

WINE TOURISM IN GODAVARI WINE PARK, VINCHUR : PROSPECTS AND CHALLENGES

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Abstract

Wine tourism is quite different from other forms of tourism because they cater to a different class of tourists. India has slowly emerged as a popular destination for the wine connoisseurs. The state of Maharashtra alone accounts for almost 80% of India's wine production. Nashik, which is fast developing as an industrial and educational hub, has a unique distinction of being one the most popular pilgrimage centres in India and is also known by the sobriquet “Wine capital” of India. The Godavari Wine Park, Vinchura, which houses a few prominent wine units, is slowly transforming the economic landscape for the region. Apart from the topography which is conducive for grape cultivation, the region is endowed with requisite infrastructure like a 1.72 MLD water supply scheme, broad roads for access to the industrial areas and a 33/11 KV, 5 MVA substation which caters the power supply of the industrial area. There are also government incentives in place pertaining to excise, sales tax, octroi and certain special incentives. This paper reviews the existing status of wine tourism in the region with respect to functioning of wine units, the economic impact on the area and employment opportunities. The paper also explores various brands of wine, marketing strategies adopted and government support and subsidies extended towards the industries. The challenges and problems faced by the wine makers are discussed and recommendations are made to improve the promotional strategies and popularize wine tourism.

1. Introduction

Tourism grew as an important sector of Indian economy after the introduction of new economic policy in 1991. According to the report of the Ministry of tourism, FEEs from tourism, in rupee terms, during 2011 was Rs.77,591 crore (provisional), with a growth of 19.6%, as compared to the FEEs of Rs.64,889 crore (provisional) during 2010. During 2012, the Foreign Exchange Earnings (FEEs) from tourism registered a growth of 21.8% from Rs.77,591 to Rs.94,487 crore (provisional) when compared to FEEs during 2011

2. Types of Tourism

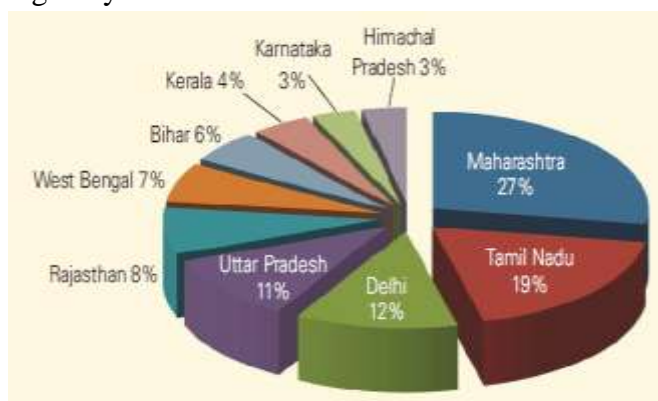
Apart from the conventional tourism certain niche tourism products have been identified by the government India. The various types of tourism are as follows

- Adventure tourism
- Cruise tourism
- Medical tourism
- Wellness tourism
- Golf tourism
- Polo tourism
- Eco tourism
- Film tourism
- Wine tourism

3. Tourism Prospects in Nashik

India has a tremendous potential for tourism which not only boosts its economy but also enhances its overall development. Tourists' data, for the year 2013, shows that the top ten states alone accounted

for 90 % of the foreign tourist arrivals with the state of Maharashtra topping the chart with around 4.81 million foreign visitors during the year 2013.



Source of Data: Ministry of Tourism

Graph -1 Tourist arrivals in India, State-wise

Nashik district in the state of Maharashtra has a double distinction of being a great pilgrimage city and the wine capital of India. It has great mythological and historical significance too. Lord Rama is believed to have lived in Nashik during the 14 year exile period. In 1930. Dr. Babasaheb Ambedkar launched the Nashik Satyagraha in 1930 to enable the entry of Dalits in Kalaram temple. Places like Trimbakeshwar, Nausha Ganpati, Kalaram Mandir, Sita Gumpha are popular pilgrimage spots. Being part of the Golden triangle (Mumbai-Nashik-Pune), Nashik is the next destination for industries, and educational institutes. Apart from this, Nashik has the state's only Museum of Numismatics and a Bird sanctuary "Nandur-Madhyameshwar". Over the years Nashik has emerged as a popular destination for tourists..

The famous Kumbha Mela is held after every 12 years at Nashik. Nashik is also famous for the Annual Fair of Infant Jesus. The Govt. organizations like Hindustan Aeronautical Ltd., Air Force Station, Artillery Centre, Currency Note Press, Indian Security Press and Eklahare Thermal Power Station are also located in Nashik District.

