

**TEMPLES AND ECONOMIC GROWTH: A STUDY ON THE ROLE OF TEMPLES IN ECONOMIC EMPOWERMENT IN 21ST CENTURY TELANGANA****DR.P.RAMESH**Assistant Professor; Dept. of History;  
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Temples have historically played a pivotal role not only in the spiritual and cultural lives of people but also as vital agents of economic activity and regional development. In the 21st century, Telangana, a young and economically progressive state of India, has leveraged its rich religious heritage to foster local economies and generate employment through temple-based tourism and service activities. This study explores the economic contribution of major temples in Telangana, such as Yadadri, Bhadrachalam, Chilkur, Basar, and Vemulawada, by analyzing key parameters like annual revenue, pilgrim footfall, employment generation, and expenditure patterns. The findings reveal that temples like the Yadagirigutta Lakshmi Narasimha Swamy Temple and Vemulawada Raja Rajeshwara Swamy Temple have witnessed exponential growth in revenue—₹225 crore and ₹206.68 crore respectively—owing to infrastructure development, efficient management, and spiritual tourism. These temples not only attract millions of devotees annually but also generate substantial direct and indirect employment. Meanwhile, temples like Chilkur Balaji offer an alternative, non-commercial economic model rooted in voluntary and community-driven participation.

This study highlights how religious spaces in Telangana are evolving as socio-economic hubs that contribute to inclusive development. By examining revenue sources such as hundis, prasadam sales, rituals, and land leases, as well as key expenditures like staff salaries, temple maintenance, and community welfare programs, the research establishes that temples are becoming integral to the state's economic empowerment and sustainable development strategies.

**Keywords:** Economic Empowerment; Gross State Domestic Product; Information Technology; Religious Institutions and Employment Generation.

**INTRODUCTION**

Telangana is one of the youngest state in United India and has established itself as a frontrunner in India's economic growth trajectory in the 21st century. The state has demonstrated an impressive average annual growth rate of 13.90% over the last five years, with its nominal Gross State Domestic Product (GSDP) reaching ₹15.2 lakh crore (US\$180 billion) for the fiscal year 2023-24. This robust economic expansion is largely propelled by the service sector, which contributed approximately 65% to the state's economy in 2018-19. Within services, the Information Technology (IT) and IT-enabled Services (ITeS) sectors have been particularly instrumental, positioning Telangana as a national leader in production and exports.

Beyond services, agriculture remains a vital backbone of Telangana's economy, accounting for 21% of the GDP in 2021-22 and employing a significant 45.8% of the labor force. The state benefits from the flow of major Indian rivers, Godavari and Krishna, which provide crucial irrigation for staple crops like rice, cotton, and sugarcane. Furthermore, Telangana is actively developing into a seed hub and boasts a diversified manufacturing base, particularly concentrated around Hyderabad, encompassing industries such as automobiles, pharmaceuticals, textiles, and poultry farming. The state government's strategic focus on

innovation, infrastructure, and global engagement underscores its ambition to emerge as a key player in the international economic landscape.

This dynamic and rapidly growing economic environment in Telangana creates a distinctive backdrop for examining the role of traditional institutions like temples. The state's emphasis on modernization and infrastructure development suggests that traditional economic drivers, such as religious institutions, must either strategically integrate into this evolving landscape or risk becoming marginalized. The forward-looking vision of Telangana's economy prompts an inquiry into how temples can adapt and maximize their contributions within this modern economic framework. The state's economic dynamism presents both opportunities, such as increased disposable income for pilgrimage and improved accessibility through enhanced infrastructure, and challenges, including competition for resources and the imperative for temples to adopt modern management practices to remain relevant and impactful.

### **Economic Empowerment and Growth in the Context of Religious Institutions**

Economic empowerment, in its core definition, refers to the process of enabling individuals, particularly the poor, to look beyond immediate daily survival. It involves fostering greater control over their resources and life choices, thereby facilitating crucial investments in health and education, and encouraging calculated risks to increase their income.

Evidence suggests that economic empowerment can also strengthen the participation of vulnerable groups in decision-making processes, a phenomenon observed in the success of microfinance programs that have bolstered women's influence within households and marketplaces.<sup>3</sup> The broader discourse on economic empowerment typically revolves around four key areas: promoting the assets of the poor, implementing transformative forms of social protection, providing microfinance, and offering skills training.

Intertwined with economic empowerment is social empowerment, which is understood as the development of autonomy and self-confidence, enabling individuals to act both individually and collectively to transform social relationships and challenge institutions that perpetuate poverty.<sup>3</sup> Local associations, including religious organizations, play a pivotal role in fostering social empowerment by enhancing participants' skills, knowledge, and self-perception. These associations also serve as vital self-help mechanisms through which marginalized communities can organize economic activities, such as farming cooperatives or microfinance groups. Religious institutions are widely recognized as sources of community, social welfare, values, and identity, contributing to human development by shaping a moral order that underpins society and individual lives.

