

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA
UNSTARRED QUESTION NO. 1764
ANSWERED ON 10TH DECEMBER, 2025**

**PRODUCTION-LINKED-INCENTIVE (PLI) SCHEME FOR TELECOM AND NETWORKING
PRODUCTS**

1764. MS SAYANI GHOSH:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether it is a fact that top networking products contain domestic content only around 5%, despite huge subsidies under the Production-Linked Incentive (PLI) Scheme for Telecom and Networking Products and if so, the details thereof;
- (b) whether it is a fact that most of the approved firms continue to source key components, chips and modules from China and other foreign countries and if so, the reasons behind the lack of local component manufacturing;
- (c) the details of the total number of beneficiary firms under the PLI scheme, total amount of incentive claimed and disbursed since inception and the percentage of firms that have failed to meet their annual production targets;
- (d) whether the Government acknowledges that such low indigenous manufacturing weakens India's supply chain resilience and strategic autonomy in telecom infrastructure and if so, the details thereof; and
- (e) whether there is any plan to revise the PLI framework to incentivise semiconductor and core component manufacturing within the country and if so, the details thereof?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS AND RURAL DEVELOPMENT
(DR. PEMMASANI CHANDRA SEKHAR)**

(a) & (b) The Production Linked Incentive Scheme for Telecom and Networking products was launched in 2021 to boost domestic manufacturing of telecom products in India. The average domestic value addition across various products manufactured under the scheme as reported by companies is about 27.8 percent. Companies procure components based on multiple considerations such as domestic availability, cost competitiveness, quality, and reliability of supply.

(c) Total 42 companies have been given approval under the scheme. As on 31.10.2025 total 23 companies have claimed incentive of Rs. 1977.75 Cr out of which Rs. 1850.47 Cr have been disbursed. Forty-five percent of the approved companies (19 out of 42 companies) have failed to meet their annual production targets for the year 2024-25.

(d) & (e) The PLI scheme for Telecom and Networking Products was launched to strengthen domestic manufacturing. In addition, other initiatives such as the India Semiconductor Mission and the Electronics Component Manufacturing Scheme support the manufacturing of components, semiconductors, and modules. The current PLI scheme is valid until 31.03.2027, and there is presently no proposal to revise the framework to incentivize semiconductor or core component manufacturing under this scheme.
