

# Market *Spotlight*



 CHAMBA

India's next serviced  
living destination

2023

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DEVELOPERS



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## **Ankit Kansal**

Founder & MD, AXON Developers

Chamba is a beautiful natural hamlet situated across the junction of roads from Mussoorie and Rishikesh. Located just 5 hours drive from NCR, it is tucked in the beautiful region of Tehri Garhwal, settled amidst the Himalayas. In next 1 year, it is expected that the commute time will reduce to 3.5 hrs b/w NCR and Chamba. The region is home to a serene environment and enchanting weather. A gateway to Himalayan natural beauty comprising lush greeneries, spell-binding valleys, hills, and mountain peaks, the region is a perfect recipe for wellness and rejuvenation.

A relatively less explored region, when compared to other popular destinations in Uttarakhand such as Dehradun, Rishikesh, Manali, etc., the Chamba (part of the wider Tehri Garhwal) encompasses in itself nature's bewilderment. There are beautiful natural water bodies that add to the overall scenic beauty. There is the Bhagirathi River as well as the Tehri Dam, India's highest man-made dam. The Tehri dam spread across a vast 52 Sq Km is a complete tourist ecosystem in itself.

The region is also well-placed with multiple other popular tourist destinations such as

Uttarkashi, Rudraprayag, Rishikesh, Haridwar, Narendra Nagar, etc.

An underground tunnel has been proposed to connect Dehradun with Tehri Lake. The alignment report for the mega project is presently under preparation. The project named Tehri Tunnel will be the largest underground tunnel project in the world. Post completion, the project will reduce the travel time between Dehradun and Chamba to ~ 40 mins from 2 hours currently.

As interest in Chamba is picking up, the property market in the scenic region is also set for an upswing. Presently property prices are rising at a moderate rate of 3% but can soon accelerate, given the interest on Chamba is soaring. The region is a fertile ground for gated projects, serviced living, second homes, retirement villas, homestays, etc. Similarly, there is also huge potential for hotels, resorts, staycation, rejuvenation hotels, adventure sports, farm stays, etc.

To further learn about the Chamba market, we have compiled a market analysis on the destination. The analysis will offer valuable information and actionable insights on the market. Hope you all enjoy the report and feel free to share your valuable inputs on the same.



Kedarnath

Mussoorie

New Tehri

Chamba

Rishikesh

U T T A R A K H A N D

Haridwar



# Introduction

There is a newfound interest in Chamba located around 70 kms from Rishikesh in the Tehri Garhwal district. Chamba is located at the intersection of the roads emanating from Mussoorie and Rishikesh. Located in a background of snowcapped mountains and situated at a height of 3500

feet, Chamba is a relatively unexplored territory, which further renews interest in the region. It is a relatively cold region with the temperature hovering at -2- 20 degrees Celsius. However, these days during summer, the temperature can go up to 25 degree Celsius.

Market Snapshot of Chamba	
Proximity	~ 86 kms from Dehradun, 70 km from Rishkesh
Nearest airport	Dehradun airport
Nearest railway station	Small railway station at Rishikesh, major station at Haridwar
Road connectivity	Multiple road connectivity
Weather	2- 20 degrees Celsius
Tourist volume	NA
Nature of hospitality	The hospitality industry is in the initial stages
Nature of tourism	staycation, rejuvenation, sightseeing, nature tourism, water sports
Other popular activities	Spiritual retreats, yoga & mindfulness courses, high altitude trekking
Future projects	Tehri lake city development (1800 crores), The Tehri Tunnel Project
Popular real estate(s)	Plotted villas, second & vacation homes bungalows, cottages, serviced living
Future investment potential	Hotels & villas, cafes, F&B, wellness & spa, banquets, serviced apartments, Ayurveda hotels





