

# अयोध्या

## Market Assessment of Ayodhya

**54 million**  
visitors expected annually

Ayodhya set to become  
a key economic growth  
engine of the state of UP



### 76 New Hotels

Planned under the premium and  
mid-scale segments in Ayodhya

### INR 83,000 Cr

Govt. will invest to give facelift to the  
infrastructure of Ayodhya

2024

# Forewords



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After the Supreme Court verdict in 2019 on Ayodhya, the holy city has set itself on a momentous path of multiphased growth. Ayodhya spread across 133 Sq Km is receiving spotlight from all over the globe. As a spiritual center of international repute, the city is set to become an epicenter of tourism, real estate, and commerce.

Governing agencies has unveiled the Ayodhya Masterplan 2031 under which around INR 83,000 crores will be directed towards the city to enhance existing capabilities, build world class infrastructure, create new townships & urban hubs, and boost overall tourism sector.

A new airport has been inaugurated following an investment of INR 1450 crores with an initial capacity of ~ 1 million annually. This can soon reach ~ 6 million. Over 450 crores have been invested to remodel the existing bus terminal & railway station. Likewise work is underway in a host of large scale projects including broadening of highways, townships projects, new civic facilities, sustainable waste management, electrification of roads , tourism facilities, etc.

It is estimated that around 54 million visitors will come to Ayodhya annually, giving a huge buying boost to tourism, hospitality, and other ancillary businesses. A host of big hospitality companies such as IHCL, Marriott, Radisson, Kamat, Lemon Tree, have either already launched or working on large sized hotel projects in Ayodhya. While over

3300 rooms are operational (in addition to the 2500 rooms from home stay), there is an additional supply lines of 76 hotels to cater to the huge influx tourism in the coming times.

As there is an increased spotlight on Ayodhya, the real estate industry is also set for a significant shift, marked by gold rush of land parcels and steep jump in the prices of property. HNIs from all over the India are vying to own land parcel in Ayodhya. In the central Ayodhya (~ 3km radius from the main temple), land prices are hovering in the range of INR 4500- 8000/ Sq. Ft drawing parallel with major metros in the country. Average prices can cross INR 12,500/ Sq. Ft over the next 5 years. This part of city is on the radar of major hospitality and resort operators of India.

Land prices are also spiraling in wider Ayodhya (3-8 kms radius) and outer Ayodhya (across the highway). These regions are not just piquing interest of hotel companies, but also real estate developers, sovereign entities, retailers, and business owners.

To further learn about the potential of the Ayodhya market, we have compiled the assessment report backed by insightful analyses, data, and information. The report can offer powerful data-backed perspectives to discerning buyers, investors, business owners, investment funds, etc. Hope you like the analysis. Feel free to share your valuable feedback on the same.

# Infrastructure investments in Ayodhya

- Under the Ayodhya master plan 2031, the governing agencies will invest around INR 80,000-85,000 crores in infrastructure development of the city.
- At present there are around ~180 infrastructure and social development projects underway in Ayodhya worth around ~ 30,500 crores.
- The 1st phase of the airport in Ayodhya (~ 15 km from the city center) is complete following an investment of INR 1450 crores. The 1st phase of the airport is spread across 16 acres. In the next phase, it will be extended to another 12.35 acres.
- By the end of this year, Ayodhya airport will manage ~ 1 million passengers annually. Once fully completed, it will handle up to ~ 6 million passengers.
- INR 240 crores had been spent to modernize the current railway station. INR 219 crores has directed to build a new bus stand (~ 7 km from the city center).
- Alongside the mega temple project (INR 1800 crores) Ayodhya will be developed into an integrated religious, rejuvenation, and leisure tourism hub.
- Work is underway for the Ayodhya Haat, jetties, musical foundations, etc. A new Ram-based theme park has also been planned.
- NHAI is building highways and roadways projects around Ayodhya worth around INR 10,000 crores.
- State run PWD will be investing INR 7,500 crores. Within the city numerous projects are built including monuments, street lightings, roads widening, water supplies, beautification of neighborhoods, etc.
- Sustainability is an integral theme in multi-phased and multi-pronged development roadmap with key focus on solar energy, water sanitation, and waste management.
- Ayodhya is home to world's largest solar power-run street lighting project. Already 70% of the project has been done.



