

Home » Economy » Agri Business

# Hosachiguru leverages economies of scale to fulfill dream of owning a farm

bl. PREMIUM

Updated - June 06, 2024 at 08:51 PM.

Hosachiguru helps people investing in farmlands grow their food, says its CEO Srinath Setty

BY SUBRAMANI RA MANCOMBU

COMMENTS SHARE

READ LATER



Srinath Setty, CEO, Hosachiguru

**Bengaluru**-based firm Hosachiguru has developed a farming model that leverages economies of scale to reduce costs for investors and make farm ownership more accessible for the people.

“We are a kind of a real estate company trying to fulfil people’s aspiration to own a farm. The biggest challenge for them is how to manage it. What will we do with the harvest, how can it be monetised? Our objective is to enable and encourage people to live a greener lifestyle. And to

## Latest News



Radico Khaitan launches Sangam World Malt Whisky in India

bl. PREMIUM

*With pharma stocks going strong, valuations don’t leave room for error*

BY BL RESEARCH BUREAU & SAI PRABHAKAR



grow their food,” said Srinath Setty, the company’s Chief Executive Officer.

**Also read: Turno raises \$6 million in Series-A funding round**

Hosachiguru, which means fresh leaves, takes up 50 acres of land and divides them into quarter acres each. They are then sold to investors. The company plants different varieties of trees for each individual.

“We’ll have tall, medium and small trees as in a forest or what we call regenerative farming kind of principle. All the trees that are grown are native varieties, using natural principles of farming,” he said in an online interaction with *businessline*.



#### Related Article

Cold war between ground handling agencies disrupts Chennai cargo operations

#### Lowering maintenance costs

On the other hand, the company also grows vegetables and fruits in a common area - a 50-acre farm for example - to provide the investor with the required produce. For instance, two acres have been kept aside for the 200 investors it currently has.

“Again, in their plot of land they grow fruit and timber trees. The idea is that people can have their own farm on the outskirts of the city where they can grow their food,” Setty said.

As a company, Hosachiguru operates 50-100 acres to bring down the maintenance costs. It also has a logistics team that

delivers the produce to their doorstep.

**Also read: Computacenter inaugurates new office in Bengaluru; plans to double India headcount**

“Apart from these, we also have done a lot of agroforestry projects. For instance, we have been importing a lot of timber and 80 per cent of our furniture is made from imported timber. The idea is to see how we can grow timber through agroforestry,” he said.

### **How it all began**

Agro-forestry projects are being carried on nearly 1,000 acres with mahogany and sandalwood being grown along with timber, which provides investors the opportunity to monetise two decades from now.

“Typically, 250 trees are planted on an acre. Even at today’s prices, the trees can fetch them some gain,” the company’s CEO said.

Hosachiguru began its journey in 2009 as a venture initiated by “weekend farmers” when its founders were working in corporate companies. Soon, they decided to quit and take a plunge in maintaining farms for people.

“In maintaining farms, the scale was a big issue. So, the founders decided to help people procure farms and they came forward to manage it. Currently, we are managing about 1,800 acres and 29-24 projects,” he said.

Nearly 1,500 have invested in these projects and the company continues to add 30-40 investors every month, Setty

said. "These lands are on the outskirts in Bengaluru. For example, in the direction towards Andhra, it manages farms in Hindupur, which has red soil and good water resources," he said.

### **Different approach**

Hosachiguru, which began with a project to set up a nursery by the Andhra Pradesh government, manages 150-odd acres in Kanakapura and 120 acres in Denkanikottai near Hosur, Tamil Nadu. It has its own plantation in Ballari of 250-odd acres.

Stating that the entire game of farming has changed today, Setty said the consciousness in terms of living has gone up drastically from what it was a few years ago.

Hosachiguru's approach to farming is different since getting saplings, for example, of red bananas, is difficult. With tissue culture coming in smaller packets, it helps to carry hundreds of saplings in a tray. Therefore, it tries to cultivate native varieties through organic farming which has been standardised to a large extent.

Only trees are grown on the investors' plot on the principles of regenerative farming and it is easy to maintain. "I have to enter the land only 10 times. I have to do composting once, pruning once and such things. Since we are not growing any hybrids, we need not worry," the company's CEO said.

For maintaining these farms, Hosachiguru, which has some 200 employees, charges ₹40,000-50,000 a year in addition to their investment on

the land. "Because of the economies of scale, we're able to bring down the entire cost and make it convenient for each individual to be able to get the agri producer," said Setty.

### Keep tab via app

Other trees grown on the farms are mango, jackfruit, casuarina, lemon, banana, papaya and custard apple. All these are put on one land and based on the canopy, they can cultivate 12-15 medium trees such as mango and about 30 smaller trees such as drumstick (*moringa*). "The leaves of some of these trees like drumsticks are a good nutrition for the soil," he said.

Investors can keep a tab on what is happening on their piece of land through the company's My Farm app and this includes seeking delivery of produce such as vegetables and fruits. For delivery, the investor has to pay transportation charges.

The company does not sell in the market as it is not a financial institutions registered with SEBI. Also, the farms of investors have clubhouses, small cottages, goshala and a vegetable garden.

"These are common areas which the investor can opt to use and pay an additional charge," he said, adding that investors also had the choice of managing their land.

One of the features of these farms is that organic inputs are given over five years and all are done in-house with no use of chemicals or fertilizers. "Every input is grown on the farm. For example, we prune the green matter, make it into compost

and put it back into the soil. So even if the yield is less, the client is guaranteed an authentic produce,” the company’s CEO said.

Hosachiguru plans to be in and around Bengaluru for now. But a lot of developers are coming from other cities to understand its consent and see how it can be replicated, said Setty.



## Get Curated Updates

Sign up for our free newsletters to get in-depth analyses, previews for the day ahead, thoughtful roundups and more.

EXPLORE OUR NEWSLETTERS

By providing your email, you agree to [THG's Privacy Policy](#).

COMMENTS SHARE Published on June 6, 2024

### Related Topics

Farming / Startups / Agriculture / Organic Farming / Start Ups / Companies / Bengaluru / Bangalore