

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
LOK SABHA  
**UNSTARRED QUESTION NO. 2920**  
TO BE ANSWERED ON 03.08.2016

**PROMOTION OF DIGITAL ECONOMY**

**2920. SHRI RAM KUMAR SHARMA:**

Will the Minister of Electronics and Information Technology be pleased to state: -

- (a) the steps taken by the Government for promotion of digital economy in the country;
- (b) whether the policies with regard to simplifying foreign investments in this sector have been implemented;
- (c) if so, the details thereof ;
- (d) whether the foreign investments in digital economy has negative impact on Indian institutional investment; and
- (e) if so, the details thereof and the reaction of the Government thereto?

**ANSWER**

MINISTER OF STATE FOR MINISTRY OF ELECTRONICS AND  
INFORMATION TECHNOLOGY (SHRI P.P. CHAUDHARY)

(a): Government is taking various initiatives to promote Digital Economy in the country through the Digital India Programme. Digital India is an umbrella programme to prepare India for a knowledge based transformation. It weaves together a large number of ideas and thoughts into a single, comprehensive vision so that each of them is seen as part of a larger goal. Digital India is centred on three vision areas, namely Digital Infrastructure as a Utility for Every Citizen, Governance and Services on Demand and Digital Empowerment of Citizens. Various initiatives have been undertaken under nine pillars of Digital India programme, namely Broadband Highways, Universal Access to Mobile Connectivity, Public Internet Access Programme, e-Governance - Reforming Government through Technology, e-Kranti - Electronic Delivery of Services & Benefits, Information for All, Electronics Manufacturing – Target NET ZERO Imports, IT for Jobs and Early Harvest Programmes. "

(b) and (c): There is no separate FDI policy for Digital India Programme. However, according to Consolidated FDI Policy 2014, 100% FDI is permitted under the automatic route in Electronics and Information Technology sector. As regard Telecom Services (including Telecom Infrastructure Providers) 100% FDI is permitted, with upto 49% under automatic route and beyond 49% through the Government route. Also, as per FDI Policy guidelines dated 29.03.2016, 100% FDI in Business-to-Business e-commerce and 100% FDI in market place model of e-commerce through automatic route is allowed.

(d) and (e): There is no evidence available that investment in digital economy had a negative impact on Indian institutional investment.

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