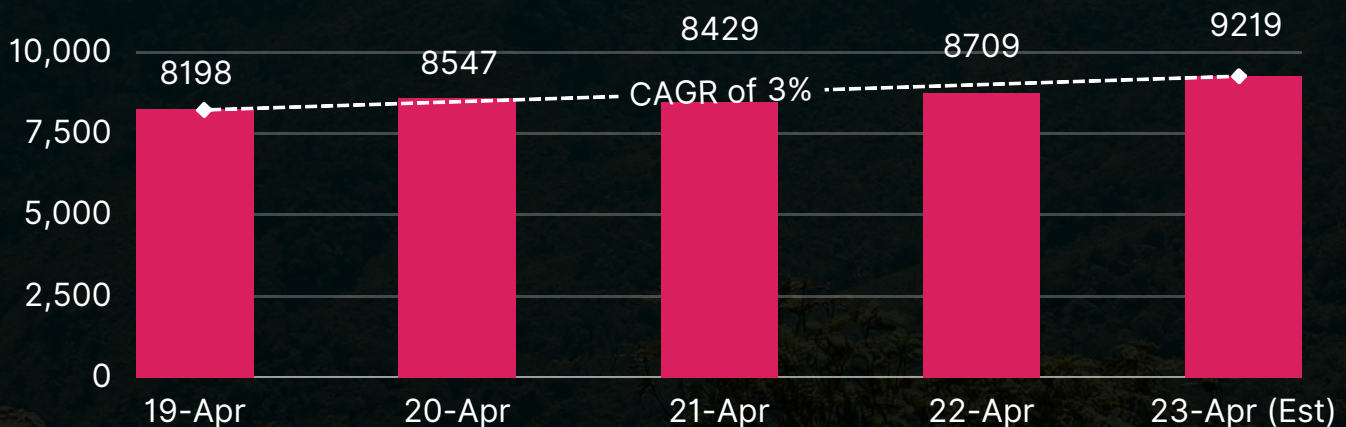
Rental yield	6.7%
Major sources of investment	North India
Average property prices (INR/ Sq Ft)	9200 (Est. by April 23)

The iconic Tehri dam is located in the region, which is one of the largest lakes in India spread across an area of 52 Sq Km. It is also home to one of the biggest hydropower projects in India. There are plenty of activities to be done at Tehri Dam such as boating, kayaking, rafting, speed boating, banana rides, water scooters, and many more.

The region is home to some high-altitude trekking trails. In addition, there are also plenty of avenues to indulge in walking trails, nature walks, etc.

The calm and serene environment of Chamba is also perfect for rejuvenation, fitness, Yoga, and meditation. Chamba region is a potential ground for wellness and eco-living. The flatbeds of the river Bhagirathi are suitable for conducting yoga classes, sunbathing, relaxation, and other rejuvenation exercises. The availability of green hills, beautiful valleys, and misty laidback environs makes it an ideal ground for Ayurveda massages, detox, foot & head massage, etc.

Property price trends in Chamba (INR/ Sq Ft)



If adventure and rushing the adrenaline or indulging in meditation are not one's forte, then the picturesque Himalayan region has enough places to go out for walks and strolls, indulge in nature, and enjoy hot Indian snacks and tea from local shops.

Narendra Nagar, one of the prominent wellness hubs across the region located at an altitude of 1,350 meters, is also

located close to Chamba (35 kms). Narendra Nagar, blessed with panoramic views of the Ganges, alpine forests, and picturesque valleys is a perfect destination for spa, Yoga, and other wellness exercises. The globally recognized Ananda Ayurveda Spa is situated in Narendra Nagar. The hill station is also known for beautiful palaces and citadels.



## SWOT Analysis of the Chamba Tourism Market

- Endowed with natural beauties, snow-capped hills in the background, scenic lakes, and dams.
- Perfect place to indulge in adventure activities.
- Natural environs are perfect for healing and rejuvenation.
- Conveniently linked with Delhi, Mussoorie, Dehradun

- Infrastructure is still in the development stage.
- Risks of landslides
- Higher cost of labor in mountainous regions.
- During peak winters commercial activities are in a retreat.
- Past property price growth has been moderate.
- Lack of brand awareness

- Ample opportunities in numerous forms of tourism such as nature tourism, eco-tourism, rural Himalayan tourism, wellness retreats, spiritual retreats, etc.
- Opportunity to create nature and amenity-based developments.
- Opportunity to create custom wellness and stay packages for corporates, foreign travelers, etc.
- Vast tourism market which is continuously growing.
- After the opening of the Tehri tunnel which will also be the largest tunnel in the world, the commute time from Dehradun and Mussoorie will be less than an hour.

- Other emerging wellness hubs in the Uttarakhand district.
- Land prices might jump.

