GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 1879
TO BE ANSWERED ON: 11.02.2026

INITIATIVES TO PROMOTE STARTUPS, RESEARCH AND DEVELOPMENT IN IT SECTOR

1879. DR. ALOK KUMAR SUMAN:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

(a) the present status of the electronics and information technology sector in the country including domestic manufacturing, exports and adoption of digital technologies;
(b) the measures taken to promote domestic production of electronic goods, semiconductors, components and hardware under initiatives such as Atmanirbhar Bharat and PLI schemes;
(c) the steps being implemented by the Government to enhance IT infrastructure, digital governance, cybersecurity and cloud computing services across Government and Private Sectors;
(d) whether any initiatives are being undertaken to promote startups, innovation, research and development and skill development in electronics and Information Technology (IT);
(e) the mechanisms in place to ensure data privacy, protection and security of digital platforms; and
(f) the additional policy, financial and institutional measures proposed by the Government to further strengthen the electronics and IT ecosystem, boost digital inclusion, foster innovation and ensure global competitiveness of the sector nationwide?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI JITIN PRASADA)

(a) to (f): Driven by Hon'ble Prime Minister's vision of Make in India and Atmanirbhar Bharat, India aims to develop complete manufacturing ecosystem for electronics sector. Electronics manufacturing in India has expanded significantly in the last 11 years. It can be seen from the following statistics:

#	2014-15	2024-25	Remarks
Production of electronics goods (Rs.)	~1.9 Lakh Cr	~11.3 Lakh Cr	Increased 6 times
Export of electronics goods (Rs.)	~0.38 Lakh Cr	~3.3 Lakh Cr	Increased 8 times

#	2014-15	2024-25	Remarks
Production of mobile phones (Rs.)	~0.18 Lakh Cr	~5.5 Lakh Cr	Increased 28 times
Export of mobile phones (Rs.)	~0.01 Lakh Cr	~ 2 Lakh Cr	Increased 127 times

This growth has been possible due to various measures taken by the Government in the last 11 years to promote domestic production of electronic goods, semiconductors, components and hardware. These include:

- PLI scheme for Large Scale Electronics Manufacturing
- PLI Scheme for IT Hardware
- Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS)
- Electronics Manufacturing Clusters (EMC and EMC 2.0) Scheme
- Modified Special Incentive Package Scheme (M-SIPS)
- Public Procurement (Preference to Make in India) Order 2017 to prioritize domestically manufactured products in public procurement
- Reforms in taxation including rationalization of tariff structure, exemption on basic custom duty on capital goods, etc.
- Allowing 100% FDI in electronics manufacturing, subject to applicable laws / regulations

To further deepen the component ecosystem, the Electronics Components Manufacturing Scheme **(ECMS)** was launched in April 2025 to enhance Domestic Value Addition (DVA) and integrate Indian industry with Global Value Chains (GVCs).

To build manufacturing capability in Semiconductor, Government has launched **Semicon India Programme**. In less than three years, ten (10) Semiconductor units have been approved with cumulative investment of Rs 1.6 Lakh Crore. These include silicon fab, Silicon Carbide fab, advanced packaging, memory packaging etc.

To strengthen India's semiconductor chip design ecosystem the Government has approved the Design Linked Incentive **(DLI)** Scheme, under the Semicon India Programme. This scheme supports domestic companies in semiconductor design, startups and MSMEs, including IP cores, ASICs, SoCs and related products. The scheme provides a three-tier support framework comprising access to design infrastructure such as EDA tools, IP cores and prototyping facilities; product design incentives and deployment-linked incentives. So far, fiscal support has been approved for 24 chip design projects across sectors such as satellite communication, IoT, power management, medical devices, surveillance, smart meters and edge AI.

