

# Uttar Pradesh Secures INR 1 Trillion in Hospitality Investments: Ayodhya and Varanasi in Focus



HBI Staff | Hyderabad



February 4, 2025

NEWS



1 minute read



Uttar Pradesh has attracted investment proposals worth INR 1 trillion in its hospitality sector over the past two years, fueling the development of hotels, resorts, guesthouses, wellness centers, and homestays across its 75 districts. Religious and spiritual hubs like Ayodhya, Varanasi, and Prayagraj, along with tourism hotspots such as Lucknow, Agra, Kanpur, and Noida, are at the forefront of this growth.

Ayodhya is set to add 10 new hotels, while Varanasi will see the establishment of 12 properties, reflecting the increasing demand driven by the consecration of the Lord Ram temple in 2024, which attracted 16.4 million pilgrims in that year alone.

This surge in investments is aligned with the Uttar Pradesh Tourism Policy 2022, which aims to enhance tourism infrastructure in partnership with the private sector. Following the success of the Global Investors Summit in 2023, major hospitality brands like the Indian Hotels Company (IHCL), under the Taj Group, have committed to expanding in the region. IHCL plans to open a luxury Taj property in Ayodhya, collaborating with the Solitaire Group to cater to the rising influx of pilgrims and tourists.