



The Indian ICT Products Distribution Market

19th September 2026

CONTENTS

1. Global and Indian Macroeconomic Review	3
1.1. Global Economy.....	3
1.2. Regional Economic Trends	5
1.3. India Macroeconomic Trends.....	7
1.4. Global and Indian Trends in Information and Communication Technology (ICT), and Digitalization Impacting Economic Growth	9
2. Growth Drivers for the India ICT Product Market	12
3. Information and Communication Technology (ICT) Industry Overview.....	14
3.1. Market Overview.....	14
3.2. Factors Driving ICT Market	16
3.3. Other Important Transformation Trends	18
3.4. Government Initiatives in the IT Sector	21
3.5. Trends in Key Growth Segments	25
3.6. Growth of Data Centers in India.....	29
3.7. Analyzing the ICT Product Distribution Market Ecosystem.....	30
4. Overview and Market Size of the Indian ICT Market.....	35
4.1. ICT Product Market Overview	35
4.2. ICT Product Market Size and Forecast.....	36
5. OEM and Distribution Analysis	66
5.1. Role of Distributors	66
5.2. Growing Strategic Importance of Distributors in India	69
6. ICT Market Drivers and Challenges.....	73
6.1. Overview.....	73
6.2. ICT Distribution market: Strengths, Drivers, Challenges and Opportunities.....	74
7. Company Overview.....	81
7.1. About Iris Global Services Ltd (“Iris”)	81

7.2. Awards and Recognition.....	85
8. Peer group analysis.....	87
8.1 Financial KPIs and Operational KPIs comparison of Iris Global Services Limited with listed Indian peer group companies.....	87
9. Threats and Challenges for Iris Global.....	90
9.1. Threats for Iris Global.....	90
9.2. Challenges for Iris Global.....	91

1. Global and Indian Macroeconomic Review

1.1. Global Economy

The global economy, already navigating headwinds from elevated trade barriers and uncertainty over the past year, now confronts a major setback from the Middle East war that broke out at the end of February 2026. Positive forces had previously cushioned these challenges: robust investments in technology sectors, accommodative financial conditions bolstered by a weaker US dollar, and expansive fiscal and monetary policy support. However, the conflict introduces powerful countervailing pressures via disruptions to commodity markets, heightened inflation expectations, and tightening financial conditions. Real-time forecasting proves challenging amid such volatility, prompting the World Economic Outlook (WEO) to adopt a "reference forecast" rather than a traditional baseline. This scenario assumes the war remains constrained in duration, intensity, and geographic scope, with associated disruptions dissipating by mid-2026, in line with commodity futures prices recorded on March 10. Under this outlook, global growth is projected at 3.0% for 2026 (a 0.1 percentage point downward revision from the April 2026 WEO) and 3.4% for 2027. These figures mark a slowdown from the approximately 3.5% pace seen in 2024–25 and lag the historical 2000–19 average of 3.7%, with growth expected to stabilize at this lower rate in the medium term. Global headline inflation sees upward adjustments to 4.7% in 2026 before declining to 3.9% in 2027. Notably, pre-conflict projections would have shown a slight upward tweak for 2026 growth to 3.4% (up 0.1 percentage points from January), driven by carryover from strong recent data and moderated tariff rates, meaning the net downward shift largely traces to the war's commodity and inflationary ripple effects.

Exhibit 1: Overview of the World Economic Outlook Projections, 2019 - 2027
(Percent change, unless noted otherwise)

	2019	2020	2021	2022	2023	2024	2025	2026*	2027*
World Output	2.8	-3.1	6.0	3.5	3.3	3.5	3.5	3.0	3.4
Advanced Economies	1.7	-4.5	5.2	2.6	1.7	1.9	1.9	1.7	1.8
United States	2.2	-3.4	5.7	2.1	2.9	2.8	2.1	2.3	2.2
Euro Area	1.3	-6.3	5.2	3.3	0.4	1.0	1.4	0.9	1.2
Germany	0.6	-4.6	2.6	1.8	-0.3	-0.5	0.2	0.7	1.0
France	1.5	-8.0	6.8	2.5	1.1	1.4	0.9	0.6	0.9
Italy	0.3	-8.9	6.7	3.7	0.7	0.8	0.5	0.5	0.5
Spain	2.0	-10.8	5.1	5.8	2.7	3.5	2.8	2.1	1.8

Japan	0.7	-4.6	1.7	1.0	1.7	-0.2	1.1	0.6	0.7
United Kingdom	1.5	-9.8	7.4	4.1	0.3	1.0	1.4	1.0	1.3
Canada	1.7	-5.3	4.5	3.4	1.2	2.0	1.9	1.1	1.7
Other Advanced Economies^a	1.7	-1.9	5.3	2.6	1.8	2.5	3.0	2.8	2.3
Emerging Market and Developing Economies	3.7	-2.1	6.6	4.1	4.4	4.5	4.5	3.8	4.5
Emerging and Developing Asia	5.5	-0.8	7.2	4.5	5.7	5.5	5.6	5.0	4.8
China	6.1	2.3	8.1	3.0	5.2	5.0	5.0	4.6	4.1
India^b	4.2	-7.3	8.7	7.2	8.2	7.1	7.7	6.4	6.7
Emerging and Developing Europe	2.1	-2.0	6.8	0.8	3.3	3.8	2.0	1.9	2.1
Russia	1.3	-3.0	4.7	-2.1	3.6	4.9	1.0	1.1	1.1
Latin America and the Caribbean	0.0	-7.0	6.9	4.1	2.2	2.4	2.4	2.4	2.7
Brazil	1.1	-4.1	4.6	2.9	2.9	3.4	2.3	2.4	2.2
Mexico	-0.3	-8.3	4.8	3.9	3.2	1.5	0.5	1.2	1.9
Middle East and Central Asia	1.4	-2.8	4.5	5.6	2.1	3.1	3.7	0.7	6.5
Saudi Arabia	0.3	-4.1	3.2	8.7	-0.8	2.6	4.6	1.7	5.5
Sub Saharan Africa	3.2	-1.7	4.7	4.0	3.6	4.2	4.5	4.3	4.5
Nigeria	2.2	-1.8	3.6	3.3	2.9	4.1	4.0	4.1	4.3
South Africa	0.2	-6.4	4.9	1.9	0.7	0.5	1.1	1.1	1.3
Memorandum									

Emerging Market and Middle Income Economies ^c		-2.3	6.8	4.0	4.4	4.5	4.4	3.7	4.4
Low-Income Developing Countries	5.3	0.1	4.1	5.2	4.1	4.3	4.8	4.8	4.9

Source: World Economic Outlook Update, IMF, October 2020, October 2021, October 2022, October 2023, October 2024, October 2025, July 2026

Note:

*Projected

a. Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries

b. For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year. India's growth projections are 7.3 percent in 2025 and 6.4 percent in 2026 based on a calendar year

c. Vietnam is removed from the Low-Income Developing Countries group and added to the Emerging Market and Middle-Income Economies group. The reported differences from January 2024 and October 2023 are for Low-Income Developing Countries excluding Vietnam and Emerging Market and Middle-Income Economies including Vietnam

1.2. Regional Economic Trends

The forecasted global GDP growth varies by region and country. Emerging and developing countries are likely to outperform GDP growth in advanced countries. The following are a few key GDP growth trends across regions:

Advanced Economies:

According to the July 2026 IMF World Economic Outlook (WEO) Update, advanced economies—encompassing major players such as the United States, Euro area, Japan, United Kingdom, Canada, and others—are projected to register a subdued real GDP growth of 1.7% in 2026, accelerating marginally to 1.8% in 2027, broadly unchanged from prior estimates but tempered by the ripple effects of the Middle East conflict, which shaves approximately 0.1 percentage points off the 2026 trajectory. This modest expansion, lagging the global average of 3.0% for 2026, underscores persistent headwinds from elevated trade barriers, geopolitical uncertainty, and modestly higher energy prices impacting net energy-importing nations like those in Europe and Japan disproportionately, even as countervailing forces such as robust technology investments (notably in AI), accommodative monetary policies, and fiscal support provide some buoyancy. Within the group, divergence is evident: the United States leads at around 2.3% in 2026 (2.2% in 2027), buoyed by domestic demand and innovation, while the Euro area averages a tepid 0.9% in 2026, rising to 1.2% in 2027, amid structural constraints and energy vulnerabilities, and Japan contends with demographic pressures. Downside risks loom large, including potential conflict escalation, trade fragmentation, and fiscal strains from heightened defense spending, potentially amplifying slowdowns; yet, upside opportunities from accelerated AI-driven productivity gains and resolved tensions could lift outcomes, necessitating vigilant policymaking focused on inflation control (global headline at 4.7%), debt sustainability, and structural reforms to bolster resilience in this pivotal economic bloc.

Emerging and Developing Economies:

In the same WEO report, real GDP growth for emerging markets and developing economies (EMDEs) is expected to be at 3.8% in 2026, rising to 4.5%, a 0.1 percentage point downward and 0.3 percentage point upward adjustment respectively from the April 2026 WEO owing to heightened strains from the

Middle East conflict. Outstripping advanced economies' 1.7% pace, this path nonetheless highlights pronounced fragilities in commodity-importing EMDEs, exacerbated by surging energy and food costs alongside currency weakening, which threaten to dampen expansion. Notable regional variations persist: emerging Asia eases to 5.0% in 2026 (down from 5.6% in 2025), propped up by China's upgraded 4.6% growth fueled by policy stimulus and milder U.S. tariffs, coupled with India's strong performance, whereas Latin America and areas near conflict zones suffer steeper cuts due to commerce interruptions and budgetary pressures. Positive factors including sturdy local consumption, capital spending on infrastructure, and steadying commodity markets provide some counterbalance; however, prevailing threats like geopolitical flare-ups, trade barriers, and inflation spillovers (with worldwide headline inflation climbing to 4.7%) emphasize the imperative for nimble interest rate hikes, robust fiscal reserves, and reforms to capitalize on population advantages and tech-driven opportunities within this vital economic powerhouse.

Global GDP has been rising and is expected to have reached USD 118.18 trillion by the end of 2025 and is forecasted to reach USD 151.39 trillion by 2030 based on IMF WEO database.

**Exhibit 2: GDP of Select Countries at Current Prices, Advanced and Emerging Economies
2010 – 2031, in USD Bn.**

	2010	2020	2023	2024	2025	2026*	2027*	2030*	2031*
USA	15,048.98	21,375.28	27,811.50	29,298.03	30,767.08	32,383.92	33,790.04	37,677.88	39,031.26
Canada	1,617.35	1,655.69	2,196.59	2,270.08	2,319.90	2,507.34	2,640.39	3,008.11	3,139.43
Germany	3,469.93	3,938.24	4,563.52	4,684.18	5,048.06	5,452.86	5,642.16	6,178.30	6,351.96
France	2,648.39	2,645.81	3,061.10	3,161.04	3,368.93	3,596.09	3,672.07	4,004.12	4,116.87
UK	2,499.19	2,725.95	3,422.07	3,695.36	4,003.02	4,264.79	4,466.08	5,148.43	5,403.16
Japan	5,811.58	5,189.20	4,384.85	4,190.01	4,435.16	4,379.25	4,561.62	5,002.18	5,128.33
China	6,138.88	15,110.19	18,366.94	18,945.11	19,626.25	20,851.59	21,928.98	26,046.79	27,496.67
India	1,675.62	2,611.95	3,500.91	3,760.81	3,916.31	4,153.19	4,579.08	6,173.39	6,792.43
Russia	1,633.11	1,488.12	2,034.68	2,185.85	2,587.94	2,656.45	2,533.43	2,591.51	2,615.03
Brazil	2,208.70	1,476.09	2,191.14	2,185.82	2,279.92	2,635.91	2,766.56	3,203.51	3,378.88
Mexico	1,105.42	1,121.07	1,794.41	1,830.49	1,832.64	2,120.86	2,222.00	2,548.63	2,667.22
Saudi Arabia	528.21	767.30	1,218.59	1,254.14	1,276.94	1,388.68	1,432.35	1,649.51	1,730.08

*Projected

Source: As per the latest GDP data from the IMF (accessed on 16th September 2026)

1.3. India Macroeconomic Trends

Exhibit 3: India Macroeconomic Indicators, 2010 – 2031

	2010	2020	2023	2024	2025	2026*	2027*	2030*	2031*
GDP (USD Bn.) (at current prices)	1,675.62	2,611.95	3,500.91	3,760.81	3,916.31	4,153.19	4,579.08	6,173.38	6,792.43
GDP Per Capita (USD) (at current prices)	1,347.51	1,862.20	2,434.45	2,591.99	2,675.32	2,812.62	3,074.94	4,047.75	4,420.60
Unemployment Rate (%)	NA	8.66	4.94	4.94	4.94	4.94	4.94	4.94	4.94
Population (Mn.)	1,243.48	1,402.61	1,438.07	1,450.94	1,463.87	1,476.63	1,489.17	1,525.14	1,536.54

*Projected

Source: [https://data.imf.org/en/Data-Explorer?datasetUrn=IMF.RES:WEO\(9.0.0\)](https://data.imf.org/en/Data-Explorer?datasetUrn=IMF.RES:WEO(9.0.0))

Data assessed on 16th September 2026

GDP

As per the IMF WEO Update July 2026, India's real GDP is likely to have grown by 7.7% in 2025 and is expected to grow at 6.4% in 2026 and 6.7% in 2027. India is one of the fastest-growing large economies, poised to become the third-largest economy by 2030 after the US and China. India's robust domestic consumption, rising public and private investment, political stability, rising domestic manufacturing capabilities, and growing goods and services export is fueling India's GDP growth. India's growth comes during global economic and geopolitical uncertainties, showcasing India's resilient domestic fundamentals, driven by easing inflation, rapid infrastructure development, and increased rural and urban consumption.

Although India's GDP is projected to grow rapidly, challenges exist that need to be countered to maintain the growth momentum. Income inequality, low workforce productivity, and relatively lower employability of youth entering the job market are some areas that require attention. Concerns about jobless growth highlight the critical question about the structure of the economy, the nation's economic reforms, and the impact on the labor market.

Another point that needs to be taken into consideration is India's relatively low GDP per capita. The growth in GDP per capita indicates improved living standards, economic prosperity, and reduced poverty. According to the World Bank, the proportion of India's population living below the international poverty line declined significantly from 22.5% in 2011 to around 10.2% in 2019, reflecting improvements in income levels and living standards. Although the GDP per capita has risen from USD 1,347.51 in 2010 to USD 2,675.32 in 2025, with a further projected rise of USD 4,047.75 by 2030 and USD 4,420.60 by 2031, the number is considered low when compared to the developed

nations. It is important that India focuses on resolving its issues of equitable income distribution and economic inclusion across the population to increase the GDP per capita.

Unemployment

India's growth is also evident in its declining unemployment rate. The unemployment rate in 2025 was 4.94% in 2025 and expected to hover around that range till 2031. Skill mismatches, limited job opportunities, and social constraints are some of the factors affecting the labor market in the country. These barriers are especially relevant for youth and women in the nation. Urban and rural areas have their own set of distinct challenges contributing to under-employment. Seasonal fluctuations affect the agriculture industry, which is the core industry of the rural economy in India, causing disguised employment scenarios. Similarly, global trends and policy shifts affect manufacturing and services industries, affecting employment in the urban centers.

The Government of India is tackling the issue of unemployment through schemes like Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) for rural employment, the National Career Service (NCS) project for job matching, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) for enhancing youth employability, and the National Apprenticeship Promotion Scheme (NAPS) for on-the-job training. The government has also introduced the Viksit Bharat guarantee for Rozgar and Aajeevika Mission (Gramin) Act, 2025, which aims to replace MGNREGA and expand the employment guarantee to 125 days of work per rural household annually

Population

In 2023, India officially became the most populous country in the world by surpassing China. According to the World Bank and the United Nations World Population Prospects, India has a relatively large young population, with most of the population belonging to the working-age-group (15-64 years), providing a potential demographic dividend for economic growth. The young population gives the nation an edge in higher productivity, consumption, and savings, which are critical for sustained economic growth. An important issue that needs to be taken into consideration is the employability of the workforce. A large yet unskilled workforce would not be beneficial to the growth of the Indian economy. But controlled and employable population growth would eventually help improve per capita income and living standards of the people. According to United Nations World Population Prospects and the National Family Health Survey, India's fertility rate has declined below the replacement level of 2.1 children per woman¹ in the last few years and hence it is important for the country to leverage and make the most out of the current demographic situation. If rightly channelized, India's population dynamics can serve as a powerful engine for economic expansion and global competitiveness in the decades ahead.

¹ Update on Family Planning & Population Control in the country, Ministry of Health and Family Welfare, December 2024, <https://www.mohfw.gov.in/?q=en/press-info/8079>

1.4. Global and Indian Trends in Information and Communication Technology (ICT), and Digitalization Impacting Economic Growth

Information and Communication Technology (“ICT”) is made up of both hardware and software solutions, working in tandem to achieve economic growth. The synergy between hardware and software is necessary for enterprises to achieve efficiency and productivity. IT hardware enables sophisticated software to operate smoothly helping businesses maintain proper function. Global trends like AI-ML, 5G, and spatial computing have increased the demand for IT hardware solutions like laptops and servers, while the increasing cloud computing has increased the available and important data, boosting the necessity of advanced storage solutions.

Following are the key trends in the ICT industry impacting the growth of the economy:

Integration of Artificial Intelligence (AI) and Machine Learning (ML) in ICT industry

The ICT industry is undergoing rapid change due to the increasing integration of artificial intelligence and machine learning. An increasing number of companies are utilizing AI and ML in one or more business functions to optimize their business strategy and operational efficiency. The trend is prominent in customer service, cybersecurity, financial services, and manufacturing sectors. As per the Government of Canada, in the Q2 2025, 12.2%² of the businesses in the country used AI to produce goods and services, which showcases a 6.1% increase since Q2 2024. As per the NASSCOM Report³, the Indian AI market is expected to grow at a 25-35% CAGR through 2027, with 80% of Indian businesses considering AI as a core strategic priority.