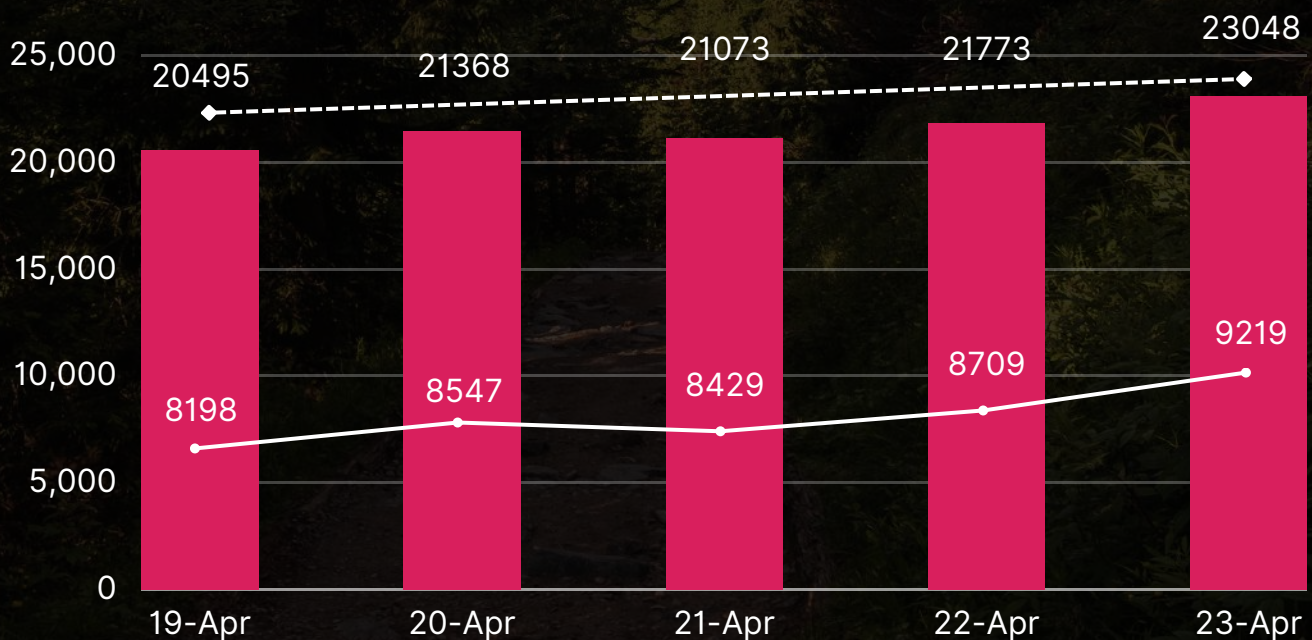


## Insights into Chamba (and nearby region) Hotel Industry



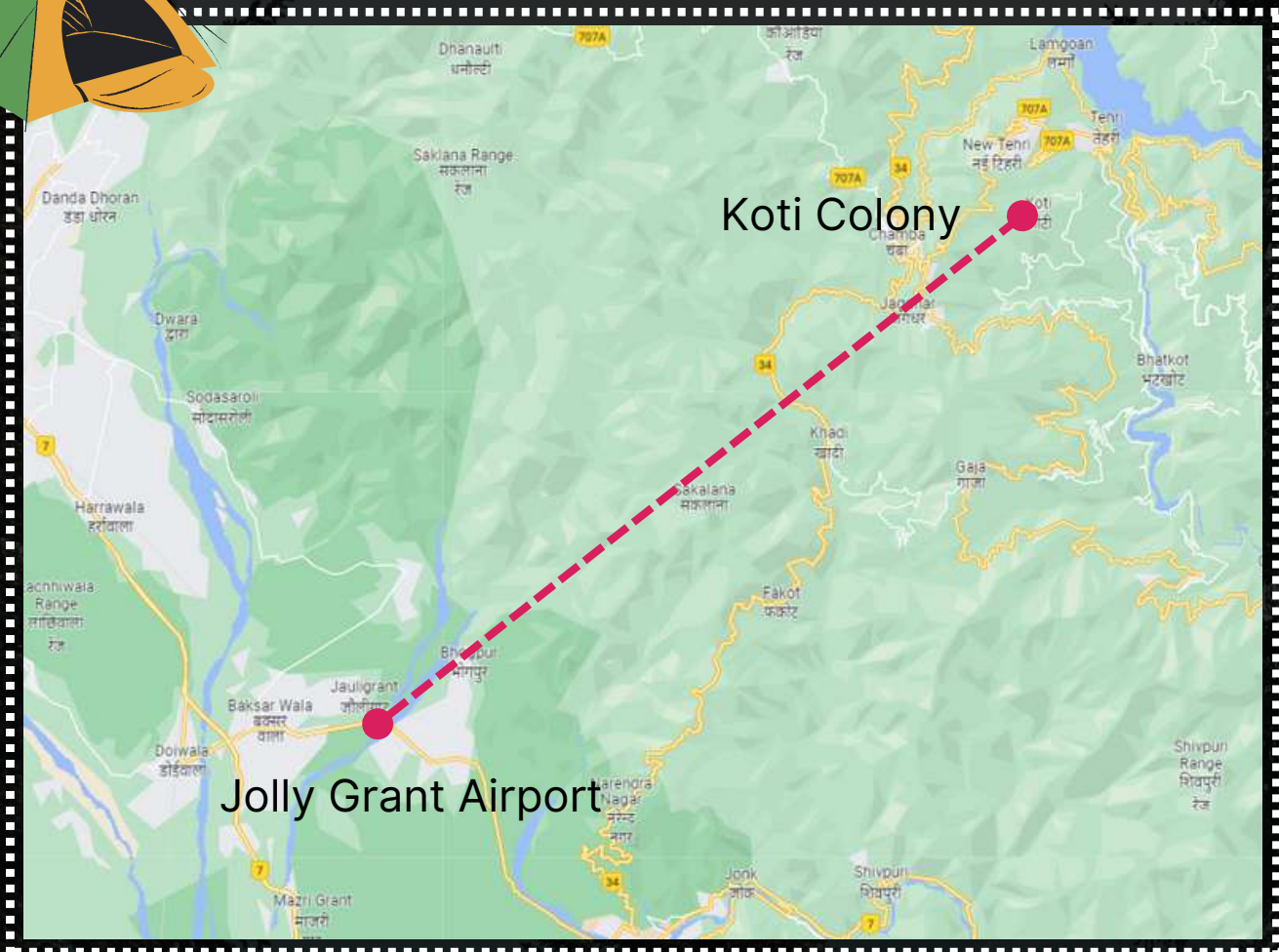
Hotels and resorts	350+
Homestays, cottages, and rental villas	65-90
Price ranges (per day)	INR 3000- 10,000
Total tourists volume (annual)	0.97 million , foreign tourists volume is around 15,000 (for entire region)
Nature of Stay & Tourism	Leisure, rejuvenation, wellness & Ayurveda, eco and nature, weekend gateway, serviced living
Nearest airport(s)	Dehradun
Investment opportunities	Farmhouses, plantation farms, wellness resorts, spas & Ayurveda massage centers, rental villas, service apartments, retails, F&B, etc.