According to the best value index of Trivago, an online hotel search site, Nashik stands at 21st position where a one-nights expenditure amounts to INR 5665 Nashik was also voted the best tourist friendly city in India for the year 2013.

4. Geographical Details of Nashik district

Nashik lies between 18.33 degree and 20.53 degree North latitude and between 73.16 degree and 75.16 degree East longitude. The district is completely landlocked being surrounded by Thane district on the West and South West, Ahmednagar district on the south, Aurangabad district on the South East and East, Jalgaon district on the East and North East, Dhulia on the North and Surat and Dang districts of Gujarat on the West.

4.1 Climate

Nashik experiences a good climate due to high lands on the western part and gradual slope towards east and north, and on the western side. It has a moderate summer from April to June and good winter from November to March. The climate during rainy season from the middle of the June to end of September is cool and pleasant followed by a hot spell of October. The Northern and North Eastern region, especially in Baglan, Malegaon and Nandgaon Tehsils, experiences at hot climate.

4.2 Rain Fall

The rainfall decreases gradually from western to eastern side. Surgan, Dindori, Part of Kalwan, Peth, Nashik on the western side and Igatpuri in the south get comparatively more rainfall. The other

Tehsils viz. Malegaon, Baglan, Nandgaon, Niphad, Chandwad, Sinnar and Yeola get moderate rainfall having some parts falling in the drought prone areas. The average rainfall of the district is between 2600 mm to 3000 mm.

4.3 Soil

The soil pattern in the district differs widely due to marked variations in the topography of the region. The soil in the hill slopes especially in the western part of the district is of low type, reddish in colour. The soil in the parts surrounding rivers especially of Girna and Mosan is black, fertile and suitable for the cultivation of cotton and sugarcane. The soil in the middle part of the district starting from the foot of the hills to the low lands on the eastern side is of medium types and suited for the cultivation of cereals, pulses and vegetables.

4.5 Forest

The total forest area in the district is 2.60 lakh hectares, which is 17.26% of the total geographical area. Out of total forest area of the district, the highest forest area 16.59% is in Sargana Taluka. The minimum area of 0.36% is in Nashik taluka. The total production from the forests as on date was Rs. 342.38 lakhs out of which 74.65% is received from timber and Firewood, and 25.35% is received from Bidi leaves, Gum, Hirda Beetel nut, Bamboo, etc.

5 Wine Tourism

Known as “Enoturismo” in Spanish, wine tourism has attracts a different class of audience. Hall and Macionis (1998) define wine tourism as a visitation to vineyards, wineries, wine festivals and wine shows for which grape wine tasting and/or experiencing the attributes of the grape wine region are the prime motivating factors for visitors. Wine tourism offers organized wine tours, wine festivals and at times other events with a blend of music and culture.

The quality of wine depends on the quality of grapes produced. The micro-climate, land and water in Maharashtra, particularly Nashik, are most favourable for wine grape cultivation and a result the wine produced here are of great quality. Sula Vineyards was the first vinery to come up in Nashik and later several other wine vineyards came up.

Some of the prominent vineyards in Nashik are

- Sula Vineyards
- Chateau d’Ori
- Vintage Wines/Reveilo
- Tiger Hill Vineyards
- Mountain View
- Valle de Vin/Zampa Wines

6. Godavari Wine Park

The Godavari Wine park is located in Vinchur, 52 Kms from Nashik. It is spread over 151.36 hectares of land is lies in the heart of the grape growing area. Around 98 plots have been allotted for winery activities. Average plot size is around 2000 sq.mt. As per Package Scheme of incentives, Vinchur falls under ‘C’ Zone. Roads, power and water supply already in place.

6.1 Location and Accessibility

Vinchur and Additional Vinchur Industrial Areas are located on the State Highway between Nashik and Aurangabad and the Nashik Highway No. 3 running between Mumbai and Agra, is about 55 Kms away from Industrial area. The nearest Bus station is situated 2 km away from the wine park. The nearest railway stations are Niphad which is at a distance of 15 kms and Lasalgaon which is 10 Kms away from Vinchur. The Nashik Road railway station is about 60 kms away from the region. The nearest airport is the one at Ozar which is around 45 kms from Vinchur

6.2 Infrastructure

The MIDC has constructed 1.72 MLD water supply scheme at Nandur Mahdhameshwar Dam, to supply water to the Industrial Area. Good quality broad roads have been constructed for access to the industrial areas and also internal roads with initial asphaltic treatment. A 33/11 KV, 5 MVA substation situated 1.5 kms away from the industrial area, caters the power supply of the industrial area. About 3.5 MVA power supply is given to all nearby villages and 1.5 MVA power is available for forthcoming industries. Skilled and unskilled employees are easily available.