However, the academic perspective on the direct correlation between "religion" as a broad social factor (e.g., religious fragmentation or specific beliefs) and macro-economic growth presents a more nuanced picture. Some research indicates that religious variables may not

exert a "significant, constant influence on economic growth". It is often challenging to definitively assert that "religious activities, beliefs, or affiliations have significant effects on economic growth".<sup>6</sup> This stands in contrast to arguments that religious beliefs can positively influence individual traits conducive to economic performance.

A critical distinction emerges between "religion" as a broad societal variable and "religious institutions" like temples as concrete economic actors. While academic studies may find it difficult to establish a direct, consistent link between generalized religious variables and macro-economic growth, the available evidence strongly suggests that temples, as institutions, exert a tangible and significant impact on local economies through both direct and indirect mechanisms.<sup>7</sup> This highlights that the institutional role of temples in driving economic activity is distinct from the broader sociological study of "religion." Temples contribute to economic empowerment not merely through direct economic activities but also by cultivating social empowerment. This accumulation of social capital, encompassing a sense of belonging, identity, leadership, and the capacity for collective action, forms a fundamental basis that enables vulnerable groups to participate effectively in economic decision-making and access resources. This pathway, while indirect, is crucial for fostering empowerment.

### **Purpose and Scope of the Study**

This study aims to meticulously analyze the multifaceted role of Hindu temples in fostering economic growth and empowerment within the state of Telangana in the 21st century. It will delve into their direct and indirect economic contributions, examining their operational models and administrative structures. The report will highlight the significant challenges these institutions encounter, ranging from financial sustainability to land management issues, and will concurrently identify strategic opportunities for enhancing their positive socio-economic impact. The focus will be on prominent temples across Telangana, drawing insights from available financial data, regulatory frameworks, and reported community engagement initiatives, to provide a comprehensive and evidence-based understanding of their evolving role in the state's development.

### **The Temple Economy in Telangana: A Macro Perspective**

The temple economy in India represents a substantial, yet often "underexplored," asset within the national economic discourse.<sup>7</sup> Estimates suggest that this sector contributes approximately 2.32% to the country's Gross Domestic Product (GDP), valued at around ₹3.02 lakh crore (or nearly \$40 billion) annually.<sup>7</sup> This indicates a significant economic footprint that may not be fully recognized or integrated into mainstream economic planning. This underestimation could lead to missed opportunities for leveraging the full potential of temples in broader development strategies.

Temples are considerable generators of both direct and indirect employment, sustaining livelihoods for millions across the nation, with some reports indicating support for as many as 35 crore people.<sup>7</sup> Even smaller temples are estimated to employ at least 25 individuals, including priests, decorators, and cleaners, while major temples create thousands of jobs through associated activities such as tourism, hospitality, and local retail.<sup>7</sup> In Telangana, the Sri Raja Rajeshwara Swamy Temple in Vemulawada, for instance, directly employs 528 individuals and indirectly supports approximately 1500 families and 2500 workers through various business activities linked to the temple.<sup>8</sup> This demonstrates that the economic impact extends far beyond the immediate temple staff, creating a broad economic ripple effect on local livelihoods.

The substantial, yet often informal, employment generated by temples highlights their role as significant employers and wealth distributors, particularly within local communities. This informal nature, while providing crucial livelihoods, also presents challenges for formal economic measurement, regulation, and for ensuring adequate labor protections. The lack of comprehensive, publicly available expenditure reports for many temples further underscores the informal or less transparent aspects of this economy, which can impede effective economic planning and worker welfare initiatives.

### **Religious Tourism as a Key Economic Driver**

Religious tourism forms a cornerstone of India's domestic travel industry, demonstrating a profound financial commitment from pilgrims. Hindus alone are estimated to spend ₹4.74 lakh crore annually on pilgrimages, an expenditure that surpasses their spending on business or educational trips.<sup>7</sup> Telangana has experienced notable growth in pilgrimage tourism, with prominent sites such as the Yadagirigutta temple attracting a substantial number of visitors. In 2022, religious tourism destinations across India collectively generated approximately ₹1,34,543 crore, underscoring the sector's significant economic impact.

A compelling example of this economic impetus is the Medaram Sammakka-Sarakka Jatara, a major non-Vedic tribal festival in Telangana. This pilgrimage significantly boosts local income and job opportunities, diversifying occupations and enhancing financial stability for both individuals and religious institutions. It also substantially increases revenue for various government agencies, including the Devasthanam Board, TSRTC, Railways, BSNL, and the Tourism Department.