In India, the adoption of AI and ML is also accelerating, supported by government initiatives such as the National AI Strategy and Digital India program, along with increasing investments by enterprises in automation, analytics, and intelligent business solutions.

The COVID-19 pandemic further supported this shift toward digital adoption. The move to remote and hybrid work pushed enterprises to invest in cloud, collaboration, and automation tools to keep operations running, and this shift in working models has continued to support technology adoption well beyond the pandemic.

The companies are using AI and ML to increase productivity, to enhance customer satisfaction, and to assist innovation. Organizations are focusing on developing collaborative and autonomous AI ecosystems to drive AI integration, enhance efficiency, and increase the return on investments. Agentic AI, where artificial intelligence systems manage business functions with minimal human intervention, is quickly gaining traction in the industry, albeit in its early stages. This is likely to have a significant impact on industries such as customer service, supply chain management, autonomous transportation, autonomous manufacturing lines, and finance.

² Analysis on artificial intelligence use by businesses in Canada, second quarter of 2025, Statistics Canada, June 2025, <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2025008-eng.htm>

³ AI Powered Tech Services: A Roadmap for Future Ready Firms, NASSCOM, 2024, <https://nasscom.in/knowledge-center/publications/ai-powered-tech-services-roadmap-future-ready-firms>

The increasing use of AI comes with additional legal obligation and ethical responsibility. Along with AI tools, organizations also need to invest in AI governance platforms to monitor the performance of AI systems. These platforms help to develop policies to ensure responsible use of AI, improve transparency and accountability, and help with AI integration

Expansion of High-speed Connectivity (5G and beyond)

High-speed connectivity, enabled by 5G, Fiber Optics, Lower Earth Orbit (LEO) satellites, and upcoming technologies, is transforming the global digital infrastructure and enabling better services like smart factories in the manufacturing industry and remote patient care in the healthcare industry. A growing number of telecom operators globally are offering 5G services, indicating an increasing focus on digital services. 5G services offer lower latency, higher speed, and greater bandwidth than 4G. By 2030, over half of the mobile connections are expected to be on the 5G network. The 5G rollout is not limited to developed economies but is quickly gaining momentum in emerging economies such as India, Brazil, Nepal, and Nigeria.

In India, telecom operators have accelerated 5G deployment, with 0.523 million 5G Base Transceiver Stations (BTSs) installed across the country⁴ deployed across the country as on March 2026. The Department of Telecommunications (DoT) has undertaken several initiatives aimed at accelerating the adoption of 5G use cases while fostering the development of an indigenous 5G ecosystem in India. These efforts focus on enabling industry-led innovation, strengthening domestic technology capabilities, and supporting the deployment of next-generation connectivity across key sectors.

Going forward, 5G technology is expected to support and optimize the internet of things (“**IIOT**”) solutions like smart vehicles, extended reality technology, and multi-device transmissions, which are useful in emergency response situations such as natural disasters, public safety incidents and disaster management operations. There is an increasing focus on 5G Non-Terrestrial Networks (NTNs) and LEO satellites to enable ubiquitous coverage, reduce latency, and provide 5G services to a greater number of people.

Other technologies like fiber optics also complement and, in some cases, surpass 5G in providing high-speed connectivity. Fiber to the Home (FTTH) broadband technology has a higher upfront cost than 5G but provides lower latency and gives better performance during activities like gaming and 4K streaming, which require higher bandwidth. It also provides better security due to wired connections, reducing the risk of data interception.

Data and Cybersecurity

In the modern digital era, technology is becoming a crucial part of our daily life, making cybersecurity more critical. Individuals and organizations need to have a robust cybersecurity and data protection plan to prevent data leaks, the spread of disinformation, and loss of privacy.

⁴ Status of 5G Rollout, PIB, Mar 2026,
<https://telecom.economictimes.indiatimes.com/news/policy/3-03-lakh-5g-base-stations-fiberised-till-june-end-mos-communications/112195852>

As per the IMF's Global Financial Stability Report (Oct 2025)⁵, there are rising vulnerabilities in the global financial system. The report notes that over 40% of global banking assets are now linked to non-bank financial institutions (NBFIs), reflecting the growing interconnectedness between banks and less-regulated financial entities. Greater interconnectedness between banks, fintech firms, and market infrastructures expands the attack surface for cyber threats and raises the risk that a cyber incident in one institution could propagate through the broader financial system.

The growth of quantum computing (QC) has given rise to new QC decryption risks. Post-quantum cryptography (PQC) is emerging as an efficient tool to counter this new threat. PQC algorithms are designed to counter threats from classical as well as quantum computers. PQC algorithms cannot directly replace current algorithms, which might force organizations to rewrite and test algorithms for current applications, causing a financial burden.

In India, cybersecurity adoption is gaining importance with the rapid digitalization of services and the implementation of regulatory frameworks such as the Digital Personal Data Protection Act and CERT-In cybersecurity guidelines.

It is also important for a company to protect itself from disinformation, which may lead to identity scams and damage brand reputation. To address this growing risk, disinformation security focuses on tackling the issue through continuous risk assessment and contextual awareness. Such technologies deploy adaptive trust models to validate identities and identify harmful narratives. Artificial intelligence is increasingly being adopted as an advanced detection system to flag disinformation and authenticate identities. As a result, digital risk mitigation has evolved from an optional investment avenue into a critical requirement for businesses looking to grow in the digital era.

⁵ Global Financial Stability Report, IMF, Oct 2025, <https://www.imf.org/en/blogs/articles/2024/04/09/rising-cyber-threats-pose-serious-concerns-for-financial-stability>

2. Growth Drivers for the India ICT Product Market

The Indian ICT market is currently moving through a phase of strong growth. Listed and explained below are some of the most important growth drivers to the Indian ICT product market.

- **Government initiatives supporting electronics and IT hardware manufacturing**
 - The Government of India has introduced several policy initiatives to strengthen the domestic electronics and IT hardware manufacturing ecosystem
 - Programs such as the Production Linked Incentive (PLI) Scheme for IT Hardware, Electronics Manufacturing Clusters (EMC 2.0), and the Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) aim to encourage domestic production, attract global technology manufacturers, and reduce import dependence in electronics and ICT hardware.
 - The PLI Scheme 2.0 for IT Hardware, approved by the Government of India in 2023 with an outlay of ₹ 170,000 million⁶, incentivizes manufacturing of laptops, tablets, servers, and all-in-one PCs in India. The scheme is expected to generate ₹3,350 billion in production and create approximately 75,000 direct jobs, strengthening India's electronics manufacturing ecosystem. Building on the Production Linked Incentive (PLI) Scheme 2.0 for IT Hardware introduced in 2023, the Government of India approved a PLI scheme in March 2025⁷ for non-semiconductor electronics components with an outlay of ₹229,190 million. The initiative aims to strengthen domestic manufacturing of key components such as display modules, camera modules, multi-layer printed circuit boards (PCBs), and passive components that form critical inputs for devices including laptops, servers, tablets, and other IT hardware.
- **Expansion of electronics manufacturing ecosystem in India**
 - India is increasingly positioning itself as a global hub for electronics and IT hardware manufacturing and Government initiatives such as Electronics Manufacturing Clusters (EMC 2.0) aim to develop dedicated infrastructure and industrial ecosystems for electronics production
 - These clusters are designed to attract large investments and promote the establishment of manufacturing units for electronics components, semiconductors, and IT hardware devices. For instance, projects under EMC 2.0 are expected to attract significant investments and generate thousands of employment opportunities in the electronics manufacturing sector.
- **Increasing adoption of emerging technologies such as AI, cloud computing, and IoT**
 - The growing adoption of AI, ML, cloud computing, and Internet of Things technologies is driving demand for high-performance computing infrastructure, servers, and advanced storage solutions. Further, the increasing adoption of digital technologies, automation and

⁶ Government of India, PIB, May 2023,
<https://www.pib.gov.in/Pressreleaseshare.aspx?PRID=1924766&reg=3&lang=2>

⁷ Government of India, PIB, Mar 2025,
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2116172&reg=3&lang=2>

- data-driven business processes is driving demand for solutions that support enterprise modernisation, operational efficiency and business transformation across industries.
- To support the development of AI capabilities, the Government of India approved the IndiaAI Mission, which focuses on building large-scale computing infrastructure, datasets platforms, innovation centers, and AI research ecosystems.
 - The initiative aims to strengthen India's AI capabilities and promote domestic development of advanced digital technologies.
 - Growing internet penetration, increasing digital literacy, wider availability of smart devices, increasing reliance by enterprises on data-driven decision-making and the volume of data generated and utilised by technologies such as AI, ML, 5G and IoT are expected to support increasing demand for storage devices in India
- **Strengthening of semiconductor and electronics supply chains**
 - India is actively investing in building a domestic semiconductor and electronics ecosystem to reduce reliance on global supply chains.
 - Through initiatives such as the India Semiconductor Mission, the government aims to support semiconductor fabrication, packaging, and design capabilities in the country.
 - The mission seeks to develop a comprehensive semiconductor ecosystem with investments aimed at establishing fabrication plants, assembly and testing units, and design capabilities in India.
 - **National policy initiatives promoting electronics and digital infrastructure**
 - India's National Policy on Electronics aims to strengthen the country's position in the global electronics manufacturing industry by promoting electronics system design and manufacturing.
 - The policy focuses on increasing domestic value addition, boosting exports, and developing a robust electronics ecosystem
 - These initiatives, combined with broader programs such as Digital India, are expected to accelerate digital adoption across government, businesses, and consumers, thereby increasing demand for IT infrastructure, computing devices, and enterprise technology solutions

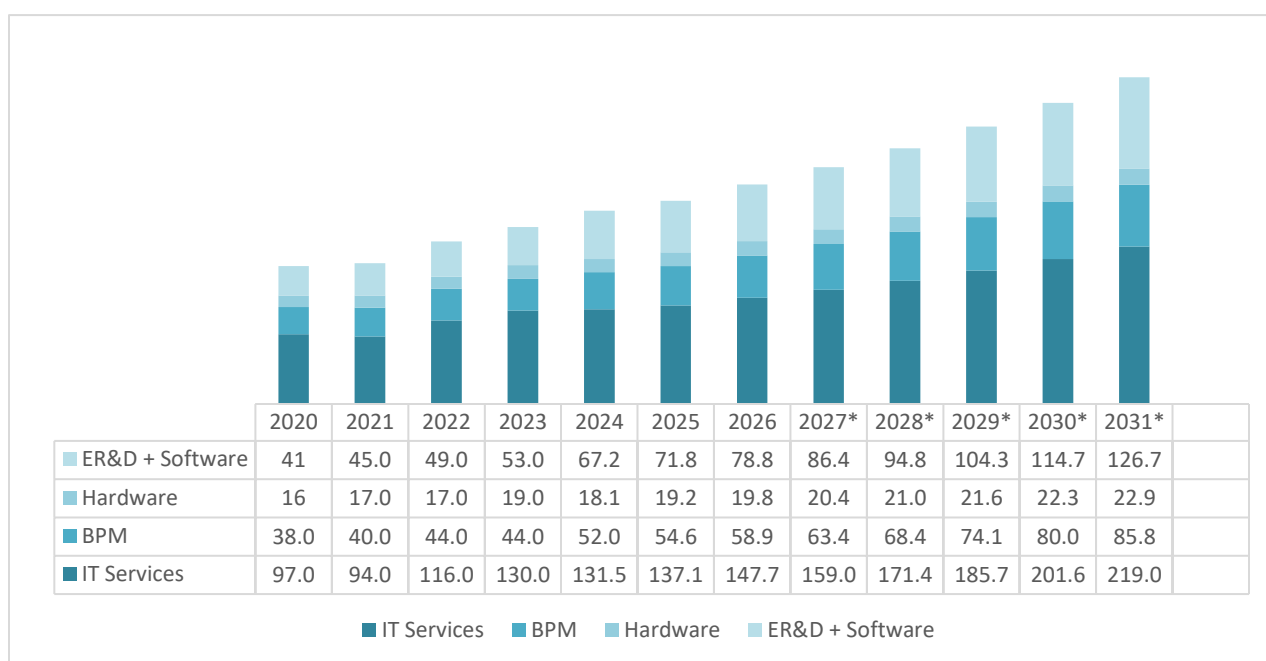
3. Information and Communication Technology (ICT) Industry Overview

3.1. Market Overview

In recent years, there has been a significant change in the digital landscape of India, underpinned by technological advancements, improving connectivity, and government initiatives. Increasing internet affordability, improvements in IT infrastructure, rising data consumption and growing adoption of digital technologies, particularly in Tier II and smaller cities, are expected to support demand for ICT products in India. The Digital India initiative has remained as the backbone of the country's changing scenario with initiatives like Make in India promoting the development of world-class infrastructure including Electronic Manufacturing Clusters (EMCs). According to Niti Aayog, the electronics manufacturing industry in India is expected to reach USD 500 billion by FY 2030⁸.

The spending can be categorized into 4 segments: IT Services, Business Process Management (BPM), Hardware, 'ER&D + Software'. In 2026, spending on IT Services accounted for nearly 48.4%, making it the largest expenditure category.

Exhibit 4: IT Market Size in India, 2020-2031*, USD Billion



*The chart indicates IT market size in India from 2020 to 2026, with projections till 2031

Source: Frost & Sullivan

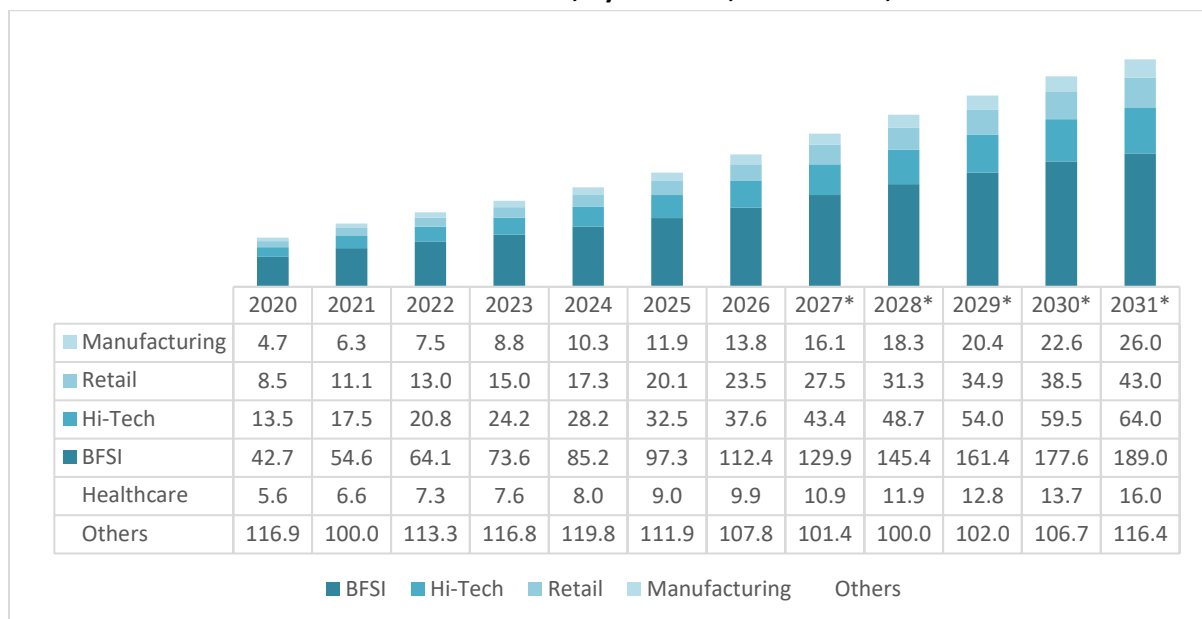
India's technology market is projected to expand from USD 192 billion in 2020 to USD 454 billion by 2031, reflecting a healthy CAGR of 8.3%. Growth is increasingly being driven by high-value technology segments, with ER&D and Software emerging as the fastest-growing category at 10.0% CAGR. IT

⁸ Electronics: Powering India's Participation in Global Value Chains, Niti Ayog,
https://www.niti.gov.in/sites/default/files/2024-07/GVC%20Report_Updated_Final_11zon.pdf

Services continues to demonstrate strong momentum at 8.2% CAGR, while BPM maintains steady growth at 7.8%. In contrast, Hardware records a relatively modest 3.0% CAGR, highlighting the market's gradual transition away from infrastructure-led spending toward software, digital engineering, and innovation-driven investments.

From a market dynamics perspective, annual growth remains resilient in the high single digits, supported by ongoing enterprise digitalization, cloud adoption, AI deployment and engineering-led transformation initiatives. The 2026 market and projections point to a fundamentally strong and evolving market, with future growth across segments.

Exhibit 5: IT Market Size in India, by Verticals, 2020-2031*, USD Billion



*The chart indicates IT market size in India from 2020 to 2026, with projections till 2031

Source: Frost & Sullivan

From an industry vertical perspective, the market sustained its growth momentum in 2026, expanding by 7.9% year-on-year. The spending landscape continues to be led by the BFSI sector, which remains the largest contributor to overall market demand owing to its ongoing investments in digital transformation, cybersecurity, cloud adoption and customer experience enhancement. Other key verticals, including Manufacturing, Retail, and High-Tech, also demonstrated strong growth trajectories, reflecting increasing technology penetration and modernization initiatives across industries.

Looking ahead to 2031, Manufacturing is expected to emerge as the fastest-growing vertical, registering a CAGR of 13.4%, driven by Industry 4.0 adoption, smart factory deployments, and automation investments. Retail follows closely with a projected CAGR of 12.8%, supported by omnichannel transformation, data-driven customer engagement, and supply chain digitization. The High-Tech sector, which includes technology vendors, software providers, semiconductor companies, and digital-native enterprises, is anticipated to grow at 11.2%, while BFSI is projected to maintain robust expansion at a CAGR of 10.9%. These growth patterns indicate that future market expansion will be increasingly driven by digitally intensive industries that are accelerating investments in advanced technologies and innovation-led business models.

