

Ayodhya's Transformation and Telangana's Opportunity: A Framework for Religious Tourism–Led Growth

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Abstract: *Religious tourism has long played a significant role in India's cultural and economic landscape. Ayodhya, one of the most sacred cities in Hinduism, has recently undergone a transformative development phase, attracting millions of pilgrims and tourists from across the country and abroad. This paper explores the economic transformation of Ayodhya through the lens of religious tourism, examining the surge in infrastructure development, employment opportunities, entrepreneurship, and local business ecosystems triggered by spiritual travel. Using a mixed-method approach with secondary data, government reports, and stakeholder interviews, the study identifies key success factors in Ayodhya's religious tourism model — including public-private partnerships, integrated transportation systems, cultural preservation, and targeted government initiatives. The findings are then contextualized to Telangana's tourism landscape, with a focus on religious and spiritual sites such as Yadagirigutta, Bhadrachalam, and Medaram. The paper proposes strategic recommendations that Telangana can adopt to harness the potential of its own religious tourism circuits, including community-based tourism models, digital promotion, sustainable infrastructure, and youth-led entrepreneurship. By drawing parallels between Ayodhya's transformation and Telangana's tourism goals outlined in the Telangana Tourism Policy 2023–2030, this study offers a replicable framework for boosting spiritual tourism while ensuring inclusive and sustainable economic growth. This research contributes to the seminar's theme by providing insights into how religious tourism can be a catalyst for entrepreneurship, rural development, and cultural preservation, and it emphasizes policy-level interventions that can empower local communities and stakeholders in Telangana*

Keywords: Spiritual Tourism, Telangana, Ayodhya, Transformation

I. INTRODUCTION

India is globally recognized for its rich cultural heritage and religious diversity, with pilgrimage and spiritual tourism constituting a vital part of the socio-economic fabric of the nation. Pilgrimage sites such as Varanasi, Tirupati, Amritsar, and Ajmer attract millions of domestic and international visitors annually, contributing not only to religious fulfillment but also to the local economy (Shinde, 2010)¹. Among these, Ayodhya, revered as the birthplace of Lord Rama, has recently emerged as a significant example of the intersection between spirituality and economic development, especially following the construction and inauguration of the Ram Mandir in 2024 (Singh & Kumar, 2024)². This event has catalyzed a transformation in Ayodhya, positioning it as a hub for spiritual tourism and economic revival.

Religious tourism in India has historically acted as an engine of economic and cultural activity. Temple towns have long served as centers of trade, artisanship, and hospitality services (Dubey, 2015)³. In the contemporary era, however, religious tourism is increasingly viewed through the lens of sustainable development, rural entrepreneurship, and infrastructure growth (Bala & Verma, 2021)⁴. The Government of India has reinforced this narrative through schemes like PRASHAD (Pilgrimage Rejuvenation and Spiritual Augmentation Drive) and Swadesh Darshan, which aim to modernize pilgrimage destinations and integrate them into the broader tourism economy (Ministry of Tourism, 2022)⁵.



The transformation of Ayodhya represents a successful convergence of public investment, urban planning, and cultural preservation. The city has witnessed investments in connectivity (air, road, and rail), civic infrastructure, sanitation, digital services, and the promotion of local crafts and cuisine (Pandey, 2023)⁶. The economic ripple effects of these investments have been substantial. Micro, small, and medium enterprises (MSMEs) have proliferated in the hospitality, transport, and retail sectors, and community-level entrepreneurs—especially women and youth—have found new pathways to self-employment (Rai & Mishra, 2023)⁷. Ayodhya is, thus, not only a spiritual center but also a case study in how religious destinations can be leveraged for inclusive economic growth.

Given this context, it becomes imperative to explore the replicability of Ayodhya's religious tourism model in other Indian states, particularly in regions that have a similar cultural-spiritual profile but lack comprehensive tourism development. Telangana, a southern state with a rich spiritual and architectural heritage, presents a promising case. The state hosts several notable pilgrimage sites—Yadadri (Yadagirigutta), Bhadrachalam, Basara, and Alampur—that attract lakhs of pilgrims annually. However, despite their religious prominence, these sites often suffer from infrastructural limitations, limited tourism services, and an underdeveloped entrepreneurial ecosystem (Telangana State Tourism Development Corporation [TSTDC], 2023)⁸.

Although the Government of Telangana has taken steps to renovate major temples—such as the Yadadri Temple redevelopment—and launched a Tourism Policy 2022 to attract investment and promote thematic tourism circuits, the implementation and impact remain fragmented (TSTDC, 2023). The absence of integrated planning, limited private sector participation, and inadequate marketing strategies continue to impede the transformation of religious sites into economic growth engines (Narayan & Reddy, 2022)⁹.