Further, to address the semiconductor talent gap, the **Chips to Start-ups (C2S) Programme** focuses on large-scale capacity building and design infrastructure. The programme aims to generate 85,000 industry-ready professionals, of which over 67,000 students have already been

trained. Under C2S, 122 chip designs from 46 institutions have submitted their designs for fabrication at SCL Mohali. Advanced chip design tools and training support have been extended to over 400 organisations, including 300+ academic institutions and 100+ startups, strengthening India's semiconductor design ecosystem.

Union Budget 2026-27 has announced Semicon 2.0 and increased the outlay for ECMS to Rs. 40,000 crores.

The **Indian IT/ ITeS industry** has a leading position globally and has been progressively contributing to the growth of exports and creation of employment opportunities. The Government of India is actively promoting growth of IT sector, especially in smaller cities and towns. Government has set up 68 Software Technology Parks of India (STPI) centres of which 60 centres are located in Tier-2 and Tier-3 cities

This industry has continued to perform its role as the consistent growth driver for the economy. The performance of this sector (Both Exports and Domestic) over the last five years is given below:

(in USD Bn)

	2019-20	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25 (E)**
Exports	**147**	**152**	**178**	**194**	**199.5**	**224.4**
Domestic	**44**	**45**	**49**	**51**	**54.4**	**58.2**
Total Revenue	**191**	**196**	**227**	**245**	**254**	**282.6**
YoY Growth %	*7.90%*	*2.09%*	*15.5%*	*7.9%*	*3.7%*	*11.25%*

(E) = Estimate

To promote the growth of IT/ITeS industry, the Union Budget 2026-27 has announced the following:

- All IT, ITeS and related services are proposed to be clubbed under a single category of Information Technology Services with a common safe harbour margin of 15.5 percent applicable to all.
- The threshold for availing safe harbour for IT services is being enhanced substantially from 300 crore rupees to 2,000 crore rupees
- Fast tracking of Advance Pricing Agreements

To democratize technology and empower citizens, the Government launched the **Digital India programme** in July 2015 to promote digital inclusion and access to public services. Key initiatives towards this include:

- **Unified Payments Interface (UPI):** UPI has revolutionized digital transactions across the country. UPI has empowered millions of individuals and small businesses in rural and remote areas to make fast, secure and low-cost digital payments, significantly advancing financial inclusion. UPI is now live in over eight countries, including the UAE, Singapore,

Bhutan, Nepal, Sri Lanka, France, Mauritius, Qatar making India a global trailblazer in digital payments. UPI is now the world's biggest digital payments system.

  - UPI serves 6.5 crore merchants, and connects 685 banks on one platform, making it the world's largest digital payment system.
  - UPI powers 81% of India's digital payments and nearly 49% of global real-time digital payments.

- **Aadhaar:** Aadhaar is the world's largest digital identity programme that provides biometric and demographic-based unique digital identity. **143+ crore Aadhaar IDs** have been generated so far.
- **DigiLocker:** DigiLocker has provided anytime access to authentic digital documents from original issuer for the common citizen. More than 65.01 crore users are registered with DigiLocker to avail its services and more than 950+ crore documents issued from 2412 issuers onboarded on the platform.
- **UMANG (Unified Mobile Application for New-age Governance)** is a Government of India digital platform that provides single-window access to multiple government services from the Centre, States, and local bodies. Presently, 2,390+ (Central - 872; State - 1518) are being offered through UMANG platform.
- **Common Services Centres –** CSCs are offering government and business services in digital mode enhancing last-mile connectivity in rural areas through Village Level Entrepreneurs (VLEs). Over **800 services** are being delivered through CSCs. As of December, 2025, 5.87 lakh CSCs are functional across the country (in rural and urban areas), out of which 4.57 lakh CSCs are functional at the Gram Panchayat level (rural).

To further **enhance digital governance and infrastructure**, the Government launched the **GI Cloud (MeghRaj)** initiative to provide scalable and secure cloud-based ICT services to Central and State/UT departments. Presently, over 32,000 virtual machines are operational on GI Cloud, with more than 2,188 Government departments hosting their applications. In addition, MeitY has empaneled 26 domestic and international Cloud Service Providers to offer cloud services to Government entities, thereby promoting a robust and competitive cloud ecosystem and supporting the secure digital transformation of public service delivery.

