

# From Varanasi to Sikkim, Faith in the Fast Lane in Temple Towns

Focus on destination level infra, connectivity and urban amenities in temple towns to accelerate momentum in religious travel segment

**Anumeha Chaturvedi  
& Arindam Majumder**

**New Delhi:** The emphasis on the development of temple towns, strengthening the Buddhist circuits and the development of high speed rail corridors between destinations such as Delhi and Varanasi should boost spiritual and religious travel which is already seeing substantial growth in India, industry insiders said. Budget allocation towards the Pilgrimage Rejuvenation and Spiritual Heritage Augmentation Drive (PRASHAD) scheme under tourism has gone up to ₹245 crore for 2026-2027 from a revised 2025-2026 outlay of ₹132 crore.

In her speech, finance minister Nirmala Sitharaman emphasised on developing tier two and tier three cities and temple towns which need modern infrastructure and basic amenities. Mapping of city economic regions (CER) based on their specific growth drivers and an allocation of ₹5,000 crore per CER over five years is pro-

posed for implementing their plans. She also spoke about developing seven high speed rail corridors between cities as 'growth connectors' on routes such as Delhi to Varanasi, and Varanasi to Siliguri. She also proposed a scheme for development of Buddhist circuits in Arunachal Pradesh, Sikkim, Assam, Manipur, Mizoram and Tripura. The finance minister said the scheme will cover preservation of temples and monasteries, pilgrimage interpretation centers, connectivity and pilgrim amenities.

Rajesh Magow, co-founder and group CEO of MakeMyTrip said the budget's focus on destination level infrastructure, connecti-

ty and urban amenities in heritage and temple towns will further accelerate the momentum in the religious travel segment.

As pilgrim profiles evolve and expectations rise, several hotel chains are expanding into cities such as Ayodhya, Haridwar, Rishikesh, Shirdi, and Bodh Gaya, among others, said Mandeep S Lamba, president and CEO (South Asia) at HVS Anarock. Lamba said nearly 7700 branded keys were signed last year in religious destinations and close to 8,000 in 2024, accounting for 13% and 17% of total signings respectively.

Last month, Lemon Tree Hotels signed a new hotel in Varanasi while Radisson Hotel Group said it was 'accelerating expansion' across India's fast

evolving spiritual travel circuit with recent openings in Shirdi and Puri and an upcoming launch in Ujjain this year.

Enhanced infrastructure and improved hospitality offerings are encouraging longer stays and attracting a broader traveller profile, extending beyond traditional pilgrims to include families and experience-seeking travellers, said Nikhil Sharma, MD and COO, South Asia, at Radisson Hotel Group. "The budget's continued emphasis on infrastructure development, improved air connectivity, highways, and destination-led tourism provides a strong structural foundation for the growth of religious and spiritual travel. Over time, this enables more stable

demand rather than isolated or event-driven spikes," said Sharma.

Travel platforms have seen consistent year on year growth in the spiritual travel segment. Bookings to destinations such as Haridwar and Rishikesh have grown 60% year on year on Cleartrip with Gen Z travellers now making up 12% of these trips, a 15% year on year increase, said Manjari Singhal, chief growth and business officer at the company.

Airline executives say traffic to temple towns remains seasonal. "While it grows in festival months, there is a lull thereafter. So in the months of Holi and Diwali, airlines launch extra flights. But, overall, there is increasing interest to travel to holy cities," an airline executive said.

## REVISED ALLOCATION

**Budget allocation towards the PRASHAD scheme has gone up to ₹245 crore for 2026-27 from revised 2025-26 outlay of ₹132 crore**