3.2. Factors Driving ICT Market

1. Enterprise Digital Transformation and Office Automation

Organizations across industries are increasingly investing in digital technologies to automate business processes, improve operational efficiency, and enhance workforce productivity. Automation of repetitive and operational tasks such as customer service, scheduling, resource allocation, data entry, and production management requires robust ICT infrastructure including servers, networking systems, storage solutions, and edge computing devices. In manufacturing environments, the adoption of connected machinery, industrial networks, and digital monitoring platforms is enabling smart factory operations and improving operational visibility. These developments are increasing the demand for reliable IT infrastructure as well as power backup systems such as UPS solutions to ensure uninterrupted operations and prevent downtime in automated environments.

2. Expansion of Cloud Infrastructure

The growing adoption of cloud computing across enterprises, governments, and institutions is accelerating digital transformation and enabling scalable and collaborative digital ecosystems. While cloud adoption may reduce on-premise hardware spending for end users, it significantly increases infrastructure investments by cloud service providers. Cloud platforms require large-scale computing infrastructure, including high-performance servers, storage systems, networking equipment, and data processing hardware. In addition, enterprises are increasingly migrating workloads to cloud environments to improve scalability, flexibility, and operational efficiency. This shift is driving sustained demand for IT hardware from hyperscale cloud providers and managed service providers.

3. Rising Investments in Data Center Infrastructure

The expansion of digital services, cloud adoption, and data-driven business models is driving strong investments in data center infrastructure across India. Both domestic and international companies are expanding their data center footprint to support increasing volumes of digital workloads and enterprise data processing requirements. The development and expansion of data centers require a wide range of IT hardware components, including servers, enterprise storage systems, networking infrastructure, power management systems, and physical security technologies such as surveillance systems. As organizations continue to generate and process large volumes of data, the need for secure and robust data center infrastructure will continue to drive demand for IT hardware solutions.

4. Hybrid Work and Distributed Workforce

The increasing adoption of hybrid and remote work models has significantly transformed enterprise IT requirements. Organizations are investing in end-user computing devices and connectivity infrastructure to enable employees to work efficiently from distributed locations. Remote employees require laptops or desktops, reliable networking infrastructure, Wi-Fi connectivity, peripherals, and collaboration tools such as Microsoft Teams and Zoom to ensure seamless communication and collaboration. At the same time, remote working environments introduce new security risks related to data access and network vulnerabilities. As a result, organizations are investing in secure hardware devices and infrastructure that support secure remote access and data protection, thereby increasing the demand for enterprise IT products.

5. Increasing IT Infrastructure Demand Across Key Industry Verticals

Several industry verticals are witnessing rapid digitalization, leading to increased demand for advanced IT infrastructure. Sectors such as banking, financial services, and insurance (BFSI) and the rapidly expanding IT and telecom industry require high-performance computing infrastructure to support real-time transactions, digital payment systems, large-scale data analytics, and network management operations. Large enterprises are investing heavily in high-performance servers to support cloud migration, data analytics, and emerging workloads related to artificial intelligence and machine learning. At the same time, small and medium enterprises are increasingly adopting cloud-ready servers and hybrid IT environments to improve scalability and cost efficiency, enabling them to remain competitive in a digital economy.

6. Adoption of Digital and Smart Education

Education systems worldwide are increasingly integrating digital technologies to create personalized, scalable, and technology-enabled learning environments. Digital and smart education initiatives are enabling the development of hybrid learning models that combine traditional classroom teaching with online learning platforms and digital content delivery systems. Governments and educational institutions are investing heavily in digital education ecosystems to improve accessibility and address learning gaps. In India, platforms such as DIKSHA deliver curriculum-aligned digital content across multiple education boards and languages, while SWAYAM provides online courses across school and higher education levels. The expansion of digital education requires ICT infrastructure such as laptops, tablets, networking equipment, internet connectivity devices, and emerging technologies such as augmented reality and virtual reality solutions. Efforts to bridge the digital divide and improve connectivity in remote regions are also expected to increase the adoption of hardware devices.

7. Expansion of Startup Ecosystems and Technology Hubs

Startups and technology hubs have become important drivers of technological innovation and digital transformation. In India, cities such as Bengaluru, Hyderabad, Ahmedabad, and Visakhapatnam have emerged as key centers for startup activity and technology development. Government-led initiatives such as Startup India and Atal Innovation Mission are supporting entrepreneurship and encouraging innovation across sectors such as fintech, enterprise technology, health technology, and deep-tech industries including artificial intelligence, robotics, and advanced manufacturing. The growth of startup ecosystems is driving demand for IT infrastructure, including developer workstations, high-performance computing systems, networking hardware, and cloud-ready servers required to support technology development and digital business operations.

8. Rising Digital Adoption and Improving Socioeconomic Conditions

Rising income and education levels, improving digital literacy, and increasing penetration of computing devices are broadening the adoption of digital technologies across consumers, businesses, and institutions. The rapid growth of UPI and other digital services, together with expanding broadband and 5G penetration and improving connectivity affordability, is increasing reliance on computing and network infrastructure. These developments are supporting sustained demand for

PCs, tablets, networking equipment, connectivity devices, and other IT hardware across urban, semi-urban, and underserved markets.

3.3. Other Important Transformation Trends

Technology Trends

(1) 5G & Edge Computing

Globally, 5G and edge computing represent the next phase of internet evolution, enabling faster, localized data processing and real-time digital services. These technologies are highly complementary and are increasingly being deployed together by enterprises and public sector organizations to enhance service delivery and operational efficiency. 5G networks provide high bandwidth, ultra-low latency, improved reliability, and faster data transmission speeds, enabling connected devices and applications to function seamlessly. This connectivity supports the adoption of edge computing, where data processing occurs closer to the source rather than in distant data centers.

In India, 5G technology was launched in October 2022, and is now available in 99.6%⁹ of all the districts in the country. The growth of 5G in the country is evident from the fact that since its launch, 250 million mobile users have now started using 5G technology, and nationwide, 0.469 million 5G Base Transceiver Stations (BTSs) have been installed by the Telecom Service Providers (TSPs). On the other hand, according to IBEF, in India, edge computing is projected to be worth around USD 7 billion in 2025.¹⁰

(2) Artificial Intelligence & Machine Learning

Indian organizations and the government are rapidly adopting artificial intelligence and machine learning to remain innovative and competitive in the global technology ecosystem.

As per the NASSCOM Report ¹¹, the AI market globally is expected to grow at a CAGR of 25-35% through 2027, with Gen AI making up approximately 33% of the total market. The Indian AI market is expected to reach USD 17-22 billion by 2027. The market growth is underpinned by growing investments in the market, with India receiving over USD 4 billion in investment in 2022-23.

According to a 2024 Niti Aayog report¹², AI is expected to boost India's annual growth by 1.3 percent by 2035. The Government of India is also promoting Artificial Intelligence and in 2024, approved the IndiaAI Mission and allocated ~USD 1.1-1.2 Bn. The mission will focus on developing a high-end

⁹ Expansion of 5G Network in the Country, PIB, March 2025, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2113855#:~:text=Since%20the%20launch%20of%205G%20services%20in,BTSs%20have%20been%20installed%20across%20the%20country.&text=Since%20its%20launuch%20in%20October%202022%2C%205G,99.6%25%20of%20the%20districts%20in%20the%20country.>

¹⁰ Booming Data Center growth in India, IBEF, October 2024, [https://www.ibef.org/blogs/booming-data-centre-growth-in-india#:~:text=The%20rise%20of%20edge%20computing,their%20Operating%20Expenses%20\(OPEX\).](https://www.ibef.org/blogs/booming-data-centre-growth-in-india#:~:text=The%20rise%20of%20edge%20computing,their%20Operating%20Expenses%20(OPEX).)

¹¹ AI Powered Tech Services: A Roadmap for Future Ready Firms, NASSCOM 2024, <https://nasscom.in/knowledge-center/publications/ai-powered-tech-services-roadmap-future-ready-firms>

¹² Ministry of Electronics and IT, March 2024, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2012375>

common computing facility with 18,693 Graphics Processing Units (GPUs). To boost its domestic capabilities, India plans to build its own GPU by 2028-30.

It is important for India and Indian companies to quickly build robust and secure infrastructure to make use of the full potential of artificial intelligence, machine learning, and big data analysis, enabling faster innovation, improved decision-making through real-time insights, enhanced operational efficiency, stronger data security, and greater global competitiveness across industries.

(3) Blockchain

In today's world, there is a growing focus on decentralization, autonomy, and transparency. Blockchain technology is a decentralized and secure digital ledger that stores data on a network of computers in the form of 'blocks' which are linked together in a 'chain'. Blockchain technology can have various use-cases, but is most commonly used as a transaction ledger, especially for cryptocurrencies. Since the introduction of Bitcoin, blockchain has been used for various other cryptocurrencies, non-fungible tokens (NFTs), and smart contracts.

Blockchain has use-cases in every industry, from tracing the journey of food products in the FMCG industry to securely storing medical records in the healthcare industry to facilitating a modern voting process.

The Indian government recognized the importance of blockchain technology and introduced the 'Blockchain: the India Strategy' in 2020 through the Niti Ayog. Reserve Bank of India is using the technology for developing the Central Bank Digital Currency, while the state governments are deploying the technology in multiple ways. New Town Kolkata Development Authority in West Bengal used the technology to store property records using NFTs, Tamil Nadu is utilizing it to provide unique state IDs to its citizens, and Uttar Pradesh government is building a Public Private Partnership (PPP) with Polygon to build a public grievance management system.

Although there are challenges with blockchain technology, including regulatory uncertainty, limited supervision, skills shortage, and cyber threats, with India's growing youthful and digitally aware population, and increasing digital penetration, blockchain technology is going to play an important role in the future.

(4) Cybersecurity

Globally, the growing digitalization has led to an increase in the number of cyberattacks and the need for cybersecurity programs. All organizations and countries need to tackle cybersecurity to protect their digital and cloud infrastructure.

According to Frost & Sullivan, India's cybersecurity market was estimated at over USD 6 billion in 2025 and is expected to grow at a CAGR of 17.8% from 2025 to 2030. The increasing revenue can be attributed to various factors such as the rapid adoption of new technologies, overall GDP growth, and the rising frequency and sophistication of cyberattacks. As organizations continue to digitize their operations and migrate workloads to cloud and connected environments, the need for robust cybersecurity frameworks has become critical. This trend is also emerging as a key driver of overall ICT spending, as enterprises and government organizations are increasingly investing in secure IT

infrastructure, networking systems, data protection solutions, and monitoring tools to safeguard digital assets and ensure regulatory compliance.

According to the Data Security Council of India (DSCI)'s, DSCI-Seqrte's India Cyber Threat Report 2025¹³, India accounts for 13.7% of the global cyberattacks. The technology hubs of Telangana and Tamil Nadu are the primary targets accounting for 15.03% and 12%, respectively, of the total attacks. In India, the healthcare industry accounts for 21.82% of the total attacks. The rising cloud infrastructure in India is increasing the number of attacks (62% detection) in cloud-based environments. To counter this, organisations focus on AI/ML powered threat detection and autonomous threat hunting, endpoint security (including next-gen antivirus and device monitoring), cloud security, and employee training. Advanced tools and security measures like zero-trust architecture, advanced firewalls, and threat intelligence are also being developed and deployed. The Indian government has developed the Digital Personal Data Protection Act 2023 and an updated National Cybersecurity Strategy in early 2026, alongside strengthening institutions like Indian Computer Emergency Response Team (CERT-In) to coordinate threat response.

Business Models

(1) Subscription-based: Subscription-based services have become a cornerstone business model in the ICT industry, fundamentally transforming how organizations and consumers access technology solutions by shifting from one-time purchases to recurring revenue arrangements. Under this model, customers pay regular fees—typically monthly or annually—in exchange for ongoing access to software, cloud infrastructure, communication services, or managed IT solutions, rather than owning the technology outright. This approach offers significant advantages for both providers and customers: ICT companies gain predictable, steady revenue streams that improve financial stability and enable continuous investment in innovation, while customers benefit from lower upfront costs, automatic access to the latest updates and features, scalable services that grow with their needs, and reduced maintenance burdens. Prominent examples include Software-as-a-Service (SaaS) offerings like Microsoft 365, Salesforce, and Slack; Infrastructure-as-a-Service (IaaS) platforms such as Amazon Web Services and Microsoft Azure; cybersecurity services with continuous threat monitoring; and many more. The subscription model also aligns incentives between vendors and customers, as providers must continuously deliver value to retain subscribers, driving them to improve service quality, add features, and respond quickly to customer feedback. This model has proven especially effective in the ICT sector due to the industry's natural suitability for digital delivery, the ongoing nature of technology needs, and customers' increasing preference for operational expenditure over capital expenditure, making it easier for businesses of all sizes to access enterprise-grade technology without massive initial investments.

(2) Device as a Service (DaaS): Devices as a Service or DaaS, is a comprehensive subscription-based business model in the ICT industry that fundamentally transforms how organizations acquire and manage hardware by allowing them to access devices through a predictable monthly fee rather than

¹³ India Cybersecurity Report 2025, Seqrite, DSCI. December 2024, <https://www.dsci.in/resource/content/india-cyber-threat-report-2025>

making significant upfront capital investments. Under the DaaS model, the service provider retains ownership of the devices—including PCs, laptops, tablets, and other endpoints—and delivers an end-to-end solution that bundles hardware provisioning, device management software, ongoing technical support, security updates, maintenance, and responsible end-of-life disposal or recycling into a single package. This approach converts large capital expenditures (CapEx) into manageable operational expenditures (OpEx), giving businesses greater financial flexibility and predictable monthly costing while eliminating the burdens of procurement, logistics, provisioning, and asset management. The model operates on three core pillars: device fulfillment, where providers supply pre-configured, ready-to-use devices from approved catalogs; device services, covering ongoing support, maintenance, security updates, mobile device management, and IT capabilities needed to keep devices operational; and device recovery, which includes secure collection, data erasure, refurbishment, or environmentally responsible disposal of outdated equipment. DaaS is particularly valuable for IT teams because it offloads the complexity of hardware lifecycle management, allowing them to focus on strategic initiatives like infrastructure, security, and digital transformation rather than shipping logistics and device repairs. The model ensures employees consistently have access to the latest technology through regular refresh cycles, which boosts productivity and reduces downtime caused by aging hardware. Both small businesses and large enterprises benefit from DaaS's scalability, as organizations can easily scale device deployments up or down to align with evolving business needs, replace fragmented vendor relationships with a single global IT partner, and efficiently onboard remote workers across multiple countries with devices that arrive pre-loaded with required software and security tools.

3.4. Government Initiatives in the IT Sector

Digital India

Digital India¹⁴ initiative launched in 2015, aims to transform India into a digitally empowered society and a knowledgeable economy. The initiative aims to leverage emerging technologies to drive growth through innovation. According to the Indian Council for Research on International Economic Relations (ICRIER)'s State of India's Digital Economy Report, 2024¹⁵, India ranks third in terms of digitalization of its economy.

The focus areas for Digital India include support for digital entrepreneurship, technology for good governance, innovation, digital inclusion and accessibility, and capacity building & skill development. Some of the milestones of the initiative include the launch of the BHIM app, the Goods and Services Tax Network which doubled the registered number of taxpayers, the AarogyaSetu app, and the Digital India BHASHINI aimed at providing internet and digital services in Indian languages. The initiative also underpinned the growth in e-governance and digital public services. The Government of India has

¹⁴ Digital India, Government of India, MEITY, <https://www.digitalindia.gov.in/>

¹⁵ The State of India's Digital Economy Report 2024, Indian Council for Research on International Economic Relations, <https://icrier.org/publications/the-state-of-india-s-digital-economy-report-2024/>

issued more than 9500 million¹⁶ documents in the official digital document wallet, DigiLocker. DigiLocker provides paperless governance to citizens via a secure cloud-based platform for storage, sharing, and verification of documents & certificates.

Beyond these services, Digital India initiatives are driving digital transformation across multiple sectors, including agriculture, emerging technologies, digital infrastructure, education, entrepreneurship and manufacturing, financial inclusion, healthcare, procurement, social empowerment, transportation and state-level digital projects. The ecosystem supporting Digital India includes a number of technology and governance organizations such as CSC e-Governance Services India Ltd, Software Technology Parks of India (STPI), National Institute of Electronics and Information Technology (NIELIT), Education and Research Network (ERNET), Centre for Development of Advanced Computing (C-DAC), National Internet Exchange of India (NIXI), Digital India Corporation (DIC), National e-Governance Division (NeGD), Unique Identification Authority of India (UIDAI), Indian Computer Emergency Response Team (CERT-In), Controller of Certifying Authorities (CCA), National Informatics Centre (NIC) and Centre for Railway Information Systems (CRIS), among others. Collectively, these organizations support the implementation and expansion of Digital India by developing digital infrastructure, enabling e-governance platforms, strengthening cybersecurity capabilities, promoting technology research and innovation, improving internet connectivity and expanding digital inclusion across sectors such as education, agriculture, finance, and public administration. Their combined efforts contribute to building a robust digital ecosystem that enhances citizen services, improves government efficiency and supports the broader technology-driven transformation of the Indian economy.

Infrastructure Initiatives

India is focusing on connectivity and manufacturing to transform the country's digital infrastructure landscape and remain competitive in today's digital world. The Government of India has undertaken various infrastructure initiatives to improve and grow digitalization and opportunities in urban as well as rural areas of the country.