Mega temple project  
(INR 1800 crores)



Highways & roadways  
(INR 10,000 crores)



1st phase of Airport  
(INR 1450 crores)



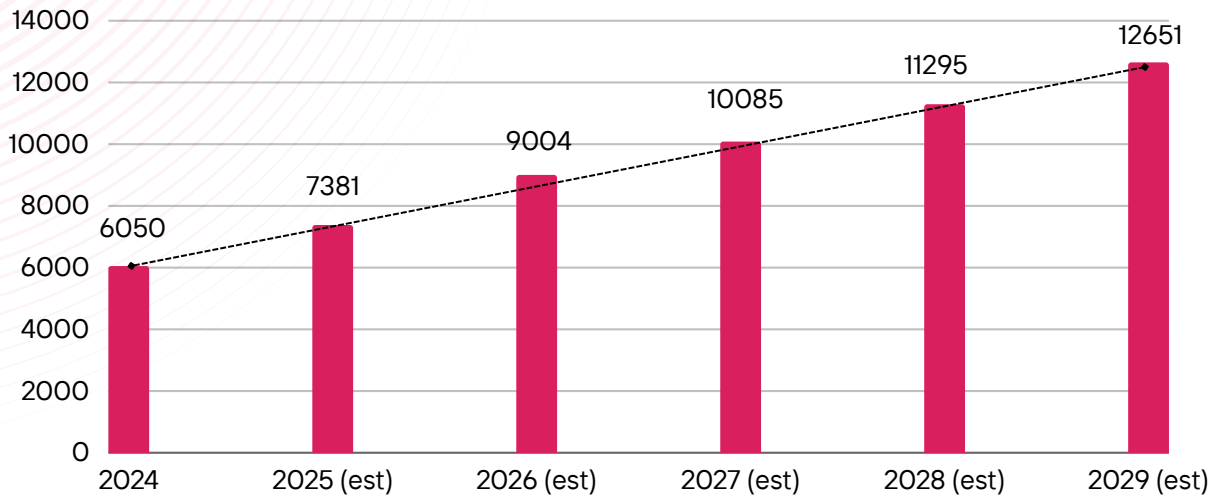
Railway station  
modernization  
(INR 240 Crores)

# Real Estate Investment

Ayodhya is becoming a hotbed of real estate investments with both private developers as well as development agencies scouting land parcels to come up with compelling projects.

Project name	Details
Vashishtha Kunj residential scheme	<ul style="list-style-type: none"><li>• The project has been inaugurated following an investment of INR 300 crores</li><li>• The total valuation of the project is around ~ 2180 crores.</li><li>• The project will be spread across 70 acres, across the national highway 27, (~ 8 kms from the main city)</li></ul>
House of Abhinandan Lodha	<ul style="list-style-type: none"><li>• 51 acres project with plotted development units for sale</li><li>• One of the first gated large scale projects in Ayodhya</li><li>• Integrated project with residential, tourism, and commercial facilities</li><li>• Total cost of the project is ~ 3000 crores</li><li>• 20 mins drive from airport and 15 mins from the main temple premise.</li></ul>
New Township by Awash Vikash	<ul style="list-style-type: none"><li>• A ~ 1800 acres project will be built on national highway 27, by Awash Vikash, the state's housing development board</li><li>• The master project is part of the master plan 2031</li><li>• Land acquisition has begun for the project, which will also include commercial and spiritual set-ups</li><li>• State government can set-up their own guest house in the township</li><li>• Srilanka, Nepal, and South Korea has asked for land parcels to establish their guest houses.</li><li>• The total cost of the project is around ~ 16,500 crores.</li></ul>
Ayodhya Aerocity	<ul style="list-style-type: none"><li>• The aerocity project will be developed near the airport site across 150 acres.</li><li>• Ayodhya Development Authority (ADA) is the nodal agency and it has started land search</li><li>• The project will include hotel complexes, destination wedding zones, Ayurveda city, etc.</li></ul>

