



**Press Release
For Immediate Publication**

PM Modi's call to promote domestic tourism - an opportunity for an improved focus on inbound tourism, attract global investment in building hotels to augment India's foreign exchange earnings: HAI

New Delhi, 19 May 2026: The Hotel Association of India (HAI), the apex body of the Indian hospitality industry, has welcomed Prime Minister Narendra Modi's recent call urging citizens to travel within the country instead of opting for overseas destinations for leisure, conferences, events, and weddings. While the initiative supports the conservation of foreign exchange during uncertain global economic conditions, it also creates a significant long-term opportunity to strengthen India's inbound tourism economy and position the country among the world's most attractive and preferred destination for business travel, tourism and MICE destination.

At a time when geopolitical instability and regional conflicts are influencing global travel patterns, India stands out as a stable, democratic, culturally rich, and high-potential destination. This changing global environment presents a strategic opportunity for India to attract a larger share of international travellers seeking safer, experience-led, and value-driven destinations. With the right policy support, infrastructure expansion, and global positioning, India can substantially increase foreign exchange earnings through tourism.

Mr. K.B. Kachru, President, Hotel Association of India and Chairman – South Asia, Radisson Hotel Group, said, "Inbound tourism will be one of the defining growth engines for India's hospitality sector in the years ahead. As India attracts more international travellers across leisure, business, medical, spiritual, and cultural segments, the sector must respond with scale, quality, and world-class infrastructure. This is not merely about meeting demand; it is about building a globally competitive and sustainable tourism ecosystem."

The anticipated growth in domestic tourism demand will accelerate investment in tourism infrastructure and hospitality assets across the country. This includes the development of mid-market, premium and luxury hotels, resorts, wellness retreats, cruises, spiritual and religious circuits, heritage destinations and convention centres. Over time, supported by a focused

international marketing strategy, these assets can significantly enhance India's appeal to global travellers across leisure, medical, wellness, spiritual, cultural, and MICE segments.

Higher inbound tourism will directly boost foreign exchange inflows through international spending on hotels, food and beverage, transport, retail, entertainment, healthcare, and destination experiences. It will also create a more balanced and resilient hospitality market by strengthening international arrivals alongside robust domestic demand.

He further added, "The current geopolitical environment is creating a unique opportunity for India. As global travellers increasingly look for stable, trusted, and culturally immersive destinations, India is exceptionally well positioned to emerge as a preferred tourism hub. This can significantly enhance foreign exchange earnings while accelerating global investor interest in India's hospitality and tourism infrastructure."

Foreign investment will be critical to accelerating hospitality growth by providing the long-term capital, global expertise, technology, and market access needed to develop hotels, resorts, convention centres, and allied infrastructure.

"Foreign investment in hospitality is a strategic economic lever for India, with benefits extending far beyond the sector itself. Every new hotel project unlocks investment in construction, logistics, talent, technology, and supply chains, while creating durable employment across both urban and rural India," **Mr. Kachru added.**

A focused and sustained push on inbound tourism has the potential to increase India's tourism-related foreign exchange earnings by an additional 25–30 per cent over the coming years. This represents a major strategic economic opportunity for the country. Every international tourist visiting India contributes directly to the nation's foreign exchange reserves, making inbound tourism one of the most sustainable and high-impact sectors for strengthening India's external economic position.

"Beyond foreign exchange, a thriving inbound tourism sector sends a powerful signal to global investors," **Mr. Kachru concluded.**

Investing in infrastructure and easing regulations will be critical to unlocking hospitality growth. Simpler approvals, standardized clearances, predictable timelines, and targeted incentives can accelerate investment in hotels, serviced apartments, and resorts. These measures will reduce barriers, speed project delivery, attract domestic and foreign developers, and expand accommodation capacity to support tourism-led growth.

Hotel Association of India remains committed to working closely with the Government and all stakeholders to unlock the full potential of India's tourism economy and play a significant role in India Vision 2047. The direction is clear, the opportunity is significant, and the alignment across stakeholders is encouraging. What will now determine success is the speed, scale, and precision of execution.

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About Hotel Association of India (HAI)

The Hotel Association of India is a leading industry body representing a wide network of hotels across the country, working towards policy advocacy, industry growth, and capacity building for India's hospitality sector.