

MARKET INSIGHTS INTO

India's Organized Farmstay Sector



Foreword



Ankit Kansal
MD, Axon Developers

The nature of stay & tourism is changing in India. Gone are the days, when everyone would sign-up for a conventional hotel or resort. Many are now shifting from traditional tourism and big hotels to a more natural, wellness-driven and immersive ways of stay & travel.

There is a visible appetite for staying close to nature and adopt an eco-friendlier lifestyle. Similarly, for many discerning tourists, the concept of sustainable tourism is becoming valuable.

This is driving demand for farmstays, farmhouses and farm plots, both in verdant urban peripheries and traditional scenic destinations.

Farmstays offer a unique mix of tranquility, wellness, sustainability, adventure and authenticity, things for which there is a pressing need in modern times. In a time, when major Indian cities are marred with hectic lifestyle, noise & traffic and growing stress levels, residents are opting for opportunities to take regular breaks and recharge their physical and mental batteries. A farmstay in a serene and verdant landscape is a perfect escape from the complexities of modern day urban life. It offers a very imbibing, slow paced and mindfulness driven lifestyle to the discerning vacationers.

Interestingly, not just tourists but many homeowners are now either permanently shifting to managed farmhouses or using them for long stays. A spurt in flexible working culture further makes it possible to many homebuyers to permanently/ semi-permanently shift into managed farmhouses and stay close to nature & rural lifestyle that can ensure overall mental and physical wellbeing.

Consequently, this is driving demand for curated farmstays across the length and breadth, from lush green off-city limits to coast lines to hidden hamlets in the hilly terrains. The concept is becoming popular across India.

As per the latest study by Axon Developers, the size of the organized and branded farmstay market is close to ~Inr 16,100 crores. What is more interesting is the fact that the market is growing at a CAGR of around ~ 41% and is slated to reach Inr 64, 250 crores by 2029. Area wise, around half of the market is concentrated in the southern parts of the country, with Hyderabad and Bangalore (especially Nandi Hills area) emerging as pioneers. Around 29% of the market is located in western parts of India with Alibaug, Sindhudurg, Mulshi, Tilari, Lonavala, leading the bandwagon.

There are presently around ~ 17,700 farmstay units spanning over 150+ projects all over the country. As per our research, the aggregate volume of farmstay units in the organized space is set to cross 46,000 units in next 4 years, further underlining the scorching speed with which organized farmstay is picking up pace.

In the near future, organized farmstay will continue thrive and don a pioneering role in India's experiential real estate market alongside second homes, vacation villas and branded homes, etc. This will also unlock business avenues for new developers, villa management start-ups, organic farm management enterprises, landscape designer, sustainability consultants and much more.

Factors driving popularity of Farmstays in India



Mentioned below are the factor(s) driving the demand for farmstays in India

1



Urban Fatigue

Increasingly urban dwellers are now suffering from constant fatigue. Living in congested, hectic and noisy cities, is fueling demand for spacious, no-pollution and cleaner environs.

2



Wellness Shift

People are now understanding the significance of leading a more wellness-centric and nature driven lifestyle. These are no just buzzwords but becoming part of overall lifestyle.

3



Prime Locations

The availability of lush green locales in urban peripheries such as Bannerghatta & Nandi Hills (Bangalore), NH-8 & Aravalli (NCR), Karajmat & Alibaug (Mumbai), Lonavala & Mulshi (Pune) are perfect to develop top-notch branded farmhouse projects.

4



Immersive Activities

In a rural/ farmhouse style of setting, one can indulge in numerous fun-filled activities such as nature walk, swimming in springs, dairy farming, learning about local traditions & art, and much more. This can make the overall experience very enriching and immersive.

5



Holistic Living

Farmhouses offer a suitable platform to bond with nature, enjoy healthy & organic food and lead a holistic and balanced lifestyle.

6



Weekend Escapes

Due to proximity to major cities, many well-heeled urban dwellers are investing in farmstays as second homes/ weekend gateways.

7



NRI Investment

Many buyers and investors including NRIs are also investing in branded farmhouses as second homes and weekend gateways.

