

**GOVERNMENT OF INDIA
MINISTRY OF TOURISM**

**LOK SABHA
UNSTARRED QUESTION NO.1218
ANSWERED ON 27.07.2026**

INFRASTRUCTURE STATUS FOR HOSPITALITY SECTOR

**1218. SHRI ESWARASAMY K:
SHRI ANURAG SHARMA:**

Will the Minister of TOURISM be pleased to state:

- (a) whether the Government has considered granting full Infrastructure Status to the hospitality and hotel sector to promote tourism, attract investment and generate employment, beyond projects limited to select destinations across the country and if so, the details and present status thereof along with the timelines for its implementation and if not, the reasons therefor;**
- (b) whether granting such a status is expected to help in enhancing Foreign Direct Investment (FDI), improving access to long-term institutional finance at competitive rates to address the current accommodation and hospitality infrastructure constraints and strengthening tourism infrastructure, particularly in Tier-II and Tier-III cities and if so, the details thereof;**
- (c) the details of the “Challenge Mode” initiative announced in Budget 2025-26 to develop 50 top tourist destinations, including the criteria for selection, financial outlays and implementation framework and the destinations selected from Uttar Pradesh;**
- (d) whether the Government proposes to extend similar support to emerging tourism destinations, particularly the Bundelkhand region, including Jhansi, considering its historical, cultural and heritage significance; and**
- (e) the details of the steps taken/being taken to promote sustainable tourism, heritage conservation and private sector participation in such regions?**

ANSWER

THE MINISTER OF TOURISM (SHRI GAJENDRA SINGH SHEKHAWAT)

(a): Yes. The Government granted infrastructure status under the Harmonized Master List to the following hospitality and hotel sector:

- (i) three-star or higher category classified hotels located outside cities with population of more than 1 million are granted infrastructure status by the Government of India.**
- (ii) Ropeways and cable cars**
- (iii) Exhibition-cum-Convention Centre (with minimum built-up floor area* of 100,000 square metres of exclusively exhibition space or convention space or both combined).**

(b): The grant of infrastructure status enables eligible projects to access infrastructure financing, subject to applicable regulatory and lending norms, thereby facilitating the availability of long-term, patient capital for investment in tourism infrastructure facilitating investments in the sector including Foreign Direct Investments.

(c) to (e): The Budget Speech for the year 2025–26 announced that Top 50 tourist destination sites in the country will be developed in partnership with states (including Uttar Pradesh) through a challenge mode. Land for building key infrastructure will have to be provided by states resulting in inclusion of hotels in those destinations in the infrastructure Harmonized Master List.

Development of tourism infrastructure at different destinations and assessing environmental and social impact is primarily done by the concerned State Government/UT Administration. However, Ministry of Tourism under its various schemes including ‘Swadesh Darshan (SD)’, ‘Swadesh Darshan 2.0 (SD2.0)’ and ‘Challenge Based Destination Development – CBDD’ (an initiative under Swadesh Darshan scheme) provides financial assistance for development of tourism infrastructure and experiences in the country including in rural and border areas, on receipt of the project proposals from State Governments/UT Administrations, in synergy with the scheme guidelines, Government directions, availability of funds, inter-se priority etc. Similarly, financial assistance to undertake projects is also provided to State Government/UT Administration under ‘Pilgrimage Rejuvenation and Spiritual Heritage Augmentation Drive (PRASHAD)’ scheme with the idea to integrate development of identified pilgrimage and heritage destinations.

Various aspects of sustainability including environmental sustainability, socio-cultural sustainability and economic sustainability are embedded in the scheme ideation.