India's BharatNet project¹⁷, approved by India's Union Cabinet in 2011 and the implementation approved by the Telecom Commission in 2016, is one of the largest rural telecom infrastructure project in the world, aimed at providing broadband to all Gram Panchayats in the country. The initiative is aimed at bridging the digital divide and digital empowerment of the rural communities in the country. As per the Department of Telecommunications, under the BharatNet initiative, till May 2025, 214,325 Gram Panchayats have been connected, 693,303 km of Optical Fiber Cable (OFC) has been laid out, 1,281,564 Fibre-To-The-Home (FTTH) connections have been commissioned, and 1,04,574 Wi-Fi hotspots have been installed.

¹⁶ India's Digital Infrastructure, PIB, March 2026, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2235812&reg=3&lang=1#:~:text=DigiLocker:%20Launched%20in%202015%2C%20DigiLocker,registrations%20and%20723.36%20crore%20transactions.>

¹⁷ Bharat Net Project, Bharat Digital Nidhi, DoT, Government of India, <https://usof.gov.in/en/bharatnet-project>

The Government launched the Semicon India Program in 2021¹⁸, to develop a sustainable semiconductor and display industry in India. The program was launched with an initial financial outlay of INR. 760,000 Million¹⁹ and provides financial support to companies investing in semiconductors and display manufacturing and design industry. The scheme provides fiscal support of 50% of the project cost for setting up Semiconductor Fabs, Display Fabs, Compound Semiconductors / Silicon Photonics (SiPh) / Sensors (including MEMS) Fab/ Discrete Semiconductor Fab and Semiconductor ATMP / OSAT facilities. It also provides 'design infrastructure support' and 'Product Design Linked Incentive' of up to 50% of the eligible expenditure, subject to a ceiling of INR 150 Million, and 'Deployment Linked Incentive' of 6% to 4% of net sales turnover over 5 years subject to a ceiling of INR 300 Million.

India also launched the PM-WANI scheme²⁰ in 2020 to expand the public Wi-Fi hotspots across India, to improve the digital communications infrastructure. Under this scheme, the last-mile internet providers do not require registration or license, encouraging local establishments to provide Wi-Fi hotspots. PM-WANI scheme has been successful in creating 333298 Wi-Fi hotspots across the country. The initiative is an important step in increasing the internet penetration in the country.

Skill Development Initiatives:

India's Ministry of Skill Development and Entrepreneurship is focused on developing the vocational and technical skills of the workforce while bridging the gap between demand and supply of skilled manpower²¹.

The Government of India formulated the National Digital Literacy Mission in 2014 to impart training to 5.25 million citizens of India. It has also launched the Skill India Digital Hub (SIDH) to consolidate resources and provide IT and digital skills nationwide by partnering with public and private organizations. The Skill India Programme was restructured with an overlay outlay of Rs.88 million from the period 2022-23 to 2025-26, to include:

1. Pradhan Mantri Kaushal Vikas Yojana 4.0 (PMKVY 4.0): A flagship skill development program aimed at providing industry-relevant skill training to youth, particularly in emerging technologies and digital domains, to improve employability and support workforce readiness across sectors.
2. Pradhan Mantri National Apprenticeship Promotion Scheme (PM-NAPS): A scheme designed to promote apprenticeship training in industries by providing financial incentives to employers and encouraging practical, on-the-job skill development for young workers.
3. Jan Shikshan Sansthan (JSS) Scheme: The JSS scheme plays an important role in promoting vocational training and livelihood opportunities for non-literate, neo-literate, and school dropouts, particularly in rural and economically weaker communities. By providing skill development in areas such as digital literacy, entrepreneurship, and local trades, the scheme

¹⁸ India Semiconductor Mission, MEITY, Government of India, <https://ism.gov.in/about-semiconindia>

¹⁹ MEITY, PIB, July 2024, <https://www.pib.gov.in/PressReleaseframePage.aspx?PRID=2039638>

²⁰ DOT, Government of India, <https://pmwani.gov.in/wani>

²¹ Cabinet, PIB, February 2025, <https://www.pib.gov.in/PressReleaseframePage.aspx?PRID=2100845>

helps improve employability, supports income generation, and contributes to inclusive economic growth.

Under these three schemes, there have been:

- About 2.71 million candidates trained under PMKVY 4.0 as of December 2025
- Around 4.91 million apprentices engaged under PM-NAPS-2 between 2016-17 to 31st October 2025
- 3.25 million beneficiaries trained and certified under the JSS scheme nationwide from 2018 till 31st October 2025

BPO Promotion Scheme

The BPO Promotion Scheme²² seeks to establish 48,300 seats to foster growth in the Business Process Outsourcing (BPO) and IT Enabled Services (ITES) sectors. The project was envisaged under Digital India Initiative, with an outlay of INR. 4930 Million. The scheme focuses on capacity building mainly in Tier 2 & Tier 3 cities nationwide, with an aim to reduce dependence on traditional IT hubs of Bengaluru, Hyderabad, Gurugram and Pune. The scheme has approved support of INR. 1321.5 Million and has generated employment for 52,514 people, out of which 42.7% are women.

Startup Support: Startup India, MeitY Startup Hub

India has been increasing its support for startups to empower youth to explore entrepreneurship and create employment. Startup India²³ provides companies with tax benefits, easier compliance, IPR fast-tracking, and other benefits. The initiative has enhanced the startup ecosystem in India, with over 180,000 startups registered with the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India.

The Ministry of Electronics & Information Technology (MeitY) started MeitY Startup Hub (“MSH”)²⁴ in 2019, to support tech startups by becoming a collaborative platform to set up innovative partnerships and synergies between startups, incubators, mentors, and the Center of Excellence (COEs). The MSH²⁵ has over 6,148+ startups, 517+ incubators, over 486 mentors, 329+ labs, and over 43 COEs. Under this initiative, the government has launched Startup Accelerator of MeitY for Product Innovation, Development, and Growth (SAMRIDH)²⁶ scheme with the aim to support 300 tech startups over 3 years, addressing the need for an accelerator program. Similarly, the initiative also provides financial and technical support to ICT startups via its Tide 2.0²⁷ scheme. It also aims to boost the startup ecosystem in Tier 2 & Tier 3 cities, by supporting approximately 1600 tech startups over 5 years under its Gen-Next Support for Innovative Startups (GENESIS)²⁸ Scheme with a budget of INR. 4900 Million.

²² IBPS, STPI, MEITY, Government, <https://ibps.stpi.in/>

²³ DPIIT, Ministry of Commerce and Industry, Government of India, <https://www.startupindia.gov.in/>

²⁴ MEITY, Government of India, <https://msh.meity.gov.in/about/organisationprofile>

²⁵ MEITY, Government of India <https://msh.meity.gov.in/>

²⁶ MEITY, Government of India <https://msh.meity.gov.in/schemes/samridh>

²⁷ MEITY, Government of India, <https://msh.meity.gov.in/schemes/tide>

²⁸ MEITY, Government of India, <https://msh.meity.gov.in/schemes/genesis>

The schemes under this initiative have been transforming the startup ecosystem in India and helping youth develop entrepreneurial skills while creating employment opportunities in areas other than the metropolitan regions.

3.5. Trends in Key Growth Segments

E-Commerce

The e-commerce sector in India has evolved from a fragmented collection of a few marketplaces to a multi-billion-dollar unified ecosystem driving digital growth and economic expansion. The ecosystem today comprises a diverse mix of large online marketplaces, direct-to-consumer (D2C) brands, quick commerce platforms, and specialized vertical retailers spanning categories such as electronics, fashion, grocery, and lifestyle products. In addition, the sector is supported by a rapidly expanding digital infrastructure including logistics providers, digital payment platforms, and open digital networks such as ONDC, which are enabling greater participation from MSMEs and regional sellers across the country.

The Government of India's Open Network for Digital Commerce (ONDC)²⁹ is emerging as a key structural shift in the e-commerce ecosystem by enabling interoperability across platforms and improving market access for MSMEs. The network has expanded to over 630+ cities with a total of 0.11 million retail sellers live on the ONDC platform as of December 2025 data. This expansion reflects the growing adoption of open digital commerce platforms aimed at democratizing online retail and enabling small businesses to participate in digital marketplaces.

Government procurement through the Government e-Marketplace (GeM)³⁰ has witnessed strong growth, highlighting the increasing role of digital platforms in public procurement. The platform recorded ₹4,090 billion in gross merchandise value (GMV) during the first 10 months of FY2024-25, representing nearly 50% year-on-year growth. The platform currently supports (as of January 2025) over 0.16 million government buyers and more than 2.25 million sellers, indicating the rapid expansion of digital commerce within government procurement ecosystems.

Government initiatives are also enabling small businesses to adopt digital commerce platforms. According to official data³¹, as of 31st December 2025, over 206,000 merchants have conducted transactions on ONDC, while approximately 0.6 million service providers are registered on the network. Additionally, under the Trade Enablement and Marketing (TEAM) initiative, more than 3,127 MSMEs have generated over 0.1 million transactions, highlighting the growing participation of small enterprises in India's digital commerce ecosystem.

²⁹ India's Digital Public Infrastructure, PIB, Feb 2026,
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2235812&reg=3&lang=2>

³⁰ Ten Years of Digital Progress, Technology, PIB, Jun 2025,
<https://www.pib.gov.in/PressNoteDetails.aspx?ModuleId=3&NotId=154788&reg=3&lang=2>

³¹ Ministry of Micro, Small & Medium Enterprises, PIB, Mar 2026,
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2236872&reg=3&lang=2>

Education

Technological advancements and research in newer ways of teaching have made the traditional education system obsolete. The education sector is adapting to and is undergoing a rapid digital transformation with AI-ML, extended reality, and gamification emerging as the new trends in the sector.

Artificial intelligence and machine learning are becoming increasingly important in education because of their ability to make decisions based on vast amounts of data, and solve the challenges in the education sector while improving teachers' ability to convey knowledge and students' ability to learn. An important aspect of AI-ML in the education sector is the personalization of the educational content, allowing students to get instant feedback while being able to learn at their own pace. It can also be used to predict student performance and ensure timely check-ins. Understanding its importance, UNESCO developed 'Artificial intelligence and education: Guidance for policy-makers'³² to guide policy-makers on navigating the risks and opportunities presented by the growing relationship between AI and education. It also published the 'AI competency frameworks for students and teachers' guide, designed to guide policy-makers, educators and curriculum developers in equipping students with the necessary skills, knowledge and values to engage with AI effectively.

Technologies like Augmented Reality (AR) and Virtual Reality (VR) have become important tools in making education interactive and engaging for students. These technologies allow students to grasp concepts better by allowing them to visit places, experiment, and explore topics in a safe virtual environment. These technologies are especially beneficial in fields like medical and pilot training, where experimenting in real-world settings can cause harm. They are also useful in explaining concepts that cannot be visualized easily, like space or pre-historic times.

Another growing trend in the market is the gamification of educational content. It is used to motivate students to learn and to encourage academic behavior. This makes the learning process interactive, engaging, and fun for the students. Gamification also includes awarding points and leadership boards, which encourage students to do better without the pressure of the traditional focus on scores. Gamification also helps to reinforce concepts and improve student skills.

Banking, Finance, Services, and Insurance (BFSI) The BFSI sector is experiencing rapid transformation, owing to regulatory reforms, changing consumer behavior and expectations, and technological advancements.

The younger generation is adopting digital, mobile, and online banking at a rapid pace. This has increased the number of digital banks (Neo Banks) and the interest income generated by these digital-only banks. The Neo Banks have lower infrastructure as well as overhead costs, and more efficient processes, which reduce the operational expenses, allowing them to offer competitive rates and lower fees. Although digital banks are growing, there are certain challenges that can hinder their

³² Artificial intelligence in education, UNESCO, <https://www.unesco.org/en/digital-education/artificial-intelligence>

growth. Regulatory hurdles, continuous need for innovation, and lack of options for cross-selling of products and services are some of the challenges that digital banks must overcome.

According to National Payments Corporation of India (NPCI), transactions on the Unified Payments Interface (UPI)³³ have continued to show strong year-on-year growth. Comparing December 2025 with December 2024, the total transaction volume increased from 16,730.01 million to 21,634.67 million, representing a growth of approximately 29%. Similarly, the transaction value rose from INR 23,24,6999.1 million to INR 27,96,7127.3 million, reflecting a growth of around 20% over the same period. The number of banks live on the UPI platform also increased from 641 in December 2024 to 685 in December 2025, indicating continued expansion of the ecosystem. This growth highlights the sustained adoption of digital payments in India, driven by wider bank participation, increasing consumer trust in digital transactions and the growing integration of UPI across e-commerce, retail, and peer-to-peer payment use cases.

Government

India's government sector is undergoing a rapid digital revolution, fueled by large-scale investments in Digital Public Infrastructure (DPI) flagship program launched by Indian government targeting rapid digitalization- and backed by clear policy frameworks. According to the latest available number from the briefings of Press Information Bureau³⁴, DPI (including Aadhaar, DigiLocker, UMANG, UPI, BharatNet and 5G rollout) accounted for a staggering 11.74% of total GDP in 2022-23, and is projected to rise to nearly 20% of Gross Value Added (GVA) by 2029-30.

The government is embracing emerging technologies like AI, Big Data, IoT, and drones, across public sectors. Flagship MeitY programs like Aadhaar, CoWIN, UPI, UMANG, GSTN, DigiLocker are now globally replicable models, enabling other countries to implement the platforms bringing significant revenue from technological exports. Another component of Digital India Initiative, the CSC (Common Service Centres) deliver digital services to rural and semi-rural parts of the country, bridging a critical technology inclusion gap. Meanwhile National Broadband Mission 2.0³⁵ aims to extend broadband connections to over 270,000 villages by 2030, ensuring more than 100 Mbps speeds, and increase rural connectivity from 45% to 60%, furthering the digital expansion. Under these programs India's national compute capacity has crossed 34000 GPUs.³⁶ A joint NASSCOM-MEITY report³⁷ notes that India's DPI stack will deliver nearly USD 1 trillion in economic value by 2025, supporting a major scale-up in global capability centers (GCCs) and ICT-enabled public services. Meanwhile, INDIAai, launched

³³ UPI Product Statistics, NPCI, <https://www.npci.org.in/product/upi/product-statistics>

³⁴ Future Ready: India's Digital Economy to Contribute One-Fifth of National Income by 2029-30, PIB, January 2025, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2097125>

³⁵ National Broadband Mission, January 2025, Government of India, <https://egovernance.vikaspedia.in/viewcontent/e-governance/mobile-governance/national-broadband-mission?lgn=en>

³⁶ India's Common Compute Capacity Crosses 34,000 GPUs, PIB, May 2025, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2132817>

³⁷ Role of technology in government and public sector undertakings, MEITY, July 2020, <https://community.nasscom.in/communities/digital-transformation/smartcities/role-of-technology-in-the-government-public-sector-undertakings.html>

jointly by MeitY and NASSCOM in May 2020, drives AI integration across sectors via skill-building, infrastructure developments and public-private collaborations.

These trends reflect a strategic government-led digital revolution- from digital infrastructure development and capacity to policy and platforms- positioning India's public sector as a globally replicable model and a key GDP growth lever.

Manufacturing

The manufacturing sector makes up around 17-20% of the country's GDP (based on recent historical data) and employed around 18.5 million workers in FY 2023. According to India Brand Equity Foundation (IBEF)³⁸, the Indian manufacturing sector is expected to reach over USD 1 trillion by FY 2026. Gujarat, Maharashtra, and Tamil Nadu are the key states driving the growth in the sector, while the automobile, textile, and electronics industries are the main industries receiving the largest amount of investment. India's manufacturing market is witnessing a significant shift towards sustainable practices and production methods. Rise of e-commerce is also responsible to enhance this trend, with customers being more quality and sustainability conscious.

Government of India is aiming to bolster the manufacturing sector which accounts for almost 77.6% of the total industrial production in the country as of January 2025. The Government of India has also set up the Semicon India program in 2021, with an outlay of INR. 760,000 million for the development of the semiconductors and display manufacturing ecosystem in India. India's investments in semiconductor fabs and indigenous chip design reduce import dependence on other nations, helping India achieve a secure supply chain and also become an integral part of the global supply chain. This is important for sectors like IT, making PCs and servers more affordable and accessible, accelerating hardware adoption nationally.

Information and Communications Technology (ICT)

India's IT sector is seeing a robust growth phase marked by strong digital investments, export expansions, technology-led transformation and rapid digital infrastructure development. According to NASSCOM Annual Strategic Review³⁹, ICT industry is on the way to reach USD 300 billion in revenue by FY2026, growing at a steady ~5.1% to USD 282.6 billion in FY 2025, driven by IT services (USD 137.1 bn), BPM, ER&D, software products, and hardware exports. India's IT-BPM segment⁴⁰ contributed a staggering 7.4% of GDP in FY 2022, generating a massive USD 254 billion in FY 2024 (including USD 51 bn domestic and USD 194 bn export revenue streams) and employing 5.4 million professionals. A significant AI-led increase in tech spending is observed with enterprise leaders planning to raise digital budgets, mainly to scale AI-based innovations and solutions. MeitY has made AI a top priority through its recently launched IndiaAI Mission, prioritizing computing capabilities, datasets, and innovation

³⁸ Manufacturing Sector in India: Key Players, Growth, & Opportunities, IBEF, <https://www.ibef.org/industry/manufacturing-sector-india>

³⁹ Technology Sector in India: Strategic Review – 2025, NASSCOM, <https://nasscom.in/knowledge-center/publications/technology-sector-india-strategic-review-2025>

⁴⁰ Indian IT & BPM Industry Analysis, IBEF, <https://www.ibef.org/industry/indian-it-and-ites-industry-analysis-presentation>

ecosystems. NASSCOM's report titled "Future of IT Managed Services" and released in February 2025 highlights critical trends- AI-driven automation, cybersecurity-first managed services, hybrid infrastructure, defense technology, AI-driven smart education services, XaaS models, and green IT- highlighting a strategic shift in core service offerings.

Export momentum remains strong, particularly via STPI supported zones (Software Technology Parks in India)⁴¹, STPI Hyderabad alone reported INR. 1,430 billion (USD 17 bn) in software exports in FY 2024-25, contributing to a national total exceeding a staggering INR. 10,000 billion, while incubating 1,400+ startups of which, 44% are led by women. And to further boost digitalization and IT services, MeitY has formed an industry panel to support Global Capability Centres (GCCs).