8



Remote Living

Many individuals are permanently shifting to managed farmstays and using them as primary residence. The growing popularity of remote working and work from anywhere makes it suitable to permanently shift into tranquil destinations and live, work & play from there.

9



Rental Income

Investing in farmstays can unlock opportunities to make constant rental income by venturing into short haul and long stay market.

10



Tourist Preference

Many tourists now prefer to stay in farmhouses in the midst of a peaceful and verdant environs rather than signature hotels and resorts.

11



Slow-Paced Life

In contrast to a fast-paced life in modern cities, farmhouses can offer a more slow-paced, mindful and immersive life.

Challenges of living in a Farmstay or Farmhouse

1



Accessibility Issues

Accessibility can be a challenge in many farmstays as they might be located in a remote/ off-site location with limited roads & infrastructure.

2



Higher Management Costs

Managing a farmstay can be expensive than a regular home, due to multiple activities involved.

3



Managed Solution

A possible solution can be a managed farmstay, wherein a lot of common costs can be managed.

4



Amenity Distance

Sometimes in a farmstay, basic amenities such as school, restaurants and hospitals might not be very close by.

5

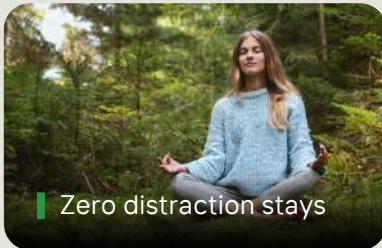


Security Concerns

Security and surveillance can be a challenge in a farmhouse setting. Even in such cases, it is always advisable to invest/ own plots in branded properties as security is taken care with the help of a third party.



