on a much higher rate in the future,” says Deo.

### Adventure Ahead

The growth of adventure tourism has also opened various other opportunities like extreme sports and forest camping in India. Earlier people used to visit cities like Mumbai, Delhi for spending their vacations but now they need some adventure with peace in their mind, which is perfect vision of adventure tourism.

**I was passionate about adventure sports. Adventure sports were really growing in India, so I decided to start my own venture in this field.”**



**Kavitha Reddy**, Founder, Basecamp Adventures

limited company, and like any other organisations, we have gone through the approvals, permissions, registration processes. There should be 100 per cent compliance with norms and guidelines for adventure tourism operators in India set by the Department of Tourism, Government of India.”

Entrepreneurs need to submit the report of the services they are offering in their businesses, the details of the infrastructure they are using in the business and the permits of the trekkers and trainers in the business.

### Growing Popularity

Adventure sports have picked up a great popularity in the market. According to ATOAI, in the last five years, the demand by Indian tourists for adventure sports has shown a 400 per cent rise as compared to International tourists’ demand.

Bajaj says, “Indian as well as international tourists are now asking

for adventure sports. There has been huge demand by the people for trekking and rafting these days, and the business is really growing.”

“With the government support to the market, we can attract half a million foreign tourists. The domestic adventure tourism market can see a 10-fold growth in next five years,” says Bajaj.

On the increase of number of tourists, he says at the domestic front there is an annual increase of 40 per cent tourists while the number of international holidaymakers is growing at the rate of 7 per cent per annum.

Arvind Gautam, President, IHA, says, “It is growing very rapidly. Although the base is small, it is on the upswing at an exponential pace. The future of adventure can be nothing less than bright.

Adventure Tourism is being used by major corporate houses not only to distress, but also as an important HR building exercise.”

### Market Size

According to industry players as well as the Associations of Adventure Tourism, the industry is expected to grow 200 per cent in the coming days. Along with big players like Himalayan Adventures, small domestic players have also started sharing their best services with people.

“More and more people are