

# State bets big on AI, cyber security, data centres

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**LUCKNOW:** The Uttar Pradesh government has announced a sharp increase in the annual allocation for the IT and electronics department, earmarking ₹2,059 crore in the 2026-27 budget, almost 76% higher than last year.

Artificial intelligence (AI) has been given special emphasis, with the state set to launch the Uttar Pradesh AI Mission and a provision of ₹225 crore made for it. In addition, AI labs will be established in 49 Industrial Training Institutes (ITIs) under the IndiaAI Mission. An additional ₹32.82 crore has been allocated for setting up AI centres of excellence and IndiaAI data labs. The government said the objective is to connect youth with emerging technologies and create employment opportunities.



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Cyber security also figures prominently. A new scheme worth ₹95.16 crore has been proposed for establishing a cyber security operations centre, a move seen as significant amid rising cyber threats accompanying digital expansion. The AI Pragma programme has already been launched under chief minister Yogi Adityanath, with global firms such as Microsoft, Google, Intel, IBM and OneMIB partnering with the state to provide AI training.

The state aims to establish eight data centre parks and develop 900MW capacity with

an estimated investment of ₹30,000 crore. Letters of comfort have been issued to eight projects so far, including six data centre parks and two data centre units, together accounting for around ₹21,342 crore in investment and 644MW capacity.

Uttar Pradesh also maintains a strong position in electronics manufacturing with 65% of the country's total mobile phone production concentrated in the state.

Around 55% of India's electronic component manufacturing units are located in Uttar Pradesh, while electronics exports have risen to ₹44,744 crore. The state has also emerged as a leading performer in national startup rankings. Officials said the over 76% increase in funding for the IT and electronics sector is aimed at strengthening the state's digital economy.