Advantages of staying in a managed farmstay in India



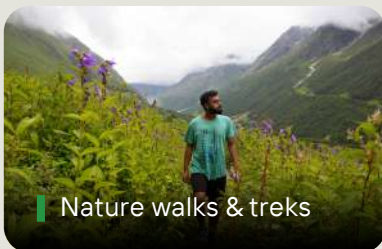
Zero distraction stays



Indulge in farm-to-table food



Local cuisines & snacks



Nature walks & treks



Learn about local farming activities



Other farm related activities such as dairy, poultry, etc



Interact with local communities



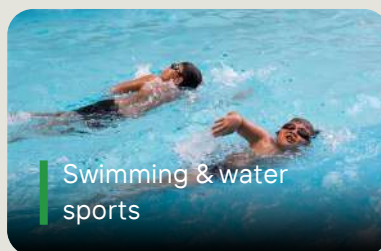
Folks dance & local traditions



Outdoor activities



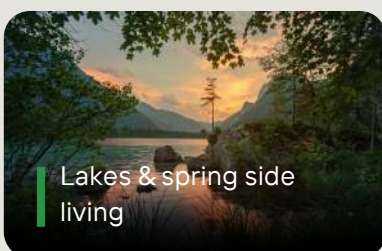
Horse riding



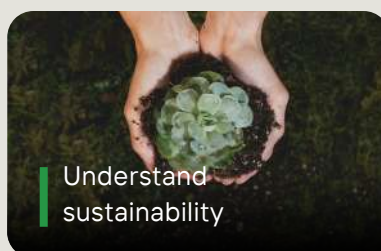
Swimming & water sports



Fruits plucking



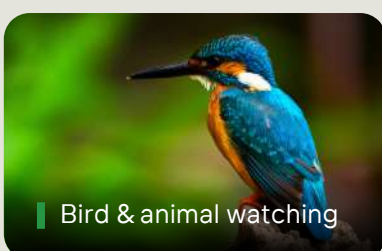
Lakes & spring side living



Understand sustainability



Eco-friendly housing



Bird & animal watching



Wellness retreats



Kitchen gardening

Top farmstay & farm plot branded projects in India

Key Terminology	Definition
Axon Tilari	• A 4000-acre fully integrated, managed farmhouse project, located in Sindhudurg district, in the Konkan belt. • The project is located at a distance of ~ 10 mins from Goa border and ~ 50 mins from the newly built MOPA airport • Multiple plot options available in the range of 0.5/1/2/5/10 acres.
Saibya, Sapling	• 15-acre gated project, located ~ 30 mins drive from Bangalore city in Nandi Hills • 54 plots, sized between 0.15- 0.5 acres
Nandi Hillview Farms	• Located at Chikkaballapur, near Nandi Hills across an area of ~ 20 acres. • Plenty of organic farming options of seasonal fruits such as Guava, Mango, Chickoo, etc. • Starting plot size of ~ 0.12 acres
Kshethra Villa Plots	• Located in Chikkaballapur, near Nandi hills across an area of ~ 64 acres • Managed farmhouses with farming & vineyards • Plot size of 0.15- 0.5 acres
Aranyaka, Naugaon	• Located in Naugaon, near Gurgaon (~ 1 hrs) • 63-acre project with 69 plots • Plot size range of 0.3-0.7 acres • Already launched
The Breathing Village	• A 10-acre project, located at around ~ 120 mins drive from Mumbai • 36 plots • Plot size: 0.5- 1 acres
Avillion farms	• 207-acre branded farmhouse plot project situated at Dhodaballapur, near north Bangalore • Plot size of ~ 1 acre • Total 190 units

Key Terminology	Definition
Country Farms	• A 15-acre project located in Karajit in MMR (~ 87 kms from main Mumbai) • Plot size of ~ 0.25 acres
Royal View Farms	• A 7.5-acre gated farmhouse plot project located in Mulshi, ~ 90 mins from Pune. • Plot size of ~ 0.25 acres
Vespera Farmhouse Plots	• A 60-acre farmhouse plots located at Mulshi, ~ 80 mins from Pune and ~120 mins from Navi Mumbai • Plot size of ~ 0.25 acres • Close to ~ 200 units
Ayodhya, Ahmedabad	• A farmhouse style project, situated in the outer skirts of Ahmedabad. • Total 51 units with plot sizes of 0.15- 0.3 acres
Pali Hill Farms, Raighad	• The 300- acre gated farm project is situated at Pali-Khopoli road, at around ~ 130 mins from Mumbai. • Plot sizes are available in the range of 0.5-1 acres
Ansal Aravali Retreat	• A 1200-acre project located in Sohna, at a ~ 60-70 mins drive from IGI airport. • Plot sizes in the range of 1 to 4 acres • 600+ available units.
One Acre Farm	• Managed farmhouse project at around ~ 75 mins drive from electronic city, Bangalore • Plot sizes available at around 0.25 acres, 0.5 acres and 1 acre
Farm Natura	• Farmhouse plot project at a distance of ~ 25 mins from international airport in Hyderabad. • A total of 172 units, spread across 35 acres • Farms are available from ~ 0.1 to 2 acres

Source: Axon Developers, company/ project websites, internet

Insights into Market Size



1



Current Acreage

Currently, 11,140 acres of land are dedicated to organized farmstay sector in India.

2



Projected Acreage

By 2029, the total area of organized farmstay is set to reach 37,000 acres, growing at a CAGR of ~35%.

3



Unit Growth

Currently there are close to 18,700 units in 2025. Over the course of next 4 years, the total organized farmstay units are set to cross 46,000 units.

4



Market Value

The total size of the market is around Inr 16,100 crores. By 2029, the market is set to reach Inr 63,250 crores, growing at a CAGR 40.8%.

5



Southern Dominance

Half of the organized farmstay market is situated in the southern parts of India. Major farmstay destinations in Southern India include Nandi hills, Hyderabad, Coorg, etc.

6



Western Share

29% of the organized farmstay market (area) is situated in western parts of India. Major market locations in west include, Sindhudurg, Karajat, Alibaug, Tilari, Mulshi, Lonavala, etc.

7



Northern & Eastern Market

The remaining market is dominated by North and East, with the former contributing the major portion.

8



Emerging North

Emerging destinations in the North are Dehradun, Pant Nagar, NH-8, Naugaon, Alwar, etc.