The overall sector is evolving from traditional services to a future-ready powerhouse- ready for global competition- marked by AI leadership, ever-increasing national computing capacity, service innovation and export-driven scale.

3.6. Growth of Data Centers in India

Data Center Expansion Overview

According to the India Brand Equity Foundation (IBEF)⁴², the India data center market is witnessing strong and sustained expansion, reflecting the country's rapidly growing digital infrastructure requirements. The market size is estimated to grow from USD 4.5 billion in 2023 to USD 11.6 billion by 2032, registering a CAGR of approximately 10.98% over the period. This growth is primarily driven by the surge in digital services, rising enterprise data generation and increasing demand for scalable cloud infrastructure.

According to IBEF⁴³, the data center industry in India is on a massive growth phase, with the cumulative installed capacity set to increase from the current 1 GW to 14 GW by 2035. The outlook for India's data center industry remains strong, supported by favorable government policies, improved fibre connectivity, and increasing access to renewable energy. State governments are introducing dedicated data center policies and incentives such as subsidized land, power benefits, and faster approvals to attract investment.

The expansion of hyperscale cloud platforms, growth in AI workloads, digital payments, OTT platforms and e-commerce, along with the rollout of 5G networks, is significantly increasing the need for high-capacity data processing and storage infrastructure. Additionally, India's relatively lower construction and operating costs compared to markets such as Japan, Singapore, and Australia are attracting large investments from global cloud providers and colocation operators. Going forward, rising data localisation requirements, cloud adoption, and AI-driven applications are expected to increase

⁴¹ STPI, MEITY, Government of India, <https://stpi.in/en/advanced-impact-dashboard>

⁴² Booming Data Centre Growth in India, IBEF, October 2024, <https://www.ibef.org/blogs/booming-data-centre-growth-in-india>

⁴³ Indian Economy News, IBEF, Dec 2025, <https://www.ibef.org/news/india-s-data-centre-capacity-set-to-touch-14gw-by-2035>

demand for data processing and storage capacity, positioning data centers as a key pillar supporting India's digital economy and technology-driven growth.

From an ICT ecosystem perspective, the growth of the data center industry is expected to drive significant demand for servers, storage systems, networking equipment, power management solutions (UPS), cooling infrastructure, and advanced cybersecurity systems, creating substantial opportunities for technology vendors, system integrators, and distribution partners across the value chain.

Data centers are being constructed and operated all over the country by Indian as well as foreign multinational companies. Yet, we can see core urban hotspots being formed in certain regions. The urban belt of Mumbai, Navi Mumbai, and Pune is one of the key hotspots, while other hotspots include the Delhi-NCR region, Chennai, and Hyderabad. These key regions are well suited for data center projects due to their proximity to offices of top companies, better urban infrastructure, skilled workforce, and better connectivity.

3.7. Analyzing the ICT Product Distribution Market Ecosystem

Overview

The IT ecosystem is a collaborative effort between the technology brands/ OEMs , Distributors/Value Added Distributors (VADs), Resellers/Value Added Resellers (VARs) and System Integrators (SIs) as drawn in the exhibit below. Each part of the system has a unique role to play in delivering the technology to the customers.

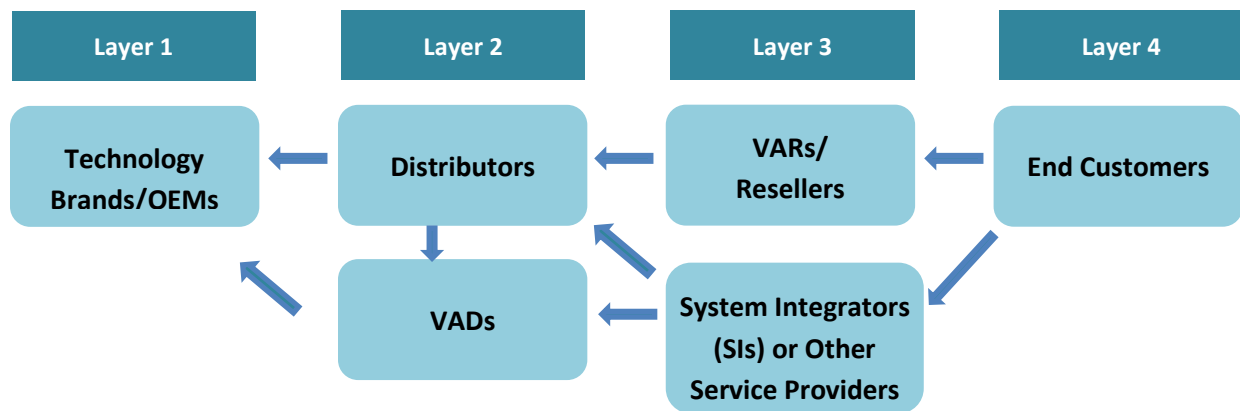
OEMs are the companies that design and manufacture the products. OEMs produce parts, key components, or complete systems, which can later be used by other companies to be integrated into their products or systems. OEMs take care of the hardware aspect of the ecosystem, reducing the barrier for market entry and allowing other players to innovate and focus on service and software development.

Distributors handle complete logistics for the ecosystem. They manage the warehousing, inventory, and transport of goods from the technology brands/OEMs to the resellers, retailers, or the system integrators. A good distribution partner is essential for expanding the sales network and reducing operational expenses. Value-added Distributors VADs are distributors who offer not just the traditional logistics services but also provide services like installation, training, product customization, and marketing. VADs enhance the product value and optimize the supply chain.

Further, VARs purchase equipment either from technology brands/OEMs or distributors and enhance the product by adding presales value to the end user, such as facilitating proof of concepts and providing presales engineering, sales support, installation, and configuration. Resellers are usually focused on developing end-user relationships by satisfying customers' unique needs and simplifying procurement. VARs allow organizations to focus on their products rather than on vendor and customer management and hence have become integral partners for businesses looking to scale their operations.

System Integrators specialize in integrating various hardware, software, and other components acquired from different distributors and VADs into a cohesive system tailored to the end consumer's needs. SIs also manage the project lifecycle from assessing the needs to design to deployment. The growing focus on cloud computing can also increase the scope of work of SIs, to include IT system and cloud infrastructure integration.

Exhibit 6: ICT Product Distribution Market: Product Demand Flow



Note:

This Chart Illustrates a General ICT Product and Services Market/IT Hardware Distribution Ecosystem. Ecosystem may be slightly different depending on the products/services and regions.

*1 Others include Managed Services Providers, Consulting Firms and Telcos.

Blue arrow head indicates "buy/source from". (→)

Source: Frost & Sullivan

In the ICT product distribution ecosystem, Technology Brands/OEMs and distributors form the backbone of the value chain, enabling technology solutions to reach a broad base of enterprise and retail customers efficiently. OEMs are responsible for developing and manufacturing hardware, software, and infrastructure products, while distributors play a critical role in bridging the gap between technology brands/OEMs and downstream partners such as VARs, system integrators, and resellers. Channel partners are one of the most strategic stakeholders in the distribution business. Distribution business completely relies on the relationship with channel partners. Channel Partners are among the key stakeholders in the ICT distribution ecosystem and serve as an important route-to-market for the distribution of ICT products and technology solutions. It requires time to understand the specific requirement of the channel partners and build synergy or relationship with them. Distributors add significant value by managing inventory, credit support, logistics, technical enablement, and channel development, allowing OEMs to scale their market reach without directly managing thousands of partners. For distributors, associating with strong and globally recognized technology brands/OEMs is a key value driver, as these brands enhance credibility in the channel ecosystem, attract reseller networks, and enable participation in large enterprise and government projects. A robust technology brands/OEMs portfolio also allows distributors to offer end-to-end ICT solutions across multiple product segments, strengthening their competitive positioning and deepening relationships with Channel Partners and end customers. Mentioned below are some of the most prominent technology brands/OEMs operating in the India market. It is relevant in the sense

that India is among the fastest growing, underpenetrated and strategically important market for these Technology Brands.

Exhibit 7: Key technology brands/OEMs in the Market

PC/Laptops	Name	Key Products Under Distribution
	Dell	Latitude & Inspiron laptops, OptiPlex desktops, Precision workstations
	HP	ProBook & EliteBook laptops, ProDesk desktops, Z workstations
	Acer	Aspire laptops, TravelMate business laptops, Veriton desktops

Tablets	Name	Key Products Under Distribution
	Acer	Iconia tablets
	Wishtel	IRA tablets

Servers	Name	Key Products Under Distribution
	Dell	PowerEdge rack and tower servers, PowerEdge AI servers
	Lenovo	Rack servers, tower servers, edge servers, mission-critical servers, ThinkSystem AI servers
	ACER	Altos BrainSphere tower servers, Altos BrainSphere rack servers, Altos BrainSphere T110 F5

Storage	Name	Key Products Under Distribution
	Dell	PowerStore, Unity enterprise storage systems
	IBM	FlashSystem storage arrays
	Lenovo	ThinkSystem DG Series, ThinkSystem DM Series, ThinkSystem DE Series, ThinkSystem DS Series
	Hitachi	Hitachi Vantara enterprise storage systems

Surveillance Cameras	Name	Key Products Under Distribution
	CP Plus	CCTV cameras (analog), IP cameras, NVR/DVR systems, AI surveillance solutions
	Sparsh	CCTV cameras (analog), IP cameras, NVR/DVR

Displays/Projectors	Name	Key Products Under Distribution
	LG	Commercial displays, digital signage
	BenQ	Business projectors, monitors
	Viewsonic	Interactive displays, projectors

Networking-routers, switches	Name	Key Products Under Distribution
	Cisco	Enterprise routers, Catalyst switches, Nexus data center switches
	Juniper	MX series routers, EX series switches, enterprise networking solutions

	HP	Aruba enterprise switches, campus switches, network infrastructure solutions
--	----	--

UPS	Name	Key Products Under Distribution
	APC Schneider	Easy UPS, Smart-UPS, Symmetra LX, Back-UPS
	Microtek	Home UPS, Jumbo UPS, High-Capacity UPS, Online UPS, Commercial UPS
	Delta Power	Agilon, Amplon, Ultron, Modulon
	Hitachi	Single Phase Industrial UPS System, Three Phase Industrial UPS System, itPower Online UPS System, Stallion Battery Charger (DC UPS), Diesel Rotary UPS (DRUPS)

Printers	Name	Key Products Under Distribution
	HP Inc.	LaserJet, LaserJet Enterprise, Smart Tank, Ink Tank, OfficeJet, DesignJet, Neverstop Laser
	Canon	imageRUNNER ADVANCE, imageCLASS, PIXMA, MAXIFY, SELPHY
	Epson	EcoTank, WorkForce, SureColor, Dot Matrix (LQ Series)

Scanners	Name	Key Products Under Distribution
	Canon	imageFORMULA, CanoScan
	Epson	WorkForce Document Scanners, Perfection Series
	HP Inc.	ScanJet Enterprise, Flatbed Scanners

External Hard Disk Drives HDD	Name	Key Products Under Distribution
	Western Digital	WD My Passport, My Book, WD_BLACK, SanDisk Portable SSD
	Seagate Technology	Expansion, Backup Plus, One Touch, FireCuda
	Samsung Electronics	T5, T7, T9 Portable SSDs
	Kingston Technology	XS Series SSDs, DataTraveler USB Drives

Headsets and Headphones	Name	Key Products Under Distribution
	Logitech	Zone Wireless, H Series, G Series Gaming
	HP Inc.	Poly Voyager, Blackwire, Encore
	Jabra	Evolve2, Engage, Speak Series
	Sony	WH-1000XM, INZONE, Business Headsets

Speakers	Name	Key Products Under Distribution
	Logitech	Z Series Speakers, Conference Speakers
	JBL	Flip, Charge, PartyBox, Professional Audio
	Sony	SRS Series, Professional Speakers
	Zebronics	Multimedia Speakers, Soundbars

Webcams and collaboration peripherals	Name	Key Products Under Distribution
	Logitech	Brio, C920, Rally Camera, MeetUp
	HP Inc.	Poly Studio Cameras, Webcams
	Dell Technologies	UltraSharp Webcam

Source: Frost & Sullivan

4. Overview and Market Size of the Indian ICT Market

4.1. ICT Product Market Overview

The growth of the Indian IT industry over the past decade has been instrumental in the growth of the Indian economy. Digitalization and the growing use and need of technology are important factors driving the growth of the IT industry. The IT hardware components act as the backbone of the industry and support the country's digital infrastructure. These hardware products ensure the seamless functioning of digital technologies in businesses, government, and households. IT hardware is essential for various regular office use, cloud migration, security, as well as networking.

The overall ICT product market at distributor level in India, encompassing PCs, tablets, servers, storage systems, UPS, surveillance cameras, displays and projectors, as well as networking equipment, is estimated at INR 2,243,042.2 mn in FY2026 and is projected to grow to INR 3,757,423.8 mn by FY2031, reflecting a CAGR of 10.9% over the forecast period. This growth trajectory highlights the expanding role of digital infrastructure in supporting the country's rapidly evolving technology ecosystem.

Market expansion is primarily being driven by the continued growth of India's digital economy and accelerating digital transformation across industries, which is leading to increased deployment of computing and connectivity infrastructure. Rising data generation, the expansion of data center and cloud infrastructure, and the growing adoption of advanced technologies such as AI/ML and edge computing are further strengthening demand for ICT hardware. In addition, the increasing prevalence of remote and hybrid work environments is sustaining demand for end-user computing devices and collaboration infrastructure.

This expanding ICT market will directly translate into growth opportunities for the distribution ecosystem. As demand increases across enterprise, government, and SMB segments, distributors will play a critical role in bridging OEMs with a wide network of channel partners, resellers, and system integrators. The increasing complexity of technology deployments, particularly in areas such as servers, storage, networking infrastructure, and AI-enabled surveillance, will further strengthen the role of distributors in providing product availability, logistics scale, financing support, and technical enablement to channel partners.

Moreover, the growth of emerging segments such as data center infrastructure, intelligent surveillance systems, and edge computing devices will create opportunities for distributors to expand their value-added capabilities, including solution bundling, partner training, configuration services, and after-sales support. As ICT deployments scale across multiple industries and geographies, distributors are expected to benefit from higher product volumes, broader vendor portfolios, and deeper channel engagement, reinforcing their position as a key enabler of India's expanding ICT hardware ecosystem.

While AI infrastructure continues to drive hardware investments, the next phase of enterprise AI adoption is increasingly centered on software. As organizations scale AI initiatives from pilot projects to business-wide deployments, demand is growing for enterprise AI platforms that integrate generative AI applications, AI agents and copilots, knowledge assistants, intelligent workflow

automation and secure AI capabilities built on proprietary enterprise data. This evolution is expanding the role of distributors beyond hardware, creating new opportunities to deliver AI software through value-added services and solution-led engagement.

The rising focus on enterprise AI is accelerating investments in platforms that combine productivity, automation, governance and security within a unified ecosystem. Enterprises are prioritizing solutions that securely harness internal data, support AI governance, and integrate seamlessly with existing business applications. As AI becomes a core business capability, software distribution is emerging as a strategic growth segment, complementing traditional infrastructure distribution and enabling channel partners to capture greater value across the enterprise AI stack.

4.2. ICT Product Market Size and Forecast

For the scope of this report, the ICT products includes:

(I) Personal Computers (PCs)

- (i) Desktops
- (ii) High-End Workstations
- (iii) Laptops

(II) Tablets

(III) Server

(IV) Storage

(V) UPS

(VI) Surveillance

(VII) Displays & Projectors

(VIII) Networking

- (i) Routers
- (ii) Switches
- (iii) WLAN

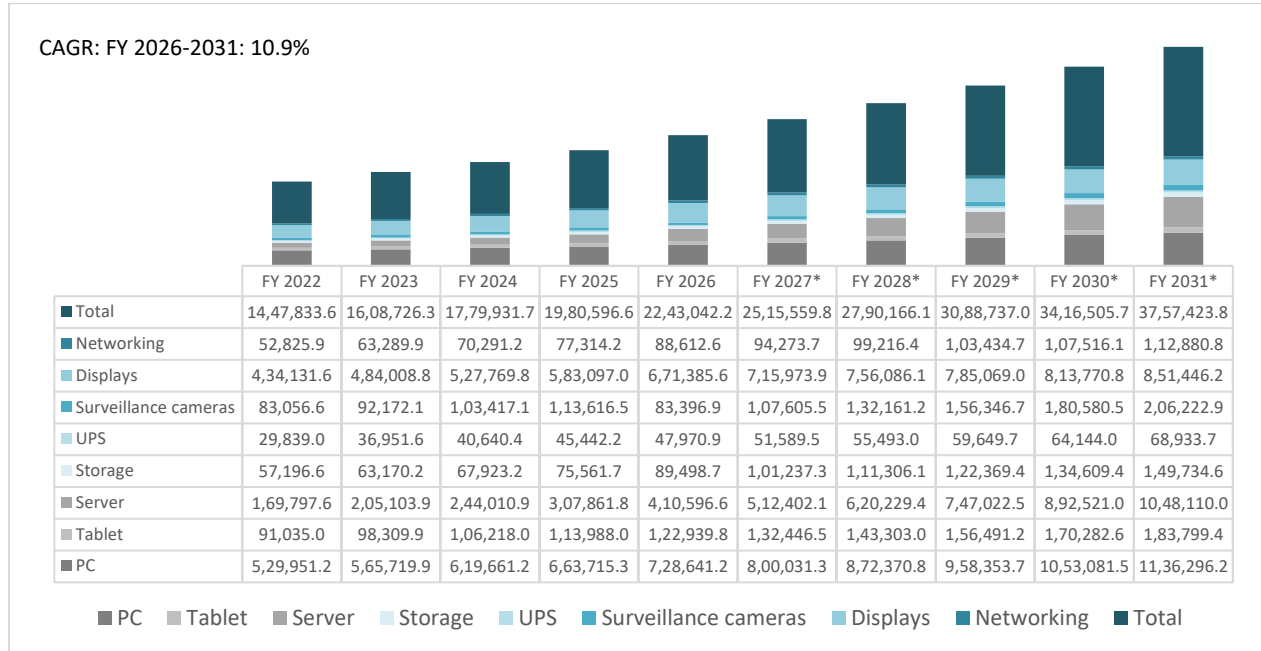
(IX) Other Products: Printing and Imaging such as Printers, scanners, Peripherals and accessories such as headphones, speakers, mouse, keyboards, power banks, hard drives, pen drives and other ICT products.

