

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION No. 3256
TO BE ANSWERED ON: 20.03.2026

DATA SOVEREIGNTY AND INDIGENOUS CAPABILITIES IN AI

3256. SHRI SANJAY RAUT:

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

- (a) Whether Government has assessed the geopolitical and national security implications of foreign-owned undersea data cables connecting India with other countries, particularly regarding data sovereignty, surveillance risks and strategic dependence;
- (b) whether existing encryption standards, regulatory safeguards and oversight mechanisms adequately protect India's critical data flows and Artificial Intelligence (AI) infrastructure from external interference or control;
- (c) the steps taken to strengthen indigenous capabilities in AI, high-performance computing and semiconductors to reduce technological dependence;
- (d) India's preparedness in defence AI in comparison with major powers; and
- (e) the diplomatic and multilateral initiatives undertaken to safeguard India's strategic autonomy and leadership in global AI governance.?

ANSWER

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

(a) to (e): The Government is conscious of the strategic, security and technological implications of digital infrastructure. These include cross-border connectivity, data flows, AI infrastructure and critical technology supply chains.

Our approach is to ensure secure and trusted digital infrastructure.

DPDP Act 2023:

The Digital Personal Data Protection Act, 2023 ("DPDP Act"), together with the Digital Personal Data Protection Rules, 2025 ("DPDP Rules"), establishes a comprehensive framework governing the processing of digital personal data.

It recognises the right of individuals to protect their personal data and need to process such personal data for lawful purposes.

The DPDP Act requires personal data to be processed for lawful purposes on the basis of free, specific, informed, unconditional and unambiguous consent. It has to be preceded or accompanied by a notice describing the personal data to be collected and the purpose of its processing.

The DPDP Act also provides individuals with certain rights in relation to their personal data and requires Data Fiduciaries to establish grievance redressal mechanisms in matters concerning the processing of such data.

The framework established under the DPDP Act is technology-agnostic and principle-based. It enables organisations operating digital platforms to adopt safeguards and verification mechanisms appropriate to their services and risk environment.

At the same time, all the organisations have to comply with statutory obligations relating to data protection, transparency, and accountability.

Telecommunications Act, 2023

The Telecommunications Act, 2023 empowers the Central Government to notify standards and conformity assessment measures in respect of:

- I. Telecommunication equipment, telecommunication identifiers and telecommunication network;
- II. Telecommunication services, in consonance with any regulations notified by the Telecom Regulatory Authority of India from time to time;
- III. Manufacture, import, distribution and sale of telecommunication equipment;
- IV. Telecommunication security, including identification, analysis and prevention of intrusion in telecommunication services and telecommunication networks;
- V. Cyber security for telecommunication services and telecommunication networks; and
- VI. Encryption and data processing in telecommunication.

The security framework under the Telecom Act includes the Telecom Cyber Security Rules, 2024. The Rules aim to enhance the security of India's telecommunication networks by establishing protocols for telecom operators to report security incidents and ensure compliance with cybersecurity measures. Key provisions include:

- Mandatory security audits by government-certified agencies; compliance with standards and directions within prescribed timelines
- Lawful interception & temporary suspension: Government is empowered to order interception in prescribed circumstances and issue orders for temporary suspension of telecom services where required for public safety
- Appointment of Chief Telecommunication Security Officer (CTSO) (Indian citizen, resident in India), maintain a formal telecom cybersecurity policy, and run a Security Operations Centre (SOC)

Strengthening AI capabilities in India

India AI Mission was started in line with the Hon'ble Prime Minister vision of democratising access to technology. It is a strategic initiative to establish a robust and inclusive AI ecosystem that aligns with the country's development goals.

To meet the computing needs of AI applications and models, IndiaAI mission provides compute as a Service for Indian researchers, startups and academia for training their AI models.

Around 38,000 GPUs are being provided at a subsidised average rate of ₹65 per hour, which is one-third of the global average cost. The common compute is made available through 14 empanelled service providers/data centres.

IndiaAI Startups Global: International Acceleration Program

The IndiaAI Startups Global programme was launched in March 2025 under the IndiaAI Mission. The programme is implemented in collaboration with Station F, Paris, and HEC Paris. It supports Indian AI startups in accessing global innovation and international markets.