There are several banks both nationalized and co-operative, which have their branches in the area. Bank of Maharashtra, State Bank of India, Bank of Baroda, Nashik Zilha Madhyavarty Bank, Nashik Merchant Bank etc are a few of the banks which have their branches in Vinchur and Lasalgaon. Post office, telecommunication, hospitals, Schools and Colleges are available at Niphad, Vinchur and Lasalgaon in the vicinity of the Industrial area.

6.3 Additional Infrastructure

MIDC is developing 143.11 Hectares of land as Addl. Vinchur industrial area for which infrastructure facilities are being provided on priority basis. To promote the wine and dine culture in the state, the All India Wine Producers' Association has proposed setting up of Wine Chowpatty, a wine and food plaza, at some locations in the state. The association has submitted its proposal to the state government and it is under consideration.

6.4 Incentives

A number of incentives were extended to the industrial units at the beginning. Following are the incentives offered.

- **State Excise Holiday** : No Excise Duty, i.e. 100% remission for manufacturing wines for a period of 10 years, provided alcohol is not used in wines to increase strength of wine.
- **Sales Tax Holiday** : Sales Tax is applicable at the rate of 4% same as that of agriculture produce.
- **Octroi Holiday** : Refund of Octroi is available to all units for a period of 7 years or the value 100% of the total fixed investment whichever is lower in 'C' zone.
- **Special Capital Incentive** : At rate of 20% of fixed capital investment with monetary ceiling of Rs. 10 Lakh for SSI unit in 'C' zone.
- **Electricity Duty Exemption** : 100% exemption to all new units for a period of 15 years.
- **Stamp Duty Exemption** : 100 % exemption to all new units.

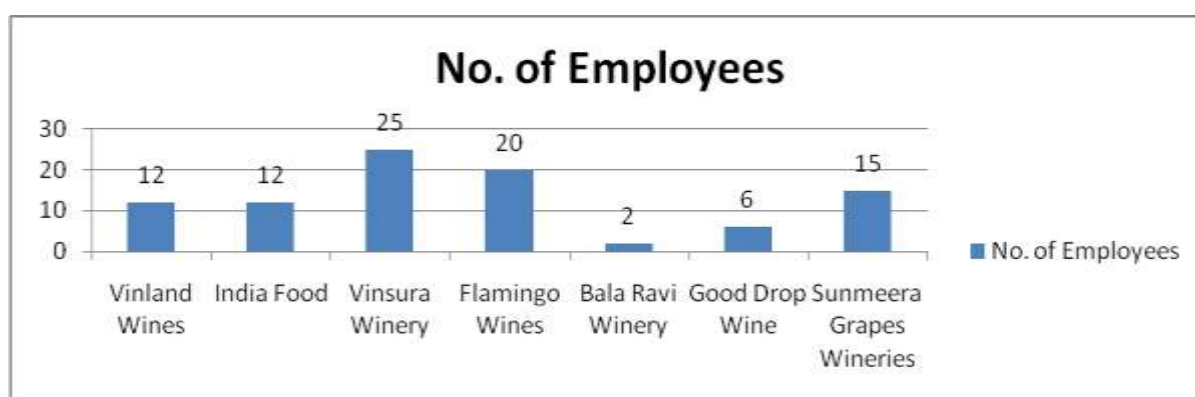
7. Wine units in Godavari wine park

At present there are seven functional wine units as follows

- Vinland Wines Co. Pvt. Ltd
- India Food Co. Pvt. Ltd
- Vinsura Winery Pvt. Ltd
- Flamingo Wines Co. Pvt. Ltd
- Balaravi Winery Pvt. Ltd
- Good drop wine cellar Pvt. Ltd.
- Sunmeera grapes wineries Pvt. Ltd.