All revenue estimates presented in this report are based on OEM-to-distributor billing values, inclusive of estimated distributor mark-ups. Accordingly, the market size estimates represent the revenue opportunity available within the ICT hardware distribution channel rather than final end-user spending across industry sectors. Distributor mark-ups and realized margins vary by product category, vendor program, deal size, and sales volumes, and are generally estimated to range between 5–10%. Therefore, the market values and market shares presented in this report should be interpreted as indicative of the distribution opportunity within the ICT hardware ecosystem.

For this study, the ICT Product market includes personal computers (desktops, laptops, and high-end workstations), tablets, servers, storage systems, UPS, surveillance equipment, displays and projectors, and networking products (including routers, switches, and WLAN solutions). The market estimates capture the value of products flowing through the distribution ecosystem, wherein OEMs supply products to distributors, who subsequently sell to resellers, system integrators (SIs), managed service providers, and channel partners before reaching enterprise customers, government organizations,

retail channels, or end users. This report has been specifically designed to provide guidance on distributor-level market sizing and OEM market share analysis, enabling stakeholders to assess distributor revenue opportunities across the ICT product distribution landscape.

Exhibit 8: Total ICT Product, Distributor Market Revenues, India, FY 2022 – FY 2031*, INR Million

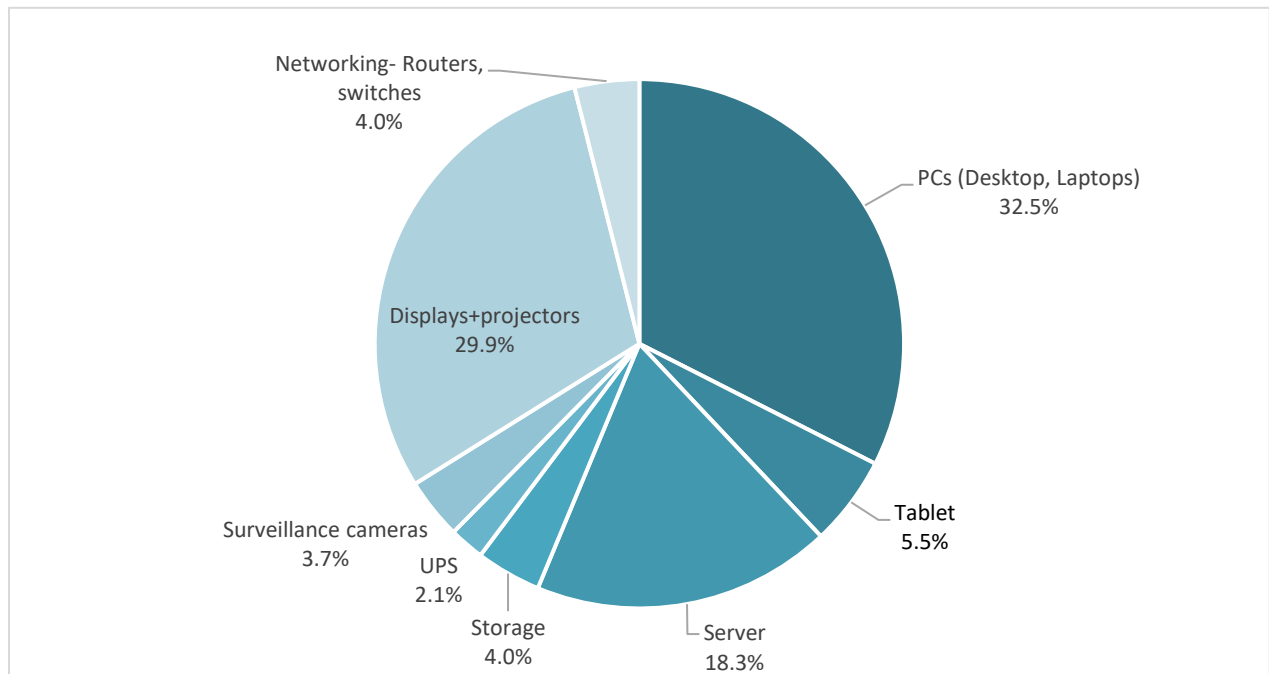


*Estimated

Source: Frost & Sullivan

The Indian ICT products market has demonstrated strong and sustained growth, expanding from approximately INR 1.45 trillion in FY2022 to INR 2.24 trillion in FY2026 and is projected to reach INR 3.75 trillion by FY2031, representing a CAGR of approximately 10.9% during FY2026 to FY2031. The market's growth is being driven by increasing enterprise technology spending, accelerating digital transformation initiatives, cloud adoption, AI-led infrastructure investments, data center expansion, cybersecurity requirements and continued government focus on digitization. As organizations across public and private sectors modernize their IT infrastructure, demand for computing, networking, storage and security solutions is expected to remain robust over the forecast period.

The scale and diversity of this addressable market create significant growth opportunities across the ICT ecosystem. OEMs are positioned to benefit from rising product demand and technology refresh cycles, while distributors and channel partners can capitalize on deeper market penetration across enterprise, government and SMB segments. System integrators, managed service providers, and technology solution providers are also expected to benefit from growing requirements for deployment, integration, maintenance and managed services, supporting value creation across the broader ICT value chain.

Exhibit 9: ICT Market by Key Product Segments, India, FY 2026, Percentage Split

Source: Frost & Sullivan

The FY2026 market composition highlights the dominance of end-user computing and display infrastructure within the ICT hardware ecosystem. PCs (desktops and laptops) account for the largest share of the market, contributing 32.5%, followed by displays and projectors, which represent 29.9% of the total market. Together, these two categories constitute a significant portion of overall ICT hardware demand, reflecting strong adoption across enterprises, education institutions, and hybrid work environments. Servers form the next largest segment with 18.3% share, underscoring the growing importance of data infrastructure as organizations increasingly deploy applications, analytics, and cloud-enabled workloads. Tablets and surveillance cameras each contribute approximately 5.5% and 3.7% of the market respectively, driven by demand in education, enterprise mobility, and security deployments across public infrastructure and enterprises. Meanwhile, storage systems, networking equipment (routers and switches), and UPS systems account for relatively smaller shares individually, though they remain critical components of enterprise and data center infrastructure, supporting the reliability, connectivity, and scalability of IT environments. Overall, the market structure reflects a combination of strong demand for end-user devices alongside steady investments in underlying IT infrastructure.

ICT Product Market- By Segment

(I) Personal Computers (PCs)

The PC market size comprises commercial Desktops, High-End Workstations, and Laptops. A desktop computer is a personal computer designed to be used at a stationary location, typically on or near a desk. It usually consists of separate components such as a tower or case housing the processor, motherboard, storage drives, and power supply, along with peripherals like a monitor, keyboard, and

mouse. Desktops are the preferred choice for businesses, government offices and educational institutions. A laptop, also called a notebook, is a portable personal computer with an integrated screen, keyboard, and pointing device, powered by a rechargeable battery or AC adapter. Laptops are preferred by professionals who require the convenience of portable computing for hybrid or remote working, distance learning and personal use. High-end workstations are specialized high-performance computers designed for demanding professional applications like 3D rendering, scientific simulations, engineering and complex data analysis. High-end workstations offer advanced CPU, GPU and memory capabilities, which are beneficial for people using the device for specialized purposes.

The Indian PC market is undergoing a significant technology transition, driven by the increasing integration of AI capabilities across desktops, notebooks and workstations. Modern processors are increasingly equipped with dedicated AI engines and Neural Processing Units (NPUs), enabling on-device AI processing, improved productivity and support for generative AI applications. At the same time, advancements in GPU technology, are enhancing AI-driven graphics processing, content creation, engineering workloads and gaming performance.

Hardware innovation continues to improve overall system performance and user experience. The adoption of DDR5 memory and higher-density SSD storage solutions based on advanced NAND technologies is enabling faster data access, improved multitasking capabilities and support for increasingly data-intensive workloads. In parallel, AI-enabled system management tools are being leveraged to optimize resource allocation, automate software updates and facilitate predictive maintenance, helping improve device performance and operational efficiency.

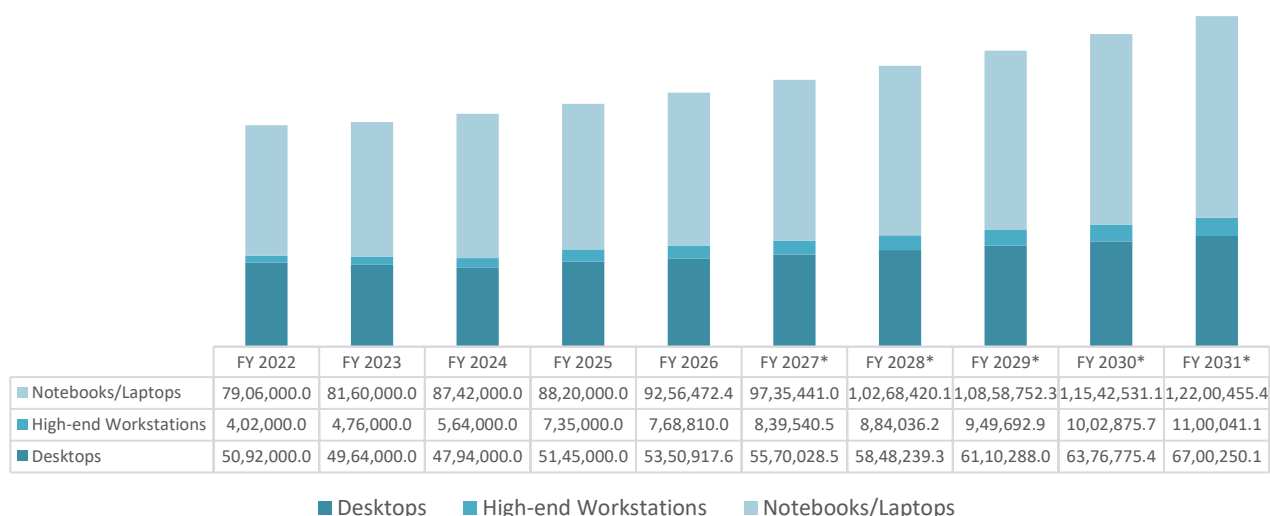
Another notable trend is the emergence of ARM-based computing platforms alongside traditional x86 architectures, particularly in notebooks and mobile workstations. These platforms offer enhanced power efficiency and tighter integration of CPU, GPU and AI processing capabilities on a unified chip architecture. Additionally, advancements in thermal management technologies, including improved cooling systems and liquid-cooling solutions in high-performance devices, are enabling increasingly powerful computing platforms while maintaining energy efficiency and compact form factors.

These trends collectively enable more intelligent, powerful, and efficient notebooks, workstations, and PCs, addressing demands from everyday users to AI researchers and content creators. Integration of AI hardware, cloud computing support and faster memory/storage are key drivers shaping 2025 computer hardware.

The PC market in India has been rising over the past few years due to robust demand driven by growth in the IT industry. Adoption of AI-powered PCs is accelerating, and premium models are gaining traction among consumers and businesses. The brands are offering higher discounts, even matching prices in the brand's stores and offline channels like Larger Format Retail stores (LFRs) to attract customers and remain competitive in the market. Processors, Graphics cards, Memory and Storage are some of the key features affecting the product choices in the market. HP, Dell and Lenovo are the top companies in the PC segment. Some of the top models from these companies include HP's EliteBook and Pavilion series, Lenovo's ThinkPad and Dell's XPS and Inspiron series.

Exhibit 10: Total PC Unit Shipments, India, FY 2022 – FY 2031*

CAGR: FY 2026-2031: 5.4%



* Estimated

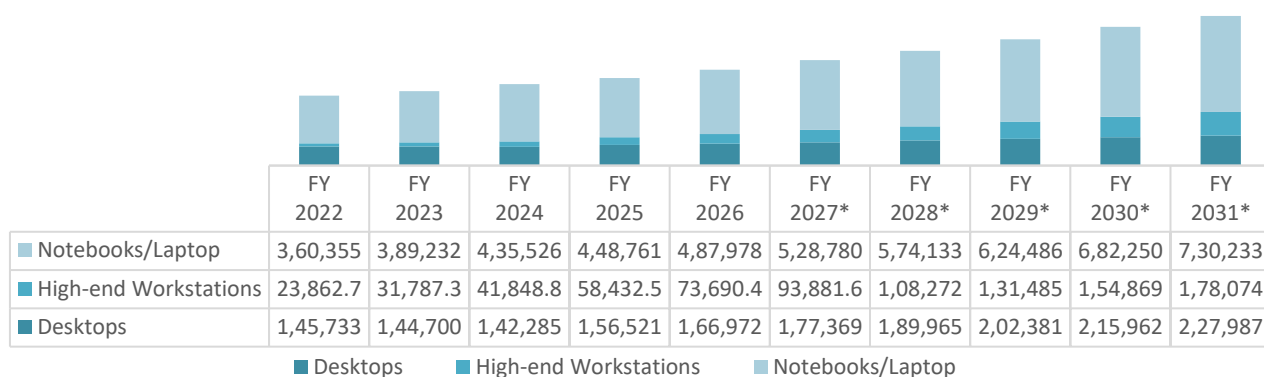
Note: The chart indicates the actual number of PC units shipped from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

In FY 2026, the PC market sold a combined total of over 15.3 million units at a Y-o-Y growth rate of 4.6%. The Y-o-Y growth rate of shipments is projected to steadily increase, reaching up to 5.7% in FY 2031, with total shipments exceeding 20 million units, with Laptops contributing approximately 61% of the total shipments.

Exhibit 11: Total PC Revenue, Distributor Market Size, India, FY 2022 – FY 2031, INR Million

CAGR: FY 2026-2031: 9.3%



*Estimated

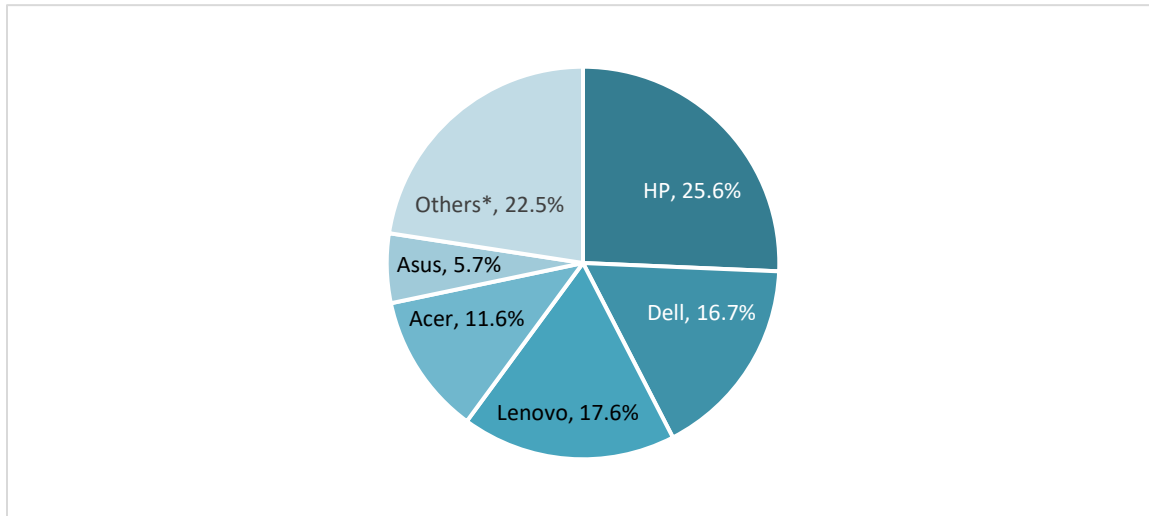
Note: The chart indicates the actual PC market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The overall PC market revenues in India is also seen on an upward trajectory, expected to generate a CAGR of 9.3% from FY2026 to FY2031, driven by enterprise demand, end of support for Windows 10,

global firms upgrading their infrastructure as a part of their refresh cycles, growth in demand from the education sector and the government's focus on digitization.

Exhibit 12: Total PC Market Share, India, FY 2026, Percentage Split



Source: Frost & Sullivan

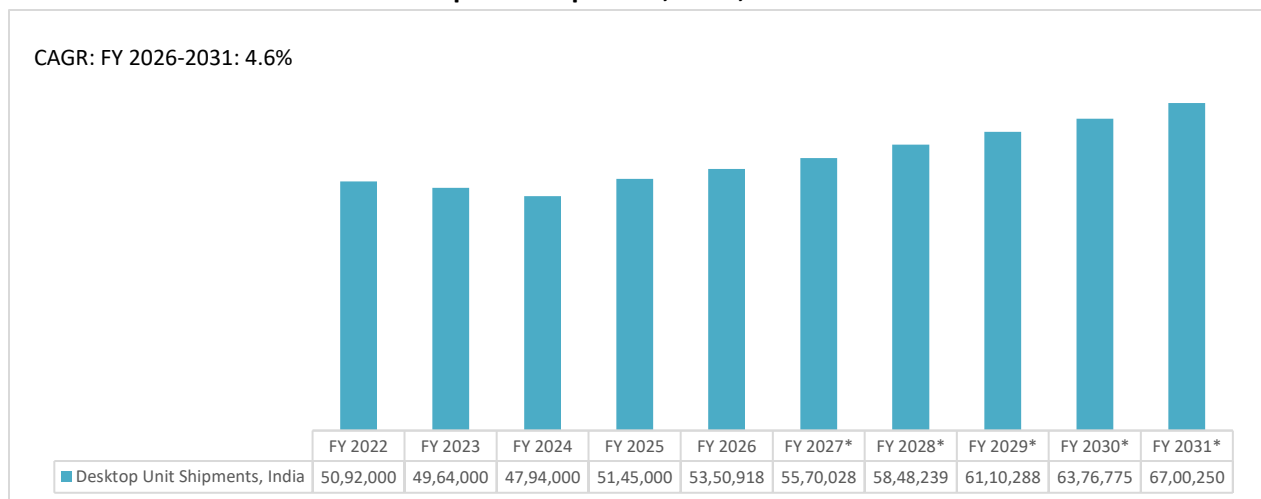
*Others include; MSI, Apple, Zebronic, Fujitsu, LG, RDP Technologies, etc.