## Chamba Land price rates (INR/ Sq Ft)



■ Property rates (incl. construction cost) — Property price rates

# The Tehri Tunnel Project: Key Information



## Key facts about the tunnel

- The proposed tunnel (35 kms) will directly connect the Dehradun city with the Tehri Lake.
- Presently it takes 105 km to reach Tehri from Mussoorie via Dehradun which involves NH-7 and NH-34. Post the completion of the tunnel, the commute will reduce to less than an hour.
- It will start from Rajpur in Dehradun and end at Koti Colony near Tehri lake.
- The total distance will be 35 kms, out of which the main tunnel will be ~ 27 kms and the rest will be road
- This will be the largest tunnel in the world. The current biggest tunnel is in Norway, at Laedra (24.5 kms)
- It will be a two double-lane tunnel with designated U-turns to commute b/w the two. The two tunnels have been proposed keeping safety in mind. However, the final design will be subject to the feasibility study and DPR.
- The project will boost tourism and real estate in the Tehri region.



Year of proposal	2020-21
Current status	The alignment report is under preparation
Nodal agency	NHAI
Detailed Project Report (DPR) status	The bid for Detailed Project Report has been invited
Estimated Budget	INR 8000 Crores
Initial Budget	INR 3500 Crores
Scope of DPR	The viability of the project, the traffic study, environmental impact assessment

## Conclusion



As the demand for sustainable tourism, rejuvenation amidst the hills & nature, and organic lifestyle is increasing, the Chamba is set to become a major tourism and hospitality hub in North India. The region is rich in natural beauty and culture, which makes it a perfect destination for hotels, second homes, and tourism projects. It is also conveniently linked with state capital and national capital.

A large number of creative folks, start-up enthusiasts, and other young professionals doing WFH, will prefer unexplored territories of Chamba for spending long time. This will fuel demand for serviced livings and long rentals. Likewise, seasoned investors and multiple property portfolio owners might also look forward to Chamba, lured by the strong potential for capital appreciation and constant rental income.

In the coming times, the concept of staycation and rental stays will further expand in the region, thereby driving the market for real estate and tourism. As in the foothills, Rishikesh and Haridwar are overflowing with tourists, especially during weekends and summer months, the Chamba will see further pick up in wellness, second homes, and other forms of alternate tourism.

People will prefer to move further up the mountain to enjoy fun-filled green stays in the midst of the Himalayan peaks and natural beauties. Chamba is nature's true paradise to disconnect from city life and indulge in relaxed stays, especially in north India. While staying, one can indulge in a multitude of activities from enjoying the freshness of nature to undertaking adventure sports to strolling in the nearby Garhwali traditional bazars.





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