

Abhinandan Lodha Group plans Rs 2,000-cr luxury hotels in Ayodhya, Benares, Vrindavan

By Kailash Babar & Anumeha Chaturvedi, ET Bureau Last Updated: Jan 07, 2024, 11:01:00 PM IST

Synopsis

While several hospitality chains have signed pacts for properties here, there is no operational hotel in the luxury segment in Ayodhya yet. The new temple complex in Ayodhya has led to heightened infrastructure development and economic activities in and around the city. This is expected to boost not only tourism but also help the city emerge as a regional business and economic activity hub with improved connectivity.



Realty developer the [Abhinandan Lodha Group](#), along with its marquee [hospitality](#) partners, plans to invest over Rs 2,000 crores to build five [luxury hotels](#) across India's iconic heritage and cultural cities including [Ayodhya](#), [Benares](#), [Vrindavan](#), Shimla, and Amritsar.

To kickstart the plan, the company and Brookfield Group-owned the Leela Palaces, Hotels & Resorts have entered a partnership to develop a luxury modern palace hotel in Ayodhya near the Shri Ram Janmabhoomi Temple that is set to be inaugurated this month.

The first palatial hotel in Ayodhya will be spread over a five-acre land parcel on the banks of the sacred Sarayu River and will be developed around the theme of Indian culture and heritage. The other hotels in the Abhinandan Lodha Group's portfolio will also be developed along the same theme.

"This venture not only signifies the transformation that Ayodhya is witnessing, but also sets the stage for opulence and hospitality that respects Ayodhya's rich legacy. As India's largest branded land developer, we aim to contribute significantly to Ayodhya's cultural and economic landscape," Abhinandan Lodha, Chairman, The Abhinandan Lodha Group, told ET.

The luxury hotel in Ayodhya will be part of the developer's larger development 'The Sarayu' spread over 51 acres including residential plots, villas on a total 31 acres and even high-rise luxury apartments on 15 acres in the holy city.

The 100-key luxury hotel in Ayodhya is expected to entail [investment](#) of over Rs 450 crore and is expected to be fully operational by March 2028. Each of the other four hotels in the proposed portfolio are also expected to see similar amounts of investments.

"Our partnership with The Leela extends to the overall experience and details, with The Leela managing the clubhouse, serviced villas and serviced luxury apartments, ensuring a comprehensive luxury experience for guests and residents. We plan to explore similar luxury hospitality formats in other cities as well," Lodha said.

As per the partnership terms, the luxury hospitality brand will not only be involved in the design and development of the property, but will also be a joint owner of the Ayodhya hotel. This will be the Leela Palaces, Hotels & Resorts' first such jointly developed luxury property.

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The House of Abhinandan Lodha (HoABL) had last year stated its plans to invest over Rs 11,000 crore to acquire and develop land parcels across the country over the next 3-4 years in a bid to capture the rising demand for plotted developments and land investments.

Of this total planned investment, Rs 3,000 crore was budgeted for Uttar Pradesh and out of this, Rs 1,200 crore for Ayodhya alone. The company will be financing these investments through internal accruals.

The developer's net sales for the financial year 2023-24 is likely to touch Rs 2,000 crore as against Rs 570 crore a year ago as plotted developments in tier II, III locations and on the outskirts of tier I cities have gained significant traction as an investment asset class after the pandemic.

Headquartered in Mumbai, the Leela Palaces, Hotels and Resorts is owned by a Brookfield Asset Management-sponsored private real estate fund and operates twelve properties in major cities and leisure destinations across India.

The luxury hospitality major's current portfolio includes the flagship hotel in the capital city of New Delhi, Bengaluru, Chennai, Udaipur, Jaipur, Gurugram, East Delhi, Mumbai, Gandhinagar and Kovalam and Ashtamudi in Kerala. The brand has a marketing alliance with US-based Preferred Hotels & Resorts and is a member of the Global Hotel Alliance.