II. REVIEW OF LITERATURE

Kala, D., & Chaubey, D. S. (2025)¹⁰ examined religious, cultural, and social factors influencing Indians' intention to visit the newly inaugurated *Ram Mandir* (temple) in Ayodhya, India, using Consumer Cultural Theory. Employing quantitative methods, data was collected from 586 Indians, and hypotheses were tested using partial least squares-structural equation modeling (PLS-SEM). This study enriches existing literature and provides insights into the factors driving visit intentions to Ram Mandir, highlighting the significant roles of FOMO and cultural pride. It offers practical implications for temple committees and policymakers to enhance religious and cultural tourism strategies.

Sao et al. (2025)¹¹ examined the socio-economic effects on various stakeholders in Ayodhya following the consecration (Pran Pratishtha) of the Ram Temple. The research highlighted the significant increases in tourism, economic growth, infrastructure development, cultural preservation efforts, and changes in social dynamics and community well-being and understood the temple's role as a catalyst for comprehensive urban and social transformation in Ayodhya.

Malhotra, T. J. (2024)¹² analysed the massive investments made by the central government under various initiatives to boost temple tourism have affected local employment, entrepreneurial opportunities, and the nation's overall income. The researcher also mentioned a few challenges in the promotion of temple tourism that must be overcome to provide better facilities to tourists.

Mishra et al. (2023)¹³ reviewed the positive and negative aspects of commodification in Ayodhya, emphasizing economic growth, infrastructure development, and heritage preservation, while acknowledging challenges like commercialization and cultural erosion.

Mishra, M. A., & Singh, M. (2022)¹⁴ assessed the role of Digital -marketing promotion in promoting religious tourism with respect to Ayodhya. The structured questionnaire was used to collect the data from the 100 samples (Tourists) who have visited Ayodhya. Data analysis was achieved by using ANOVA and LINEAR REGRESSION to see the impact of digital marketing promotions on religious tourism in Ayodhya. The results were drawn with the help of SPSS and MS Excel.

Objectives:

This paper seeks to analyze the economic and entrepreneurial transformation of Ayodhya and examine the potential for replicating this model in Telangana. It explores how strategic investment, stakeholder collaboration, and community engagement in Ayodhya can serve as a blueprint for leveraging Telangana's religious tourism potential. The study



contributes to the discourse on religious tourism as a tool for inclusive development, emphasizing the importance of spiritual capital, infrastructure readiness, and entrepreneurship in state tourism strategies.

- Assess the Socio-Economic Impact of Religious Tourism in Ayodhya.
- Compare the Telangana pilgrimage sites growth with Ayodhya.
- Analyse the replicability of Ayodhya tourism growth in Telangana.

Hypothesis of the Study:

- Ho: There is no significant socio-economic impact of religious tourism in Ayodhya, and the model is not replicable in Telangana.
- H1: Religious tourism in Ayodhya has led to significant socio-economic transformations, and the model is replicable in Telangana.

Religious Tourism Analysis: Ayodhya & Telangana

Socio-Economic Impact in Ayodhya

Sector	Growth (%)
Hospitality	+82%
Transport	+65%
Retail (Local Crafts)	+70%
Employment	+55%
Employment	+40%
Infrastructure	3x investment

Comparative Analysis: Ayodhya vs Telangana Pilgrimage Sites

Category	Ayodhya	Yadagirigutta	Medaram	Bhadrachalam
Visitor Footfall	2 Cr	1.2 Cr	1 Cr	90 Lakhs
Infra Readiness	High	Medium	Low	Medium
Digital Promotion	High	Low	Low	Low
Policy Backing	Strong	Moderate	Moderate	Moderate
MSME Growth	High	Low	Low	Low

Key Structural elements of Ayodhya and its replicability in Telangana

Recommendations for Telangana

- Integrated infrastructure and transportation planning.
- Boost digital marketing and virtual pilgrim experiences.
- Promote community-based tourism models.
- Enable youth and women entrepreneurship.

Leverage successful elements from Ayodhya like PPP models, government backed schemes, and heritage conservation. In conclusion, religious tourism is no longer confined to spiritual satisfaction; it is a multi-dimensional vehicle for socio-economic growth. With the right vision, policies, and execution, states like Telangana can replicate the Ayodhya model to build vibrant, inclusive, and sustainable local economies centered around their rich religious heritage.

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