Under the programme, 10 Indian AI startups are being supported for global expansion.

These startups are already developing innovative solutions across sectors such as governance, smart cities, document intelligence, and enterprise automation. Their work highlights the growing maturity of India's AI startup ecosystem and its ability to build practical, deployment-ready solutions.

Further, under the IndiaAI Mission, thirty (30) applications are being developed focusing on India-specific problems. These applications belong to critical sectors notably Agriculture, Health, Climate change and disaster.

Sector-specific hackathons and Innovation challenges have also been organised with the Indian Cybercrime Coordination Centre, the Geological Survey of India, Ministry of Ayush, Ministry of MSME, NFRA and National Cancer Grid (NCG) to further encourage focused AI solution development.

Development of Sovereign Models

Under the IndiaAI mission, Twelve (12) teams have been shortlisted in the phase 1 for development of indigenous foundational AI models/Large Language Models.

Models developed by Sarvam AI, BharatGen, Gnani and Socket were launched during the IndiaAI Impact Summit 2026. These models represent important progress in building India's own AI capabilities tailored to local languages and use-cases.

These sovereign models show strong performance on Indic language benchmarks. In some cases, these perform better than leading frontier models for Indian language tasks.

Strengthening Manufacturing Ecosystem to reduce technological dependence

The Government of India is developing a strong and globally competitive electronics manufacturing ecosystem in the country. The objective is to strengthen domestic manufacturing capabilities and reduce dependence on imports.

The strategy focuses on deepening manufacturing from finished products to sub-assemblies, components, machinery, and tools. This approach aims to increase domestic value addition across the electronics value chain.

To strengthen domestic capabilities in semiconductors, the Government has launched the **Semicon India Programme**. The programme promotes semiconductor and display manufacturing in the country.

To encourage manufacturing of finished electronic goods, several flagship schemes have been launched:

- Production Linked Incentive (PLI) Scheme for Large Scale Electronics Manufacturing (2020)
- Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECs) (2020)
- PLI Scheme for IT Hardware (2023) for domestic production of IT hardware products
- Electronics Manufacturing Clusters (EMC and EMC 2.0) provides plug and play infrastructure with ready land, utilities, and common facilities

As a result of these policies, electronics manufacturing in India has expanded significantly in the last 11 years.

#	2014-15	2024-25	Remarks
Production of electronics goods (in ₹)	~1.9 Lakh crore	~11.3 Lakh crore	Increased 6 times
Export of electronics goods (in ₹)	~0.38 Lakh crore	~3.3 Lakh crore	Increased 8 times
Production of mobile phones (in ₹)	~0.18 Lakh crore	~5.5 Lakh crore	Increased 28 times
Export of mobile phones in (in ₹)	~0.01 Lakh crore	~ 2 Lakh crore	Increased 127 times
Mobile Phone imported (units)	75% of the total demand	0.02% of the total demand	

Smartphones emerged as the top most category in the exported goods in Calendar Year 2025.

#	HS Code	Item	Export value (in \$)
1	85171300	Smartphones	30.13 Billion
2	27101944	Automotive diesel fuel, not containing biodiesel, conforming to standard is 1460	16.34 Billion
3	71023910	Diamond (other than industrial diamond) cut or otherwise worked but not mounted or set	12.47 Billion

(Source: Directorate General of Commercial Intelligence and Statistics)

Bharat actively participates in global discussions at diplomatic and multilateral level. Bharat co-chaired the AI Action Summit in Paris in February 2025. During 16-21 February 2026, it hosted the largest AI Impact Summit, first in the global south.

The Summit witnessed extensive participation, with approximately 6 lakh attendees in person and over 9 lakh cumulative views through virtual mode.

The Prime Minister Shri Narendra Modi presented India's Manav vision for AI at the AI Impact Summit. It presents a roadmap where technological advancement progresses in harmony with societal values: Moral and Ethical Systems, Accountable Governance, National Sovereignty, Accessible and Inclusive AI, and Valid and Legitimate Systems.

The AI Impact Summit concluded with the Summit Declaration, endorsed by 92 countries and international organisations. They collectively affirmed their commitment to trusted, inclusive, democratic, and human-centric AI norms.

India also joined the Pax Silica initiative for cooperation on trusted semiconductor ecosystems, supply-chain resilience and critical technologies.