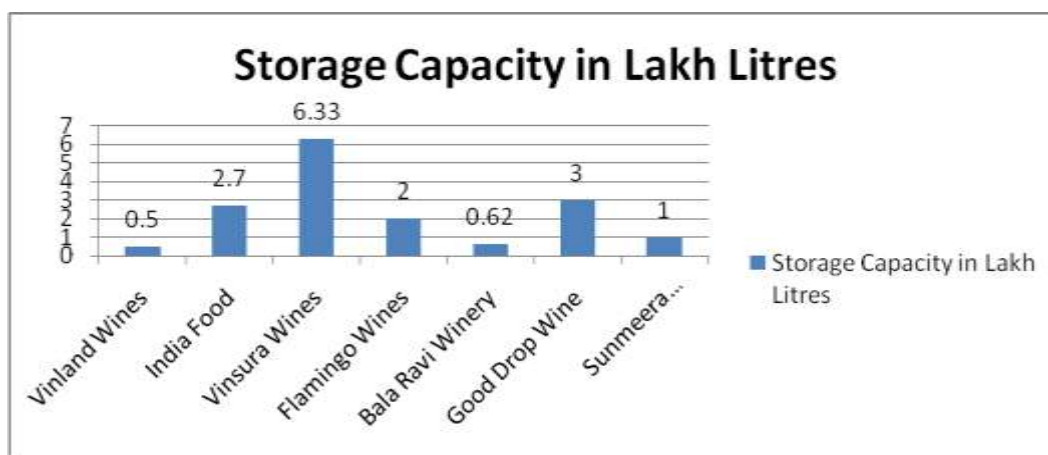
Name	Year of Establishment	No. of Employees	Own Grape Farm	Storage Capacity in Lts	No. of brands	Total no. of No. of Brands Exported
Vinland Wines	2010	12	No	50,000	7	Nil
India Food	2007	12	No	2,70,00	5	2
Vinsura Winery	2002	25	No	6,33,000	18	6
Flamingo Wines	2000	20	Yes	2,00,000	10	Nil
Balaravi Winery	2008	2	No	62,000	2	Nil
Good drop wine	2013	6	No	3,00,000	N.A	N.A
Sunmeera grapes wineries	2008	15	No	1,00,000	7	7

Table 1 – Details of the wine units



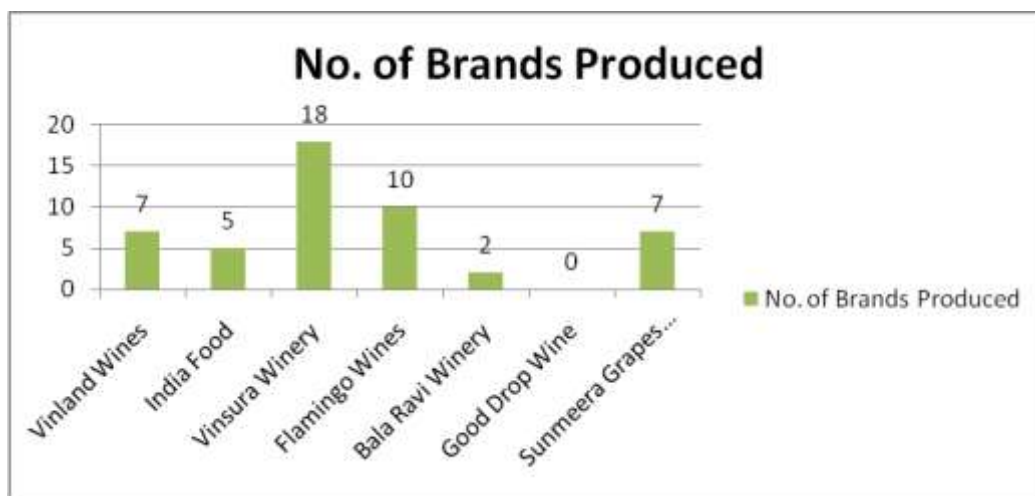
Graph 2 – No of employees in the wine units

The Vinland Wines which was established in 2010 started with 10 employees and at present has 12 employees. India Food was established in 2007 and has 12 employees. Vinsura Winery is the oldest unit and started off with an initial strength of 10 employees and today it has a strength of 25. Flamingo wines had 8 workers in its year of commencement. Today flamingo has a strength of 20. Bala Ravi Winery is a relatively small unit has only two employees since its inception. Good Drop Wine was established in 2013 and while Sunmeera Grapes Wineries started up in 2008. Both Good Drop and Sunmeera has a strength of 6 employees respectively.