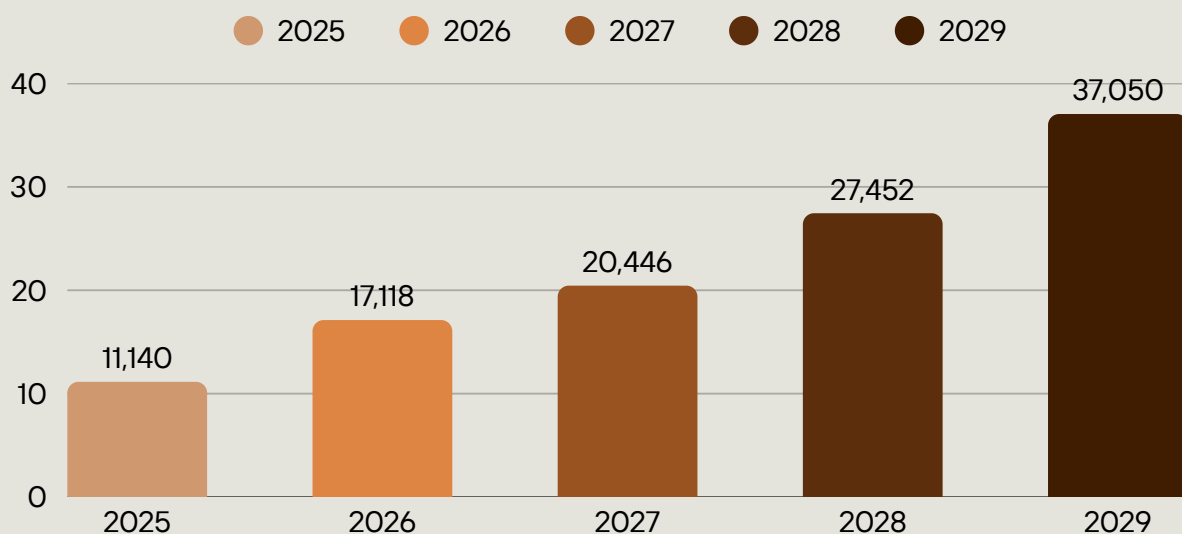
9



Unit Contribution

In terms of unit-wise break-up, both west and south have near equal contribution with 38 and 40% respectively.

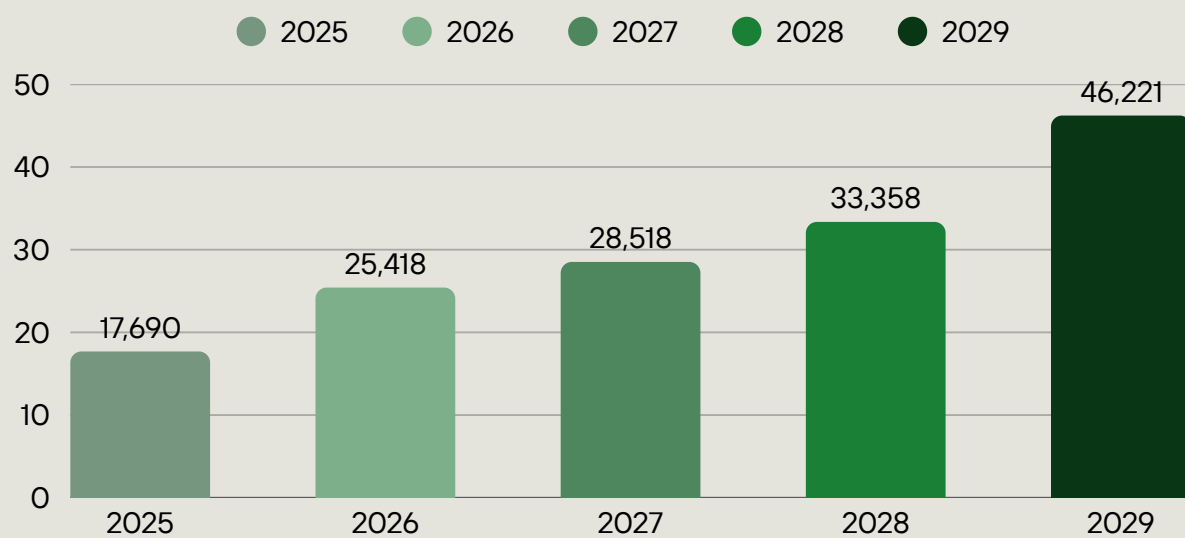
Growth of organized farm stay market in India (Acres)