HP is the market leader in the PC segment with a revenue market share of 25.6%, while Lenovo and Dell rank second and third, respectively. Strong sales through e-commerce channels, expansion in offline retail, Security features, and focus on high-performance have made HP the top brand in PC market.

(i) Desktop

The Indian desktop market remains steady, though there is a shift towards mobile computing devices. The customers in this segment are primarily government and educational institutions and businesses requiring fixed-location computing abilities for on-site working and computer labs.

Exhibit 13: Desktop Unit Shipments, India, FY 2022 – FY 2031*



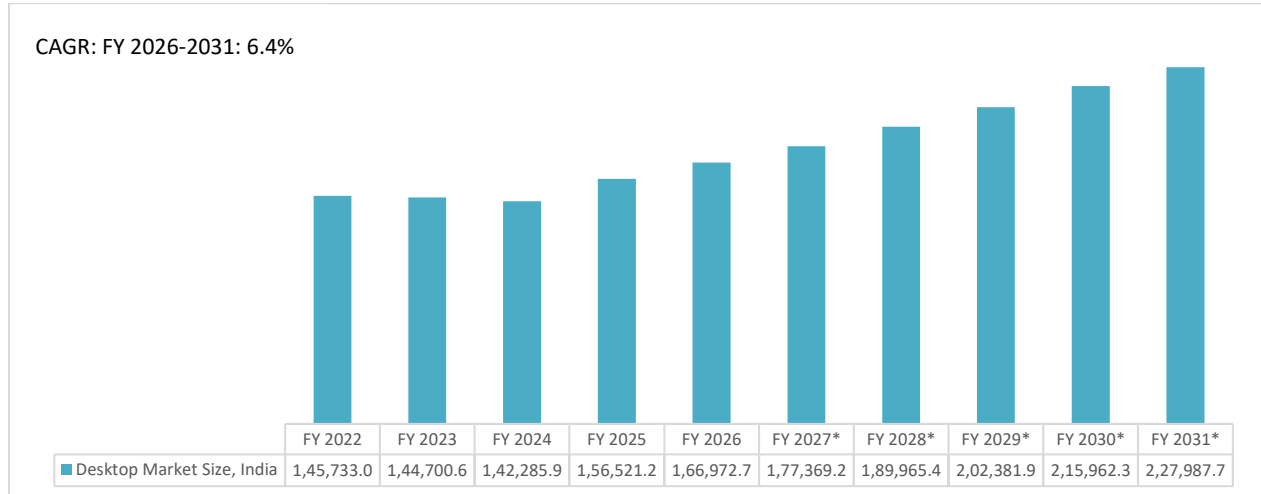
*Estimated

Note: The chart indicates the actual number of Desktop units shipped from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

Desktop shipments are expected to grow at a CAGR of 4.6% from FY2026 through FY2031. The drop in shipments from FY2022 to FY2024 can be attributed to the post-pandemic slump and consumer preference shifting towards notebooks. The trend reversal and revenue rise are expected due to some of the major companies shifting back towards a hybrid or a mandatory work-from-office model.

Exhibit 14: Desktop Market Revenues, India, FY 2022 – FY 2031*, INR Million



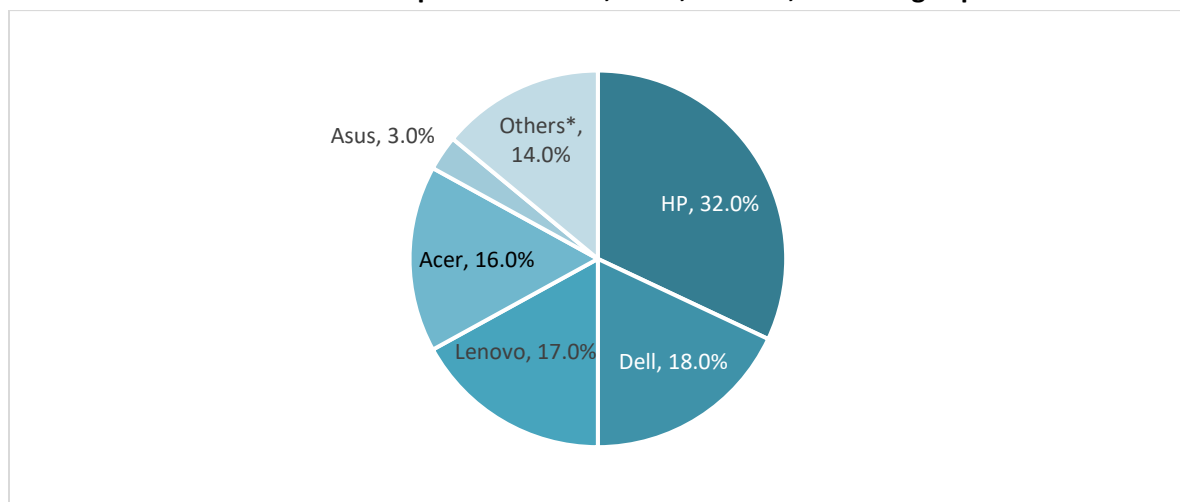
*Estimated

Note: The chart indicates the actual Desktop market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The 'Desktop' is the oldest and the most mature segment, hence showcasing a modest growth rate of 6.4%, mainly driven by purchases from offices and government, and educational institutions requiring presence on-site. The market is expected to grow from INR 166972.7 million in 2026 to over INR 227,987.7 million by FY2031.

Exhibit 15: Desktop Market Share, India, FY 2026, Percentage Split



Source: Frost & Sullivan

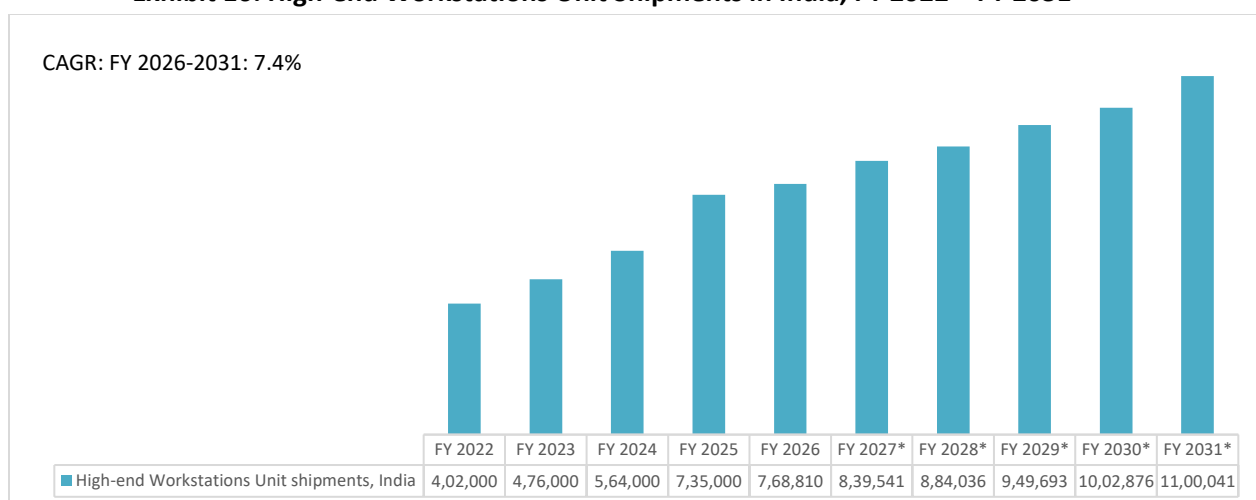
*Others include: Apple, MSI, RDP Technologies, Netweb Technologies, HCL Infosystems, Zebronic, Fujitsu, Panasonic, LG, Samsung, etc.

HP is the biggest brand in the Desktop segment with a revenue contribution of 32.0%, while Dell and Lenovo rank second and third, respectively. The top 3 brands contribute over 67% of the total revenues in this segment.

(ii) High-end Workstations

High-end Workstations are generating strong demand among large enterprises and specialized sectors. These devices are beneficial for customers in IT departments, research labs, design studios, and professionals in animation, CAD, and financial modeling. This segment is experiencing robust growth and is expected to show significant expansion as Indian companies accelerate investments in digitalization, with local manufacturing initiatives boosting supply. Companies are increasingly developing custom chips (NPUs, TPUs) to accelerate AI model training and inference with lower latency and energy use, influencing the design of high-end workstations.

Exhibit 16: High-end Workstations Unit Shipments in India, FY 2022 – FY 2031*

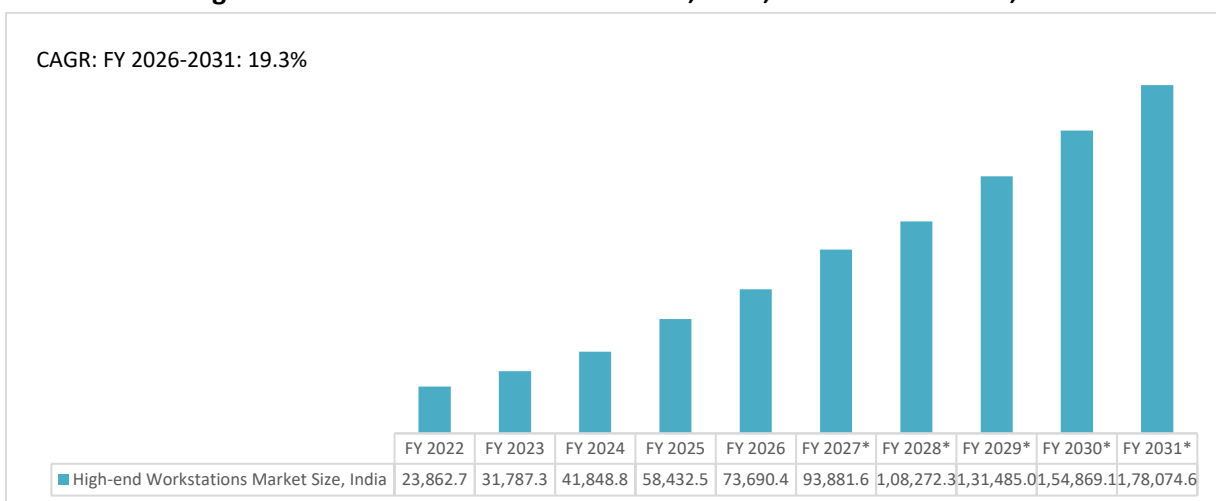


*Estimated

Note: The chart indicates the number of High-end workstation units shipped from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

While the number of High-end Workstations is rising steadily, the average cost of High-end Workstations is expected to rise at a CAGR of 11.1% from FY2025 to FY2031, showing a steep jump from an average price of INR. 90000 in FY 2026 to INR. 1,52,000 in FY 2031.

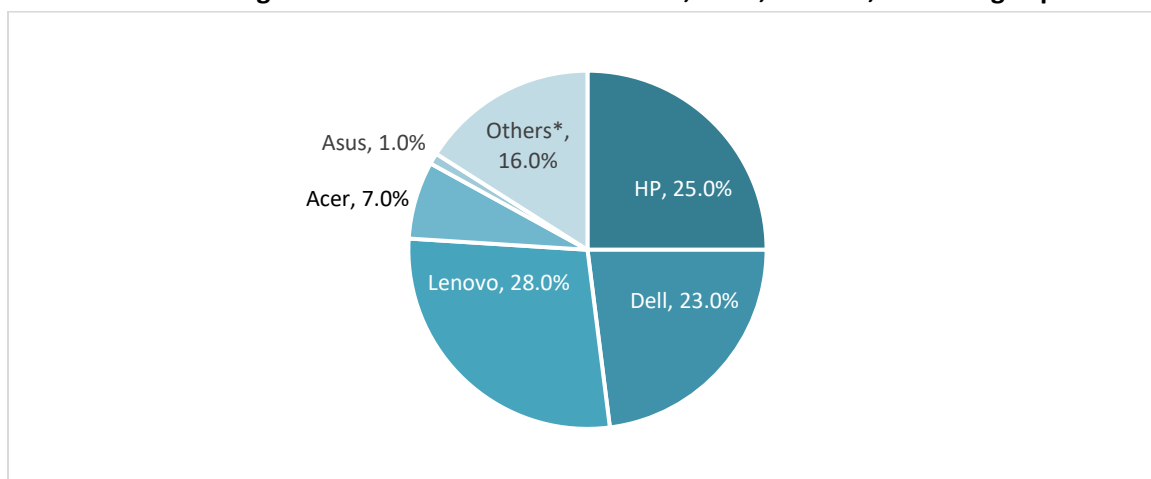
Exhibit 17: High-end Workstations Market Revenues, India, FY 2022 – FY 2031*, INR Million

*Estimated

Note: The chart indicates the High-end Workstations market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

‘High-end Workstation’ is the fastest-growing segment in the PC market revenues, with a CAGR of 19.3% from FY2026 to FY2031. The growth in this segment can be attributed to the increasing demand for powerful computing in various fields like AI, machine learning, and content creation, along with the growth of the animation and gaming industry, which requires superior computing capabilities.

Exhibit 18: High-end Workstations Market Share, India, FY 2026, Percentage Split

Source: Frost & Sullivan

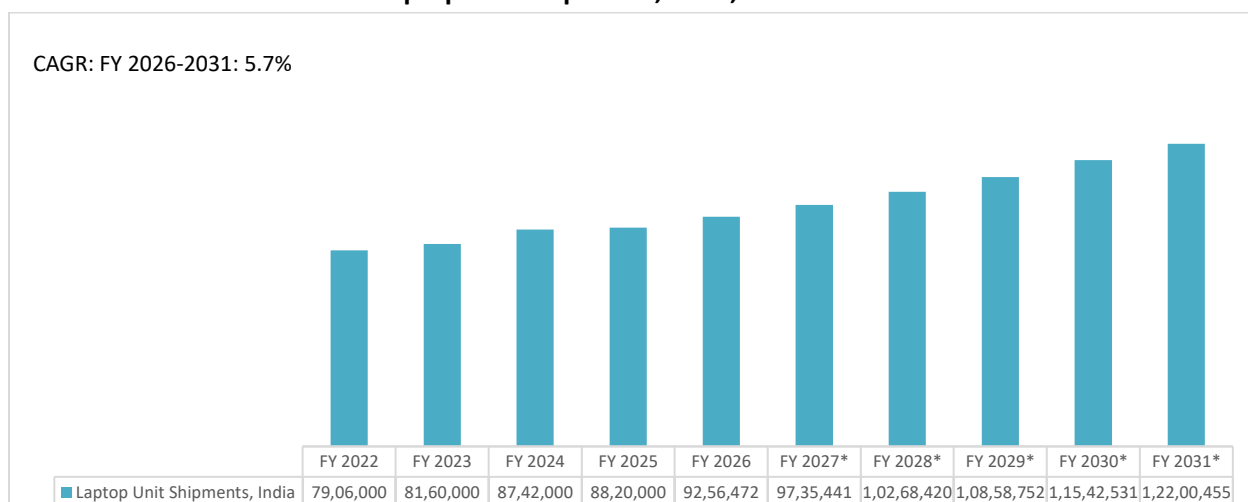
*Others include: Apple, MSI, Fujitsu, Panasonic, Netweb Technologies, RDP Technologies, etc.

Lenovo is the biggest brand in the High-end Workstation segment with a revenue contribution of 28%, while HP and Dell rank second and third, respectively. The top 3 brands contribute over 76% of the total revenues in this segment.

(iii) Notebooks/Laptops

The Laptop/Notebooks market is growing steadily due to increasing demand from working professionals and students for mobile devices. The rising startup culture in the country is also fueling demand for these portable devices, which can be used for work on the go. The sleek and compact design also boosts the sales of the devices.

Exhibit 19: Laptop Unit Shipments, India, FY 2022 – FY 2031*



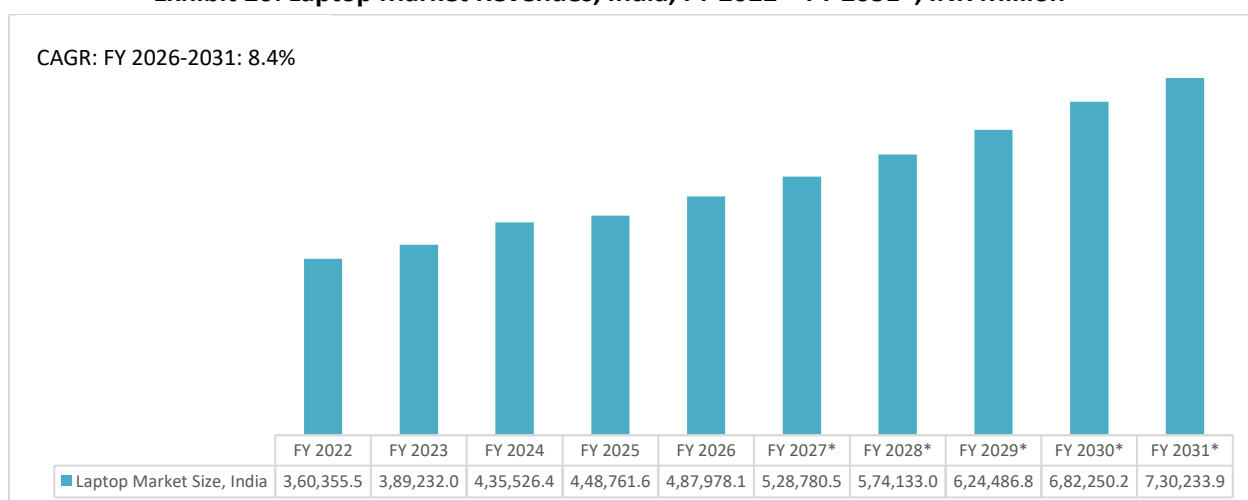
*Estimated

Note: The chart indicates the actual number of Laptop units shipped in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The shift in consumer demand has propelled the rise of Laptops/Notebooks, with it being the biggest segment for the PC shipments, consistently contributing around 60%. The segment saw a 4.9% Y-o-Y increase in the number of units shipped in the base year of FY2026. The number of units to be shipped in FY2031 is expected to be over 12.2 million. The average price of Laptops is expected to remain steady with a CAGR of 2.6% from FY2026 to FY 2031, with an expected increase from INR 49,500 to INR 56,200 in the same period.