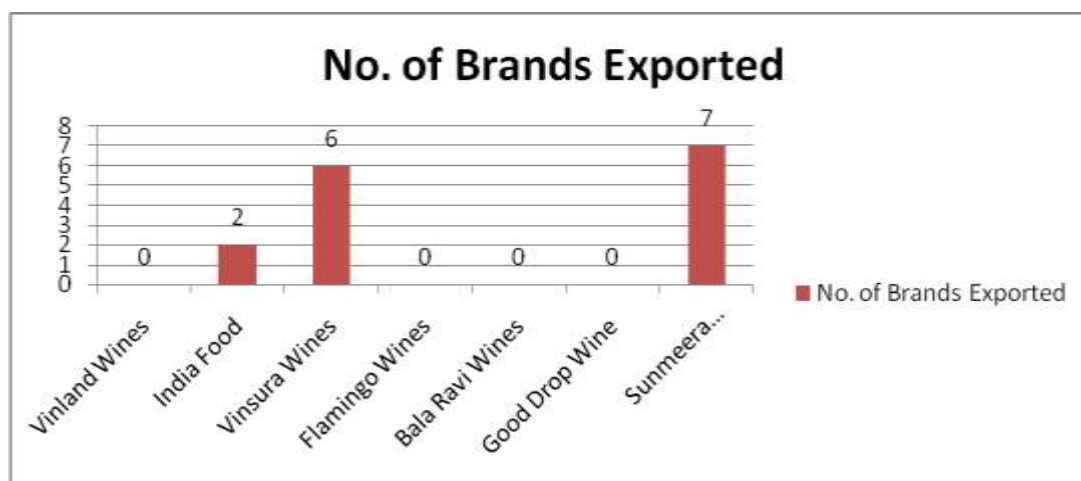
Graph 3- Storage Capacity of the wine units

Around 7, 70,000 Litres of various wine brands were produced by all the units combined during the period 2012 (As Good Drop was established in the year 2013, their figures reflected are for the year 2013)



Graph – 4 Brands Produced by the units

Vinsura Winery Produces the highest number brands i.e 18. Flamingo and Sunmeera produces 10 and 7 different brands respectively.



Graph – 5 Brands exported by the units

Vinsura Winery exports their wines to as far as U.S.A, U.K, Germany, Japan, Bhutan and Netherlands.

Vinland	India Food	Vinsura Winery	Flamingo	Bala Ravi	Good Drop	Sumeera
Venice	V & V	Chenin Blanc	Chenin Blanc	Winila Red	Rio Fizzy	Unnat Premium
Chenin	Lisa	Sauvignon Blanc	Sauvignon Blanc	Asmi	Rio Rosso	Yoga Port Wine
Shiraz	Lisa Port	Rose Coral	Zinfandel		Rio Blanco	King Arther
	Cinco Sparkling	Shiraz	Cabernet		Rio Rosa	X Port

	Cinco Fizz	Zinfandel	30 th Latt Cabernet			Rave Premium
		Cabernet	30 th Latt Shiraz			Senorita
		Merlot	30 th Latt Chenin Blanc			Champion
		Prink Brut	XXingo Red			
		Valentino Red	XXingo White			
		Premium Port				
		Claret Red				

Table 2 – Prominent brands produced by the units

8. Marketing of wines and promoting tourism

The State Governments heavily depend on revenues from the liquor industry. Every state and Union territory has its own excise policy on manufacturing and marketing of alcoholic beverages that includes warehousing, distribution, retailing and labeling and disclosure requirements. Several states have come out with explicit excise policies for marketing and distribution of imported alcoholic beverages including wines.

After the government eased up rules, few wineries were set up in Maharashtra by enterprising individuals. Some farmers too got into the business and later on realized that production was only half job done. Marketing of wines in a non-wine-drinking country like ours is a challenge.

Vinland wines, Vinchura, conducted a survey to understand the wine market and to devise their marketing strategy accordingly. Their survey 80 % of the sale of wine is through hotels and restaurants. Consumption of red wine was more than that of white wine and people preferred young wines to the classic aged wines. The wine units in Vinchura, especially the smaller ones, usually rely on conventional marketing and publicity routes. With wine tourism set to expand in the Indian market and travel agents offering well framed packages, the wine park in Vinchura has a lot of potential to offer for the wine lovers. Place marketing is a significant factor in the success of both regional and individual wine marketing initiatives, as it serves as a strategy of differentiation. Visitors also have the opportunity to experience the stories behind the wine, building emotional connections with the winery, and the region, which may ultimately lead to brand loyalty (Dawson Daisy. et. Al 2011). The Vinchura region with its beautiful landscape and pleasant climate holds a lot of promise for wine tourism if marketed aggressively and strategically.