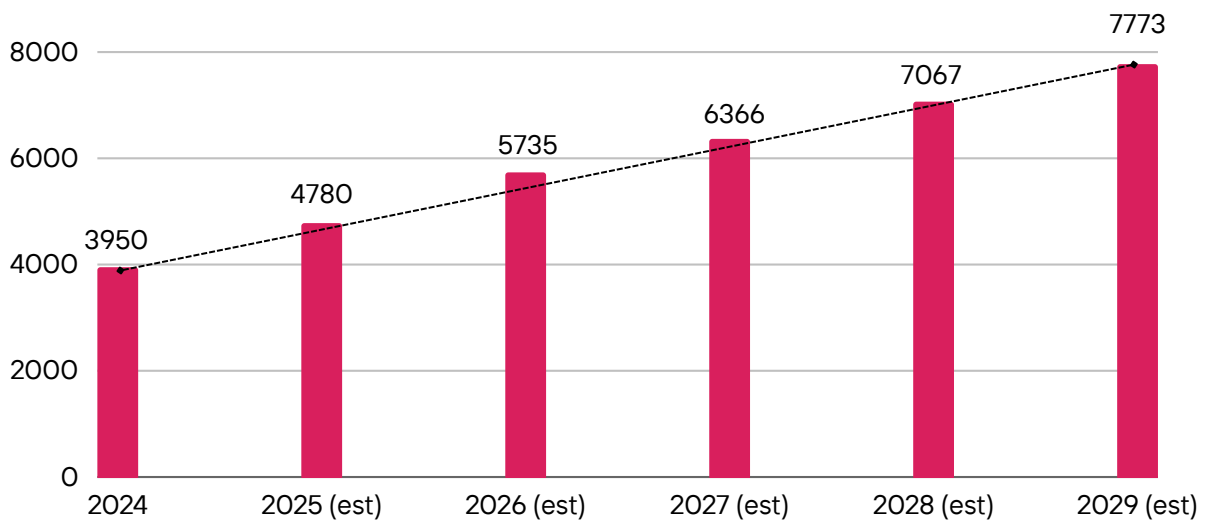
Projected land price trends in central Ayodhya (~3km radius from temple, INR/sqft)



Source: Axon Analysis

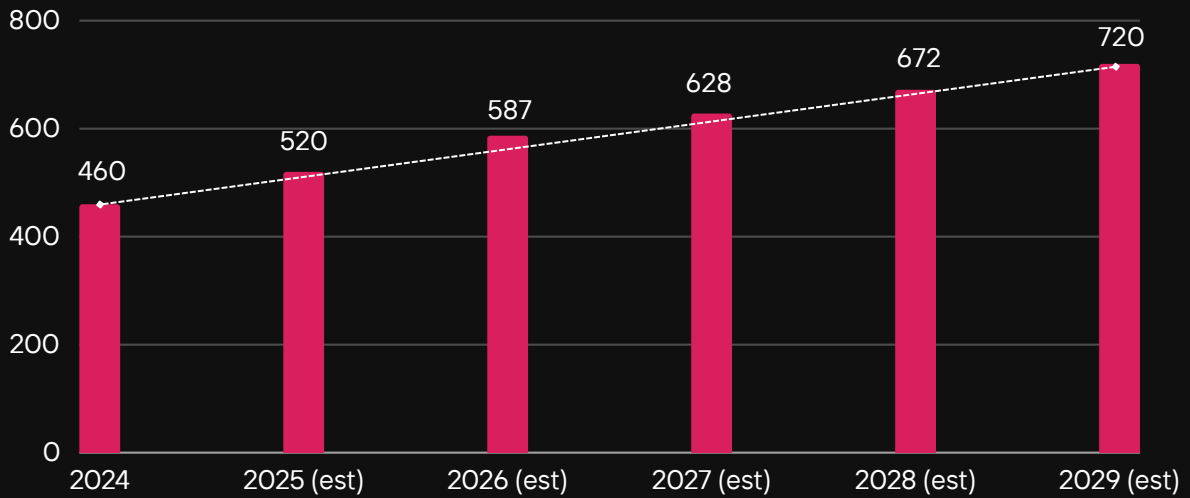


Projected property price trends in wider Ayodhya (3-8 kms radius from temple, INR/sqft)