Source: Axon Developers

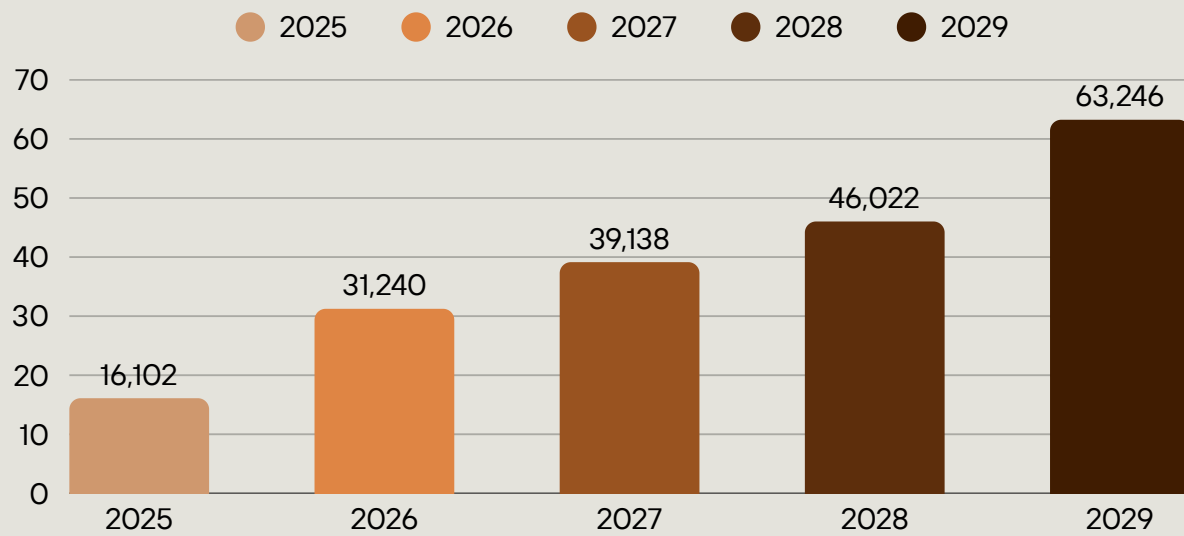


Growth of organized farmstay market in India (Units)



Source: Axon Developers

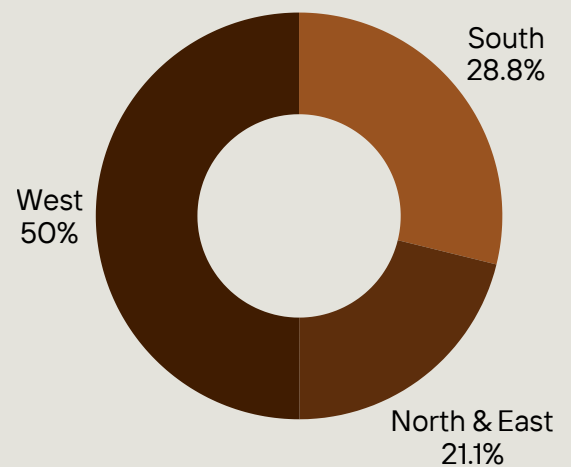
Growth of organized farmstay market in India (Inr Crores)



Source: Axon Developers

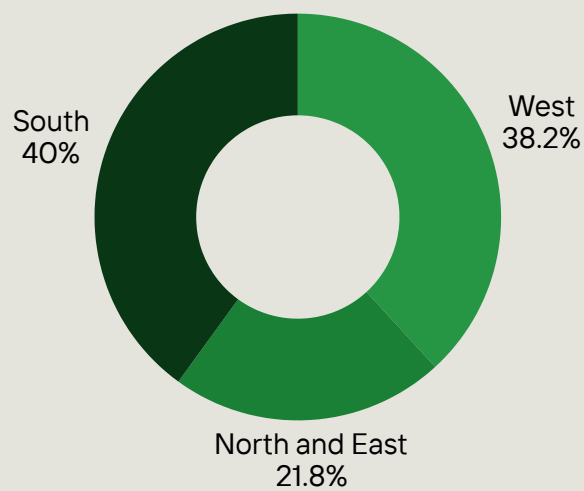


Region-wise break-up of organized farmstay market share (area)



