GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 1756
TO BE ANSWERED ON: 10.12.2025

IMPORT OF DATA CENTRE SERVERS AND HARDWARE

1756. SMT. SMITA UDAY WAGH:
SHRI BALABHADRA MAJHI:

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

(a) the total value and volume of servers imported during each of the last five financial years and the major source countries contributing to these imports;
(b) the proportion of data-centre hardware requirements currently being met through domestic manufacturing vis-à-vis imports and the manner in which this import–domestic production ratio has changed during the last five years;
(c) the measures undertaken or proposed by the Government to promote indigenous manufacturing of high-capacity servers, storage systems and related components for data-centre applications under existing schemes or new initiatives;
(d) whether the Government has carried out any assessment of the security, strategic and economic implications arising from the country's dependence on imported server hardware for its digital infrastructure; and
(e) if so, the key findings thereof along with the details of any special incentives, tariff changes or policy interventions proposed to strengthen domestic capabilities and reduce critical import dependence?

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 data centres has grown rapidly under a favourable policy regime.

To strengthen India's Electronics System Design and Manufacturing (ESDM) ecosystem, the Government has launched multiple initiatives such as ECMS, Semicon India Programme, PLI for Large-Scale Electronics, PLI for IT Hardware, SPECS and EMC/EMC 2.0

Data-centre infrastructure includes critical components such as servers, networking devices, storage and cooling systems. The relevant polices 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 response 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

To further strengthen the supply-chain security and transparency, CERT-In issued technical BOM guidelines in July 2025 for software, hardware, AI, quantum and cryptography components.

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

As a result, 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 equipments that go in the manufacturing these. Indian companies are now manufacturing servers for global OEMs as well as domestic brands.

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