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Budget 2026-27 reflects a strong focus on accelerating and sustaining economic growth, with a decisive push on infrastructure- both critical drivers for the tourism sector, where growth is closely linked to these factors. The renewed emphasis on the services sector, coupled with the recognition of tourism's potential to generate employment, boost foreign exchange earnings, and expand local economies, is particularly encouraging.

The Budget's proposals, including the National Institute of Hospitality, aim to strengthen industry-aligned skilling, research, and leadership development. Infrastructure growth in Tier 2-3 cities, the East Coast Tourism Corridor, and importantly focus on medical-value tourism, are expected to boost hotel viability, diversify India's offerings, and enhance global competitiveness. Content-creator labs will further amplify India's tourism story. Industry-specific measures, including the development of new tourist experiences and their enhancement through technology, such as the establishment of the National Destination Digital Knowledge Grid, further signal a forward-looking approach.

Despite the Budget's positive thrust, a long-standing aspiration of the sector, comprehensive infrastructure recognition, remains unmet. Realizing the sector's true potential requires key structural reforms: expanding infrastructure recognition beyond the currently designated destinations to ensure equitable access to capital, placing tourism on the concurrent list to strengthen Centre-state policy coordination, and rationalizing GST to enhance competitiveness. These enablers will amplify the impact of current initiatives and provide a strong foundation for sustainable, long-term growth across the tourism sector.

Given the government's clear commitment to the sector, we look forward to engaging in post-budget discussions on sector specific policies including Marketing India overseas that can translate this intent into tangible outcomes.

HAI remains dedicated to supporting the government's vision of expanding the tourism economy to 10% of GDP by 2047, and ideally, achieving this milestone even sooner.