Source: Axon Developers

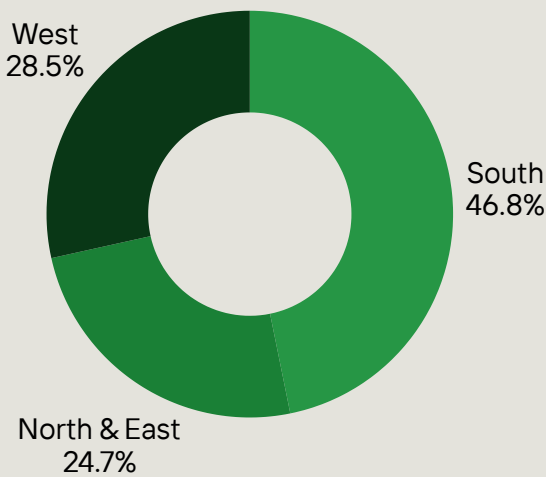
Region wise break-up of organized farmstay market share (total units)



Source: Axon Developers



Region wise break-up of organized farmstay market in India (Value)



Source: Axon Developers



Farmstays: The Way Ahead

In a time when the market for sustainable and immersive tourism is rising sharply, farmstays are the new champion of India's evolving alternate hospitality space. As many tourists prefer to spend time in scenic verdant location backed with tailor-made experiences, the demand for farmstays are rising very fast.

From using it as a perfect weekend gateway to family get togethers to conducting team building corporate retreats, farmstays can check all the boxes. In a time, when many of us lead hectic and stressful city lives, a farmstay in a scenic destination can be the perfect relief. It can help in reducing stress by leading a curated stay in a natural setting.

In a time of change, when many of us want more than spending days in 350 sq. meter hotel rooms, farmstays can take the idea of experiential hospitality to the next level. One can indulge in an endless number of nature centric activities such as organic farming, dairy farming, horticulture, kitchen gardening, poultry, cart ride, farm-to-table etc. Similarly, since these farmstays are built across scenic and verdant landscapes, there is ample activities to do such as nature walk, mountain climbing, swimming in lakes & ponds, outdoor games and much more.

Interestingly, the role of farmstays are no more just limited to short rentals and vacation but also for permanent stays. In a time, when flexible working models and remote working are becoming widely popular, many residents are permanently shifting to farmstays and farmhouses, especially the ones situated on off-city limits and urban peripheries.

Serviced farmhouse projects are coming up across beautiful urban peripheries within 1-3 hours from city centres. They are a perfect escape from the usual hustle-bustle of the city lives, giving a very serene, peaceful and wellness-driven lifestyle to the residents. Compared to fast paced city lives a farmstay can offer a very imbibing, mindful and recreational life. The tranquil environs are also a perfect place to focus on your task, work on problem solving and contemplate future strategy. Farmstays are perfect to strike the right balance between living an idyllic life, indulge in multitude activities and work in distraction-free environs. This is the reason, many corporates, private consultants and start-up founders, freelancers, etc. are shifting to serviced farmstays permanently.





Source

<https://earthtoeditorial.com/travelers-are-replacing-hotels-with-farm-stays/>

<https://www.financialexpress.com/money/gated-villas-farm-stays-amp-scenic-retreats-fuel-indias-second-home-market-boom-3805030/>

<https://www.financialexpress.com/life/lifestyle-spotlight-story-selling-the-rural-dream-3334233/#:~:text=There%20is%20much%20on%20offer,significance%20in%20the%20agritourism%20industry.>

<https://www.cntraveller.in/story/farmstays-in-india/>

<https://indiasomeday.com/en/indian-farmhouse/>

<https://farmmasters.in/our-produce/>

<https://avillionfarms.com/farm-land-project-in-bangalore/>

<https://www.hotelierindia.com/operations/agro-rural-tourism-flourishes-as-tourists-pursue-genuine-farm-life-experiences>