Following the COVID-19 pandemic, spiritual tourism has witnessed a global surge, now accounting for nearly 60% of domestic tourism in India.<sup>12</sup> Recognizing this potential, the Ministry of Tourism has launched initiatives such as the PRASAD (Pilgrimage Rejuvenation and Spiritual Heritage Augmentation Drive) scheme. Under this central sector scheme, development projects worth ₹142.28 crore are currently underway in Telangana, targeting key spiritual sites like the Jogulamba Temple in Alampur, the Ramappa Temple in Warangal,

and the Bhadrachalam Temple. These projects aim to enhance infrastructure and facilities, thereby improving the pilgrim experience and promoting religious tourism in the region.<sup>13</sup> This direct government recognition and investment in religious tourism infrastructure directly translates into enhanced facilities, which in turn drive increased pilgrim footfall and revenue, creating a self-reinforcing cycle of economic growth for temple towns.

While religious tourism offers immense economic potential, its rapid growth also presents significant sustainability challenges. Large pilgrim gatherings, as seen at the Medaram Jatara, can lead to considerable environmental disruption, including deforestation, pollution, and the generation of substantial waste. This necessitates a balanced approach that prioritizes sustainable practices and responsible tourism alongside economic development to maintain the sanctity and integrity of religious sites.

**Comparative Overview of Prominent Temples in Telangana**

Temple Name	Location	Primary Deity	Latest Annual Revenue (FY)	Latest Annual Footfall (FY)	Direct Employment	Key Revenue Sources	Unique Economic Model/Contribution
<b>Yadagirigutta (Yadadri) Sri Lakshmi Narasimha Swamy Temple</b>	Yadadri Bhuvana giri District	Lord Narasimha	₹225 Cr (2023-24)	>1 Cr (2022-23) 24	N/A (approx. 600 staff in 2020)	Prasadams, Hundi, Daily rituals, VIP darshan, Satyanarayana Vratham, Tonsuring, FDRs 25	Significant growth post-renovation; large accommodation facilities; specific trust board for high income
<b>Bhadrachalam Sri Sita Ramachandraswamy Temple</b>	Bhadrachari Kothagudem District	Lord Rama	₹22 Cr (budgeted ₹50 Cr)	N/A	approx. 200 staff (2020)	Hundi, Pujas, Donations, Land leases, Small businesses	Faces financial strain despite high categorization; significant land encroachment challenges
<b>Chilkur Balaji Temple</b>	Rangareddy District	Lord Venkateswara	No monetary donations	>75,000/week	N/A	Voluntary contributions of time, labor, resources	Operates without hundi or government control; community-

			accepted				driven; focus on social/environmental causes
<b>Basar Gnaa Saraswathi Temple</b>	Nirmal District	Goddess Saraswati	₹64 Cr	Thousands of devotees annually	approx. 400 staff (2020)	Prasadams, Sevas & Poojas (e.g., Aksharabyasam)	Specialized economic niche due to "Akshara abhyasam" ceremony
<b>Vemulawada Sri Raja Rajeshwara Swamy Temple</b>	Rajanna Sircilla District	Lord Shiva	₹206.68 Cr (2021-22)	3.63 Cr (2018-2022)	528 (direct)	Hundi, Temple Sevas, Income from assets, Properties	Significant direct and indirect employment; substantial contributions to municipality and state funds

## Mechanisms of Economic Empowerment through Temples

### Direct and Indirect Employment Generation

Temples in Telangana serve as significant engines of employment, creating a wide array of jobs both directly and indirectly within their surrounding communities. Direct employment encompasses roles such as priests, administrative staff, security personnel, cleaners, and individuals engaged in temple-run institutions like Sanskrit colleges and schools. For instance, the Vemulawada temple directly employs 528 people, while other major temples like Yadadri, Basara, and Bhadrachalam employ approximately 600, 400, and 200 staff, respectively.

The economic impact extends far beyond these direct positions, generating substantial indirect employment. This includes a vast network of tourism operators, hotel staff, transportation providers, and local retailers who cater to pilgrims and visitors.<sup>7</sup> The temple ecosystem also sustains traditional craftsmanship, providing livelihoods for flower vendors, idol makers, sculptors, and artisans who produce items like incense sticks and garlands.<sup>7</sup> The Medaram pilgrimage, for example, is noted for boosting income and job opportunities for temporary hospitality businesses that emerge during the festival season.<sup>11</sup> The extensive employment generated by temples demonstrates a strong multiplier effect, extending far beyond direct temple staff to encompass a vast informal and formal service economy in

surrounding areas. This suggests that investment in temple infrastructure and promotion has a broad economic ripple effect on local livelihoods.