9. Wine Festival

The all India Wine Producers Association (AIWPA) In Association with Indian Grape Processing Board (IGPB) organized a three day wine festival in February 2014 in the Godavari Wine Park, Vinchur. The main objective was to popularize Indian Grapes, Raisins & Wines of India and abroad. Social awareness about don't drink and drive, zero garbage and sanitation and hygiene was also disseminated.

Some of the events organized were as follows

- Exhibition of a wide range of wines, grapes & raisins.
- Food & wine pairing sessions, wine tasting, cheese tasting, food court.
- Grape stomping,

- Live Kitchen -Cooking in Wine, Wine Cocktail With Jugglers
- Tasting Sessions / Lectures on Wine / B2B / B2C
- Tour Wineries, Vineyards, tourist destinations,
- Live harvesting and crushing at different wineries.
- Living in Tent Houses, Musical Moonlight Harvest, Hurda Party, Bonn fire.
- Carnival -Kite Festival, Cycling, Skating / skating Boards, Painting / portraits, Street Magic's, Tattoos, Potter shows, Mehendi.
- Street singing/Guitar, drums & flute musical evening, Local Folk music & dance.
- Documentaries & Movies on Wine, Photography, Fun Games, Laser Show
- Vino Therapy / Bathing in Wine / Yoga / Spa / Meditation
- Wine Queen competition/Wine Competition / Awards

The event was supported by the following organisations

- 1.Ministry of Food Processing Industries, GoI, New Delhi. (MoFPI)
- 2.Incredible India! –ITDC.
- 3.Maharashtra Industrial Development Corporation (MIDC)
- 4.National Horticultural Mission (NHM)
- 5.Agriculture Process Food Export Development Authority (APEDA)
- 6.National Research center for Grapes (NRCG)
- 7.National Horticultural Board (NHB)
- 8.Maharashtra AgriIndustries Development Corporation (MAIDC)
- 9.Maharashtra RajyaDrakshaBagayatdarSangh(MRDBS)
- 10.Karnataka Wine Board (KWB)
- 11.Maharashtra state agriculture marketing Board (MSAMB)
- 12.National Bank for Agricultural and Rural Development (NABARD)
- 13.Ministry of small and medium Enterprises (MSME)
- 14.State Bank of India, Bank of Maharashtra.

Following were some of the expected outcomes from the events

- To give maximum exposure to the small farmers who are producers of Wine, grape grower, raisin maker, etc.
- To provide the right platform to the Indian wine Industry by providing awareness for the growth of the industry.
- Local and National coverage by Electronic and Print Media will help to promote the Indian wine Industry thus making wine a culture in itself in India.
- Promote Food Processing, Contract Farming & Assured income source to farmers.
- Minimize wastages of perishable crop.
- Retain & Increase direct & indirect Employment.
- Increase in Govt. Revenue.
- Earn foreign currency.
- Health drinks habit in society & prevent consuming hard liquor. Promote food processing.
- Boost Agro & Eco Tourism.

10. Challenges

Wine has a very different class of audience. The cultural and religious taboo is too hard to overcome in a country like India. Wine, which albeit has a low percentage of alcohol, is seen as an alcoholic drink. According to a report of the Indian Grape Processing Board, the country's per capita

consumption of wine is around 10 ml per annum or roughly two teaspoons and in comparison the Chinese consume one litre per person per annum.

The major occupation of the residents of Vinchur and adjacent areas is agriculture. The preservation of the environment and the natural resources is of paramount importance.

11. Recommendations and conclusions

The All India Wine Producers' Association has proposed setting up of Wine Chowpatty, a wine and food plaza, at some locations in the Maharashtra and has submitted its proposal to the state government. The idea was to promote wine and dine culture in the state. The first Wine Chowpatty in the country is likely to be set up along near Godavari Wine Park at Vinchur subject to government approval. The wine tourism needs wider promotional strategies if they are to attract domestic and foreign tourists. Frequent wine festivals needs to be organized with food stalls and grape romping activities. Accommodation facilities like good hotels and resorts of international standards need to be set up. The locals need to be educated about the benefits of tourism to the local economy and on the national scale on the whole. Apart from making them wine literate, they also need to be trained in the hospitality aspects while dealing with domestic and foreign tourists in order to make the visits to this region a pleasant and memorable experience for the visitors. The central and state governments are the central players and need to include wine tourism in their packages. A comprehensive website of the park may be created and proposal may be put forth for linking it to the state government's tourism website for wider coverage.

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