The Government has undertaken a comprehensive set of **measures to strengthen cybersecurity** across Government and private sectors:

- The Indian Computer Emergency Response Team (CERT-In), designated as the national nodal agency leads incident response and coordination.
- The National Cyber Coordination Centre (NCCC) monitors cyberspace for threats and shares real-time intelligence with stakeholders, while the Cyber Swachhta Kendra (CSK) provides citizen-centric services for botnet cleaning, malware removal and cyber hygiene awareness.
- The Ministry of Home Affairs has established the Indian Cybercrime Coordination Centre (I4C) for coordinated action against cybercrimes, and the National Critical Information Infrastructure Protection Centre (NCIIPC) safeguards critical information infrastructure and provides threat intelligence and advisories.
- To **enhance preparedness and resilience**, CERT-In operates an automated cyber threat intelligence exchange platform, conducts regular cyber security mock drills, and has

formulated a Cyber Crisis Management Plan for all Ministries, State Governments and critical sectors.

- CERT-In has issued Comprehensive Cyber Security Audit Policy Guidelines (July 2025) mandating annual audits, empaneled 237 security auditing organisations, and released guidelines for secure application development and updated technical standards for Bills of Materials (BOM) for software, hardware, AI, quantum and cryptography.
- Sector-specific mechanisms such as CSIRT-Fin support the financial sector, while capacity building is strengthened through the ISEA programme, regular professional trainings and nationwide awareness initiatives including National Cyber Security Awareness Month, Safer Internet Day, Swachhta Pakhwada and Cyber Jagrookta Diwas.

To strengthen **the startup ecosystem** in the Electronics and ICT domain, MeitY has undertaken several initiatives to promote technology-driven entrepreneurship. Under the Technology Incubation and Development of Entrepreneurs **(TIDE 2.0) Scheme**, launched in 2019, financial and technical support is being provided through 51 selected incubators located in institutes of higher learning and premier R&D organisations across the country.

Further, MeitY has launched the Gen-Next Support for Innovative Startups **(GENESIS) Scheme** to strengthen the startup ecosystem in Tier-II and Tier-III cities by scaling up around 1,600 technology startups. In addition, MeitY has operationalized several Domain-Specific Centres of Excellence **(CoEs)** and theme-based incubation centres in areas of national priority to promote innovation and self-reliance. These centres provide targeted support to startups in key sectors such as ESDM, FinTech, MedTech, AgriTech, IoT and other emerging technology domains.

Further, the Government is promoting **skill development** in Electronics and Information Technology through institutions such as the National Institute of Electronics & Information Technology (NIELIT), an autonomous body under the MeitY. NIELIT operates 56 own centres, over 700 accredited training partners and more than 9,000 facilitation centres across the country, providing large-scale capacity building, digital skilling and human resource development in the areas of Electronics and ICT.

Policies of the Government aim to ensure an **open, safe, trusted and accountable cyberspace** while supporting India's transition towards a digitally empowered economy. With the rapid adoption of digital technologies such as cloud computing, artificial intelligence, digital public infrastructure, fintech and e-commerce, the Government has established a comprehensive legal framework for data protection through the **Digital Personal Data Protection Act, 2023 and the Digital Personal Data Protection Rules, 2025.**

The framework mandates that personal data be processed only for lawful purposes based on valid consent or specified legitimate uses, and grants enforceable rights to individuals, including the right to withdraw consent, seek erasure of data and access grievance redress mechanisms. Data Fiduciaries are required to implement appropriate technical and organizational safeguards such as encryption, access controls, monitoring and breach notification. Additional obligations apply to Significant Data Fiduciaries, including audits and impact assessments.

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