Source: Axon Analysis

Projected land price trends in outer Ayodhya (INR/ sq ft)

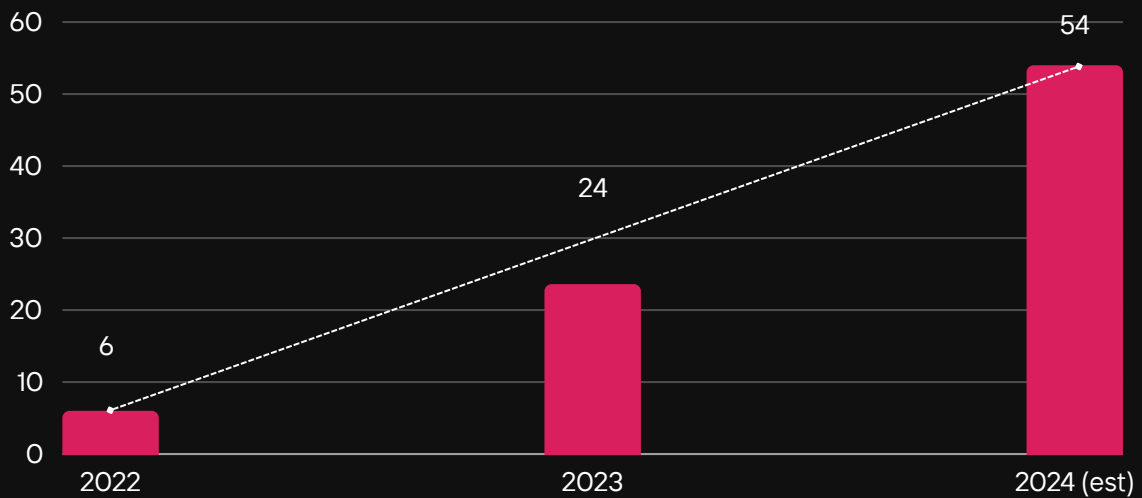


Source: Axon Analysis



## Hospitality Investments in Ayodhya

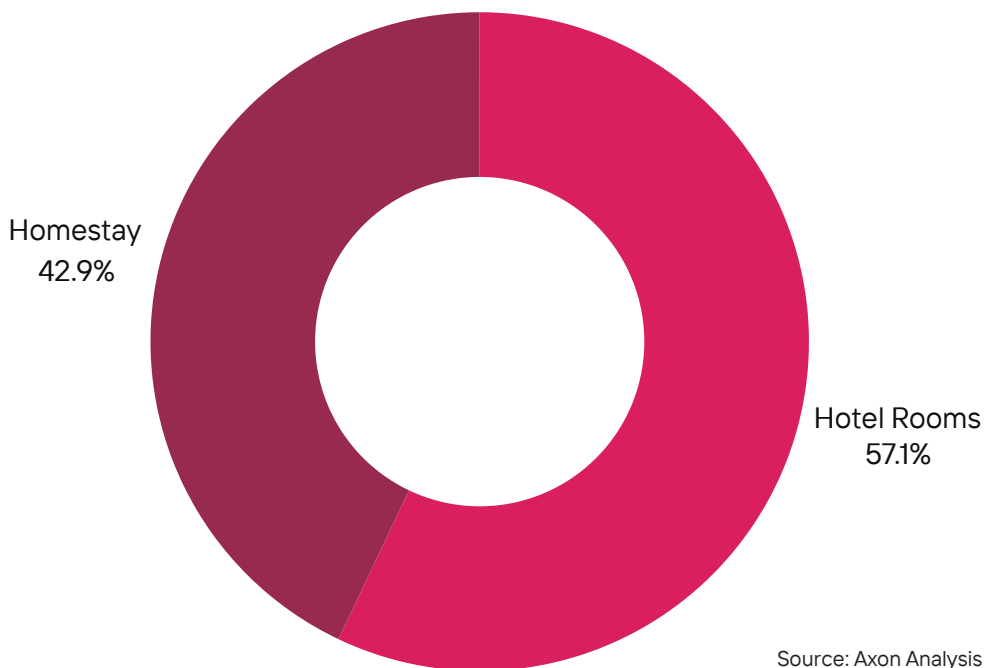
Growth of tourism in Ayodhya (Million)



