

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 2291
TO BE ANSWERED ON: 19.12.2025

IMPORT OF DATA CENTER SERVERS AND HARDWARE

2291. # DR. DINESH SHARMA:

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

- (a) details of the value and quantity of servers imported during last five financial years, year-wise and major source country-wise;
- (b) ratio of domestic production to imports for hardware required for data centers, and manner in which this ratio has changed over the last five years;
- (c) steps further to be taken under current or proposed schemes to promote domestic manufacturing of high-capacity servers and related components;
- (d) whether Government has conducted any assessment of the impact of import dependence on the security of the national digital infrastructure; if so, details thereof; and
- (e) details of proposed special incentives, tariffs, or policy interventions in this regard?

ANSWER

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

(a) to (e): The Government is fully conscious of the security, strategic and economic implications of importing servers and IT hardware. With India's push to democratise AI and expand compute capacity, demand for servers and other data centre related equipments is growing rapidly.

India's approach is to progressively develop the manufacturing supply chain for servers and related equipment & components within the country.

As part of this strategy, the ecosystem in India is expanding rapidly through initiatives such as the Electronics Components Manufacturing Scheme (ECMS), Semicon India Programme, PLI for Large Scale Electronics Manufacturing, PLI for IT Hardware, SPECS, and Electronics Manufacturing Clusters (EMC/ EMC 2.0).

The relevant policies of government of India in this regard are:

PLI Scheme for IT Hardware

The scheme promotes the domestic production of Servers, Laptops, Tablets, All-in-One (AIO) PCs and Ultra Small Form Factor (USFF) devices.

Electronics Components Manufacturing Scheme (ECMS)

ECMS covers optical transceivers and passive components used in servers, routers and networking systems. The Government has received encouraging responses from the industry for manufacturing these.

DoT PLI Scheme for Telecom Equipment

PLI scheme for telecom equipment, incentivising the local production of routers, switches and other networking gear, which form an essential part of data-centre and server infrastructure

Design Linked Incentive (DLI)

Government has launched DLI Scheme to leverage India's strength in chip design. Support has been provided for 24 chips and System on Chips (SoCs) for various products including servers, AI devices, telecom equipment, smart metres, etc.

CERT-In has also issued updated technical guidelines in July 2025 for Bill of Materials (BOM) for software, hardware including servers, Artificial Intelligence, Quantum Computing & Cryptography requirements.

These guidelines are aimed to enhance the security and transparency of supply chains for software, hardware & emerging technologies.

Growth of Electronics Manufacturing in India

As a result of these Government policies and initiatives, electronic production has increased six-fold from ~₹1.9 lakh crore (FY 2014-15) to ~ ₹11.3 lakh crore in FY 2024-25. Exports have also grown eight-fold from ~₹0.38 lakh crore to ~ ₹ 3.3 lakh crore during the same period.

The global and domestic firms are now investing in India. There has been an increase in the capacity and capability of domestic companies to design and manufacture servers, networking devices and equipment that go in the manufacturing of these.

Indian companies are now manufacturing servers for global OEMs as well as domestic brands.