### Local Business Ecosystem Development

Temples function as vibrant nuclei for economic activity, fostering the growth and development of diverse commercial establishments in their vicinity. These include florists, provision stores, gift shops, hotels, restaurants, and various transport services, all of which are primarily dependent on the influx of pilgrims and the activities of the temple itself.<sup>7</sup>

The temple economy provides significant opportunities for micro and small enterprises. Small business operators, such as cart pullers and hawkers, can earn substantial daily profits, ranging from ₹500-600 on normal days, which can triple during peak seasons.<sup>8</sup> Temples also play a crucial role in supporting traditional craftsmanship. Local artisans specialize in creating temple decorative items, manufacturing idols, and providing construction and renovation services for religious structures.<sup>39</sup> A notable example of inter-community economic participation is the involvement of Muslim artisans in renovating Hindu temples, showcasing a collaborative economic environment.<sup>41</sup> The temple ecosystem fosters a diverse range of micro and small enterprises, often providing livelihoods for vulnerable groups and promoting inter-community economic activity. This contributes to a form of inclusive economic growth, distributing wealth at the grassroots level.

### Revenue Sources and Expenditure Categories of Major Temples in Telangana

Temple Name	Latest Annual Revenue (FY)	Key Revenue Sources (Examples)	Key Expenditure Categories (Examples)
<b>Yadagirigutta (Yadadri)</b>	₹225 Cr (2023-24)	Prasadams, Hundi, Daily rituals, VIP darshan, Satyanarayana Vratams, Tonsuring, FDRs	Staff salaries, Temple maintenance, Social programs (Annadanam), Infrastructure development (Renovation cost ₹1,200 Cr)
<b>Bhadrachalam</b>	₹22 Cr (2020, budgeted ₹50 Cr) 19	Hundi, Pujas, Donations, Land leases, Small businesses	Staff salaries, Temple maintenance, Guest house maintenance, Power bills, Government contributions (EAF, AF, AWF, CGF - 21.5% of income)
<b>Basar Gnana Saraswathi</b>	₹64 Cr	Prasadams, Sevas & Poojas (e.g., Aksharabyasam,	Staff salaries (approx. 400 staff), Temple maintenance, Social programs (Annadanam)

		Abhishekam)	for 300 daily)
<b>Vemulawada Sri Raja Rajeshwara Swamy</b>	₹206.68 Cr (2021-22)	Hundi, Temple Sevas, Income from temple assets, Returns from temple properties	Staff salaries (528 direct employees), Sanskrit college/school operations, Tax to Municipality (₹98.44 lakh), Government contributions (12% of revenue)

*Note: Financial data for temples can fluctuate and may not always be fully public. The figures presented are based on the latest available information from the provided sources and serve as illustrative examples of revenue and expenditure patterns.*

**Recommendations for Enhanced Economic Empowerment**

To maximize the role of temples in economic empowerment and ensure their sustainable contribution to Telangana's development, the following recommendations are proposed:

**Strategic Framework for Temple Development**



**Conclusion**

Temples in Telangana, far from being mere places of worship, stand as dynamic economic entities playing a significant and multifaceted role in the state's economic growth and empowerment in the 21st century. The analysis demonstrates that these institutions are major drivers of religious tourism, attracting millions of visitors and generating substantial revenue. They are also considerable employers, providing both direct and indirect livelihoods to thousands of individuals and fostering vibrant local business ecosystems. Furthermore,

temples serve as crucial centers for social welfare, offering vital programs in food distribution, education, and healthcare, thereby contributing to human capital development and community well-being. Their historical accumulation of assets, particularly land, represents a significant, though often underutilized, economic resource.

However, the full realization of this potential is contingent upon addressing several systemic challenges. Issues such as the financial sustainability of smaller temples, the impact of government oversight on administrative and financial autonomy, persistent land encroachment, and the imperative to adapt to changing societal expectations pose considerable impediments. The financial struggles of some prominent temples, despite their high revenue classifications, underscore a tension between state control for accountability and the need for operational flexibility to drive local development.

Looking forward, strategic policy reforms are essential to create an enabling environment for temples. This includes a re-evaluation of the Endowments Act to ensure financial viability, enhanced transparency and accountability in financial management, the strengthening of temple trust boards with professional expertise, and robust measures for protecting and strategically leveraging temple lands. Concurrently, embracing sustainable tourism practices, integrating eco-friendly initiatives, and diversifying offerings will be crucial for long-term growth. Investing in skill development and fostering local entrepreneurship around temple towns, coupled with the judicious application of modern technology for efficient operations and enhanced pilgrim experience, will further amplify their positive impact.

By adopting a balanced and forward-thinking approach that respects their spiritual sanctity while strategically enhancing their economic and social contributions, Telangana can effectively leverage its rich temple heritage as a powerful engine for inclusive and sustainable development, ensuring these ancient institutions continue to empower communities in the modern era.

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