Source: UP state govt. data

- Across all the major categories- luxury, mid-scale, and budget- new hotel & resorts are planned and developed at rampant speed.
- IHCL is developing three hotels under TAJ brand name comprising of 120, 100, and 150 rooms respectively.
- Kamat hotel has launched a 50-room hotel. The company is also mulling couple of other projects with ~ 100 rooms in total.
- 76 new hotels are planned under the premium and the mid-scale segment
- OYO is building ~50 new hotels in the budget category, consisting ~ 1000 new rooms.
- As Ayodhya is transforming into a complete tourism ecosystem, the length of stays are now rising to 3-4 days (average). It was 0.5- 1 day earlier.
- The local administration is also bolstering the homestay model, as it can complement the mainstay hotels.
- Currently, 600+ homestays are operational with more than 2,500 rooms.

Current break-up of hotel room supplies in Ayodhya









# ➔ New Hotel Projects in Ayodhya

Projects	Total rooms	Year of opening
Taj Lux Ginger	120	2027
Taj Vivanta	100	2027
Taj SeleQtions	150	NA
Kamat Hotel	50 + 100 (planned)	Soon
Radisson Park Inn	80	2027
Wyndham Ramada	62	2026
Cygnett	41	Opened
Lemon Tree	200	Announced
Anjali Investments	100	Announced
Lodha	NA	Announced

Source: media reports





	<b>Total projected tourists</b>
	54 million/ year
	<b>Current supply</b>
	3322 rooms
	<b>Total current homestays</b>
	600 projects - 2500 rooms
	<b>Future mainstay hotel supplies</b>
	~76 hotels
	<b>Future OYO room supplies</b>
	~50 hotels, 1000 rooms
	<b>Future supplies of 5-star hotels</b>
	750 rooms

While spiritual tourism will be one of the key ingredients in Ayodhya tourism market, the temple town will offer multiple other options to relax, rejuvenate, and refresh. The development agencies are working on numerous ambitious projects to develop the region into a world class destination.

Earlier the average stay at Ayodhya used to be mostly 0.5- 1 day. However, in the new plan, the objective is to extend the average stay to 3-4 days, through concentrated investments in infrastructure, tourism facilities, entertainment hubs, urban development, etc.

A Delhi Haat-Style river front project is under construction in Ayodhya. The project namely Ayodhya Haat will have multiple recreational, retail, F&B, and entertainment facilities. A large island has been announced in the Saryu River. The artificial island will also incorporate numerous retail and food options. Inspired by the Disney Land, the city of Ayodhya will see an amusement park namely Ram Land. The park will emphasize Ramayana events and promote Lord Rama's principles and virtues.

# Commercial Investments in Ayodhya

The investments inflow in Ayodhya won't just be limited to hospitality and real estate. UK based defense manufacturer Trafalgar has announced a huge investments of INR 75,000 crores to develop defense equipment manufacturing in Ayodhya. Likewise, new investments have been announced across multiple sectors such as lifestyle, beverages, education, technology, paper, and much more.

In the times to come, Ayodhya will play a pivotal role in the economic growth of the state of U.P. This would not just stem from hospitality and real estate but will also include other critical drivers such as manufacturing, engineering, IT & technology, start-ups, logistics, etc. Due to the jump in tourism arrival, positive thrust will be seen in ancillary sectors such as retail, F&B, healthcare, wellness, events, etc.

Company	Size of Investments (Crores)	Nature of business
Trafalgar	75,000	Defense equipments
Crescendo Interiors	500	Lifestyle & interiors
Pakka Limited	550	Papers
Amrit Bottlers	250	Beverages
Mahesh Yogi University	480	Higher education
Sibon Tech	175	IT, mobile & web apps

Source: Axon developer analysis

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