

# UP Tourism and Hospitality: Sustainable Growth and Rural Development

**Uttar Pradesh**, is one of the leading states in terms of tourist inflow and has been consistently ranked among top five states in India, having high tourist footfalls. **UP**, a land of vibrant culture, timeless heritage and spiritual legacy, is making headlines not just for its historic cities like **Varanasi and Agra**, but for a shift in focus that could redefine how tourism shapes the **Economy; Rural tourism**. With a blend of policy innovation, strategic partnerships, and grassroot empowerment, the state is weaving a new narrative where villages are not just destinations, but engines of sustainable development.

## Sector overview:

- Annual Footfall of **318 million in 2022** (18.3% share in India).
- **1st** in terms of destination for domestic tourists in India.
- **5th** highest foreign tourist footfall in India.
- Hotspot for **heritage and cultural** tourism.
- Emerging destination for **eco-tourism**.

## UP: A rising epicentre for the opportunities in tourism and hospitality sector:

- Developed tourism circuits catering to diverse interests, with special attention to historically significant routes and destinations.
- **24 bird sanctuaries, 11 wildlife sanctuaries and 1 National park, 4 tiger reserves.**
- Rich tradition of **Ayurveda** and **wellness practices**.
- **UNESCO World Heritage Monuments**: – 3 Sites - **Taj Mahal, Fatehpur Sikri and Agra Fort**.
- Religious and Cultural sites of international importance such as **Ayodhya, Varanasi, Vrindavan-Mathura & Prayagraj**.
- With the presence of the mighty **Ganges River**, State has presence of adventure tourism activities like **river rafting, kayaking, and trekking**.

## Type of tourists in UP

- **Religious Tourists** - Places include **Varanasi, Ayodhya, Mathura, and Prayagraj**.
- **Historical and Cultural Tourists** – Places include **Agra (Taj Mahal), Lucknow, and Fatehpur Sikri**.
- **Adventure and Nature Enthusiasts** - Adventure and natural destinations like the **Himalayan region in UP and wildlife reserves**.

- **Business Travelers** - Business professionals attending meetings, conferences, and trade events in cities like **Noida, Ghaziabad, and Lucknow**.
- **Shopping Tourists** - **Handicrafts, textiles, and traditional Indian goods** in cities like **Lucknow, Varanasi and Agra**.

### Strategic initiatives and partnerships:

In a significant move toward this vision, the **Uttar Pradesh Tourism Department** recently signed two **Memorandums of Understanding (MoUs)**. The first, with the State Rural Livelihood Mission (**UPSRLM**), aims to develop tourism infrastructure in rural areas while also empowering local communities. This partnership focuses on sustainable livelihoods, training self-help groups, and improving financial inclusion for rural entrepreneurs especially women.

The second MoU, signed with the **Manyawar Kanshiram Institute of Tourism Management**, is all about skill development. From training local guides and homestay owners to teaching social media marketing and content creation, the goal is to equip rural residents with the tools they need to thrive in the tourism economy. These collaborations are more than bureaucratic steps they're a bridge between traditional knowledge and modern opportunity.

### Homestays: Experience Rural India, Authentically

One of the most exciting aspects of this rural tourism push is the development of homestays. The government has identified 93 villages across various districts, including **Ayodhya, Chitrakoot, and Devipatan**, to be transformed into tourism-ready destinations. These aren't luxury resorts they are real homes in real villages, offering travellers a genuine taste of rural life.

Imagine waking up in a mud house surrounded by mustard fields, enjoying home-cooked local cuisine, and learning about age-old crafts from the very people who have preserved them for generations. For tourists, it's a unique cultural experience. For locals, it's a new source of income and pride.

### Eco-Tourism and Sustainability:

**Uttar Pradesh** isn't stopping at rural charm it's also diving deep into **eco-tourism**. With the formation of the **UP Eco-Tourism Development Board**, the state is actively working to promote tourism in and around bird sanctuaries, wetlands, and forest reserves. This not only helps in conserving biodiversity but also creates jobs that depend on preserving, rather than exploiting, natural resources.

**Eco-tourism** initiatives are carefully designed to involve local communities- as **guides, caretakers, and entrepreneurs** -ensuring that environmental sustainability goes hand in hand with economic benefit.

## Support from Government: Key Policy Benefits for Tourism Projects

Build on thematic sectors in Uttar Pradesh incentivizing investment and generating employment

Attract investments with a target of **INR 5,000 Crore** per year

Target to provide employment to approximately **5,00,000 people** per year

Target to impart training to **10,000 tourism** service providers, over the next five years

### Policy highlights:

- **Capital Subsidy @10% to 25%** for hotels, wellness centres', sports resort, new budget hotels, heritage properties and new tented accommodation.
- **Interest Subsidy 5%** for a period of 5 years on a bank loan up to INR 5 crore
- **Stamp Duty @100%** on sale/lease/transfer for the first transaction Skill Development
- **Subsidy @ onetime grant of INR 10,000** for one year will be provided to youth clubs constituted within educational institutions for tourism related activities
- **Excise License Fee @ 50%** exemption to Heritage hotels set up in rural areas

## Conclusion

Tourism in **Uttar Pradesh** is no longer just about monuments; it's becoming a story of people. By connecting visitors with real experiences and giving rural communities a stake in the tourism economy, the state is setting a model for sustainable growth. Investors find a fertile ground with ready infrastructure and government support, while tourists discover a deeper, more meaningful side of India.

Most importantly, for the people of rural **Uttar Pradesh**, this is more than development it's dignity, opportunity, and a chance to share their stories with the world.