Exhibit 20: Laptop Market Revenues, India, FY 2022 – FY 2031*, INR Million



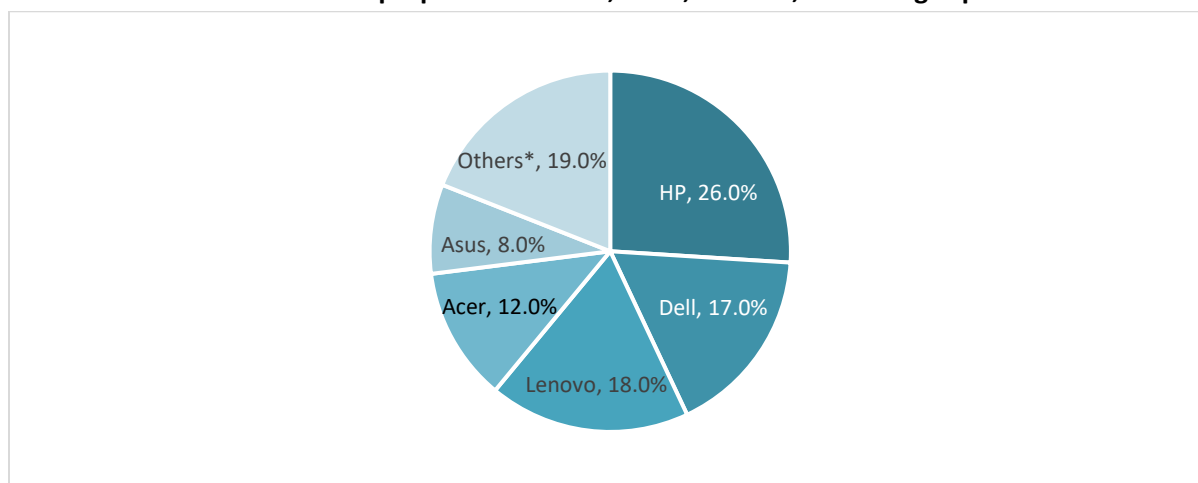
*Estimated

Note: The chart indicates the actual Laptop market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The laptop market is rising owing to the need for portable computing and is expected to reach INR 730233.9 million by FY2031. The increasing trend of remote work and co-working spaces is driving the demand for laptops, leading to a CAGR of 8.4% from FY2026 to FY 2031 in the laptop segment.

Exhibit 21: Laptop Market Share, India, FY 2026, Percentage split



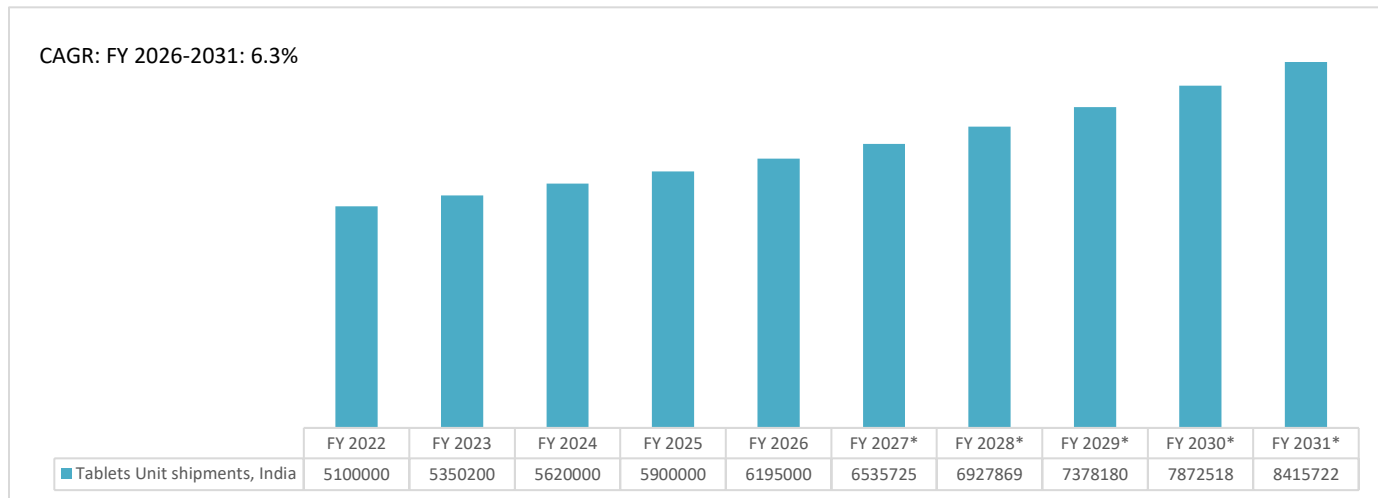
Source: Frost & Sullivan

*Others include: Apple, MSI, Samsung, LG, Dynabook, Fujitsu, Panasonic, Microsoft Surface, RDP Technologies, Xiaomi, VAIO, etc.

HP is the biggest brand in the laptop segment with a revenue contribution of 26%, while Lenovo and Dell rank second and third, respectively. The top 3 brands contribute over 60% of the total revenues in this segment. Some of the top laptop models by brands are as follows:

(II) Tablets

Increasing digital penetration and internet accessibility have helped boost sales of tablets, indicating a clear shift towards premium and 5G-enabled devices. Young professionals, families from urban as well as semi-urban areas, and institutions adopting remote work and digital transformation are the main customers in this segment. The compact size and ease of operation are the main drivers behind the rising popularity of the tablets.

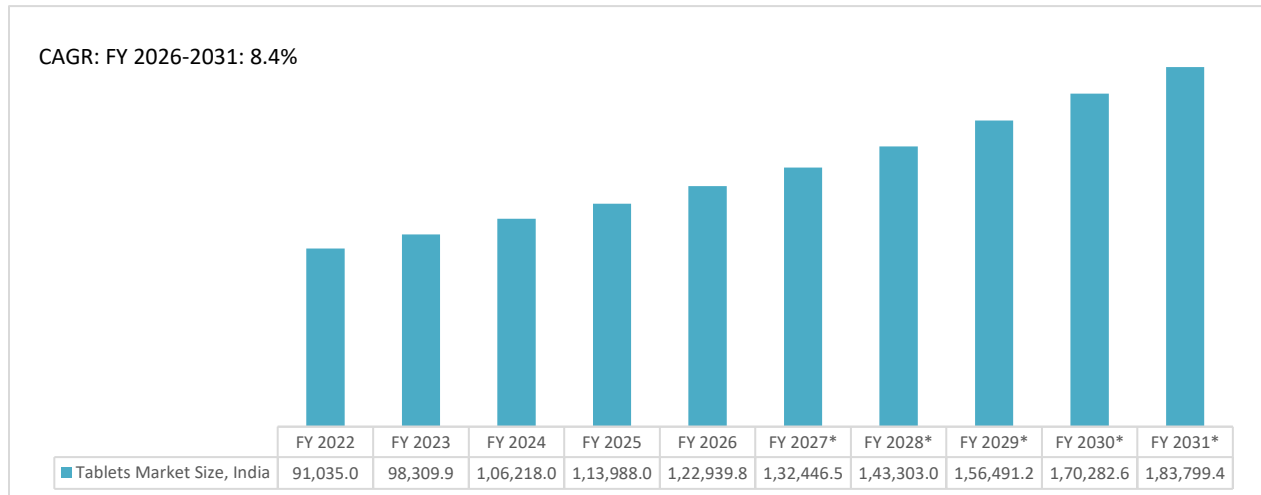
Exhibit 22: Tablet Unit Shipments, India, FY 2022 – FY 2031*

*Estimated

Note: The chart indicates the actual number of Tablet units shipped in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The rising popularity of tablets has led to increased demand, resulting in a higher number of shipments annually. The segment is expected to witness a modest CAGR of around 6.3% between FY2026 and FY2031, with shipments projected to increase from 6.19 million units to approximately 8.41 million units during the forecast period. The average selling price (ASP) of tablets is expected to remain relatively stable at a CAGR of 1.9%, with prices increasing slightly from INR 18,900 in FY2026 to around INR 20,800 by FY2031.

Exhibit 23: Tablet Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million

*Estimated

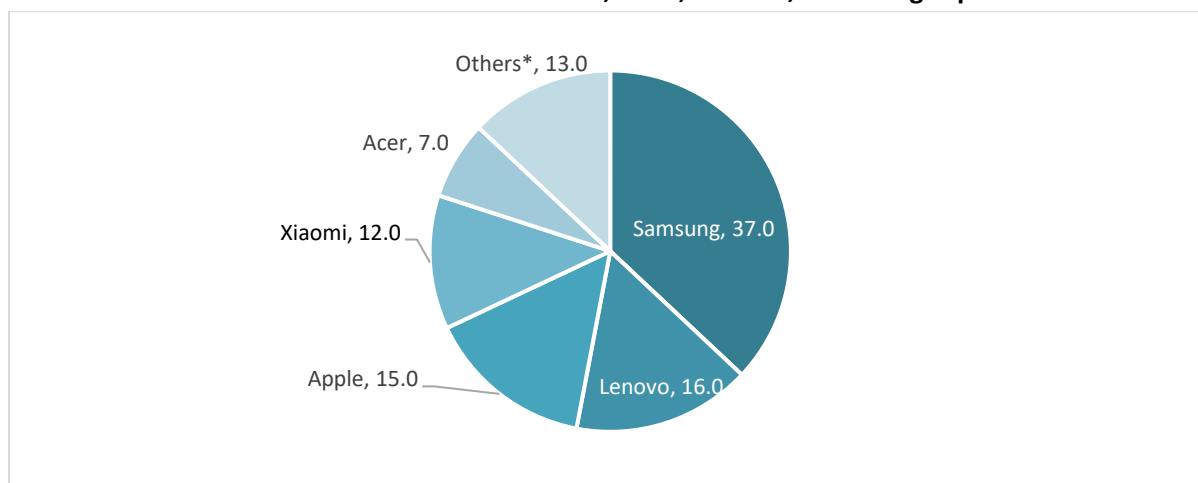
Note: The chart indicates the actual Tablets market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The tablet market revenue is rising rapidly, reflecting Indian consumers' rising demand for high-performance, future-ready devices, and driven by the availability of affordable tablets from mainly

from Chinese brands. The revenue is expected to exceed INR 183,799.4 million by FY2031, indicating a CAGR of 8.4% from FY2026 to FY2031.

Exhibit 24: Tablet Market Share, India, FY 2026, Percentage split



Source: Frost & Sullivan

*Others include: OnePlus, OPPO, Realme, Honor, Huawei, Nokia, TCL, Alcatel, Panasonic, etc.

The India tablet market remains highly concentrated, with Samsung maintaining a dominant 37% share, supported by its broad portfolio spanning consumer, education, and enterprise segments. Lenovo with 16% and Apple with 15% form the second tier of tablets distributed in the Indian market. Xiaomi at 12% market share continues to strengthen its position through value-focused offerings and channel expansion.

(III) Server

The server market is undergoing a structural shift, with growth increasingly moving beyond traditional enterprise servers toward AI-optimized infrastructure. While conventional servers continue to support core business applications, databases, virtualization and enterprise workloads, the rapid adoption of artificial intelligence is creating a new class of compute requirements that legacy architectures were not designed to address. The rise of generative AI, large language models (LLMs), computer vision and advanced analytics is driving organizations to invest in AI servers that deliver significantly higher processing power, memory bandwidth and scalability.

AI servers are purpose-built systems designed to train, fine-tune and run AI models at scale. Unlike traditional servers that rely primarily on CPUs, AI servers combine high-performance processors with multiple GPUs or specialized AI accelerators, high-bandwidth memory, ultra-fast storage and low-latency networking. This architecture enables parallel processing of massive datasets and complex algorithms, significantly reducing the time required for AI model training and inference. As AI workloads become larger and more sophisticated, AI servers are emerging as the foundational infrastructure layer for next-generation digital services and intelligent applications.

Demand for AI servers is accelerating globally from two key customer segments. The first comprises hyperscale cloud and internet providers, which are rapidly expanding AI compute capacity to support cloud-based AI services, foundation model development and large-scale inference workloads. The second includes enterprises across sectors such as banking, healthcare, manufacturing, retail, telecom

and government, which are increasingly embedding AI into business processes, cybersecurity operations, customer engagement platforms and decision-support systems. As a result, AI infrastructure is evolving from a niche high-performance computing segment into a mainstream component of data center investment strategies.

The Indian market is witnessing a rapid increase in demand for GPU-based AI servers, driven by the growing adoption of generative AI, machine learning and high-performance computing (HPC) workloads across enterprises, hyperscalers, research institutions, and government organizations. Unlike traditional CPU-based servers, GPU-enabled systems offer significantly higher parallel processing capabilities, making them essential for AI model training, inference, and large-scale data analytics. Hyperscale cloud providers are expanding GPU clusters to support AI-as-a-Service offerings, while enterprises across BFSI, healthcare, manufacturing, telecom and IT services are investing in on-premises and hybrid AI infrastructure to accelerate AI deployment. In parallel, India's expanding data center ecosystem, increasing focus on sovereign AI, and government initiatives promoting indigenous AI capabilities are further fueling investments in GPU-accelerated server infrastructure. As AI adoption matures, GPU-based servers are expected to become one of the fastest-growing segments within the enterprise server market, driving higher infrastructure spending and creating new opportunities across the ICT distribution ecosystem.

Data residency mandates have emerged as a significant catalyst for domestic server infrastructure expansion, encouraging organizations to store and process sensitive information within national borders. Regulatory frameworks such as the Digital Personal Data Protection (DPDP) Act, along with sector-specific compliance requirements across banking, financial services, insurance (BFSI), government and critical infrastructure segments, are driving increased investments in local data center capacity. As enterprises seek to maintain compliance while leveraging AI-driven insights, demand for locally hosted AI compute infrastructure is rising rapidly.

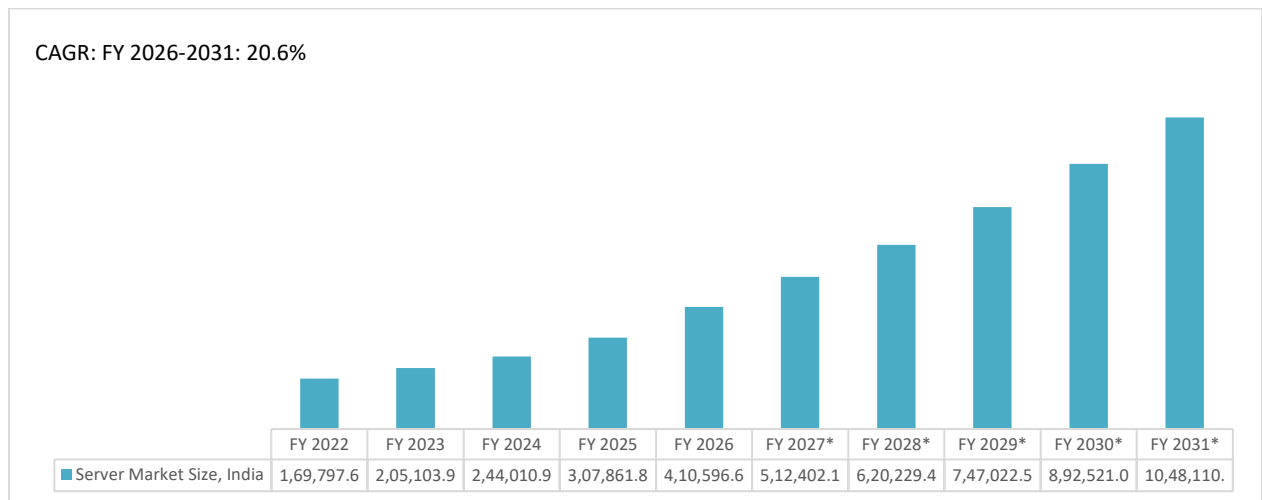
This trend is accelerating the deployment of AI servers within India, enabling organizations to process large datasets domestically while meeting data governance requirements. Enterprises are increasingly shifting away from dependence on overseas infrastructure toward dedicated local AI environments that offer both regulatory compliance and lower-latency performance. Consequently, data centers are witnessing growing demand for high-density AI server architectures equipped with advanced GPU accelerators, high-speed networking and enhanced storage capabilities. The convergence of AI adoption and data localization is therefore creating a strong multiplier effect on server infrastructure investments across the country.

A notable characteristic of AI servers is their substantially higher cost compared to traditional server platforms. AI servers can cost approximately five to ten times more than conventional enterprise servers, primarily due to the inclusion of multiple high-end GPUs, advanced networking technologies, larger memory configurations and specialized cooling systems. While the upfront investment is considerably higher, organizations increasingly view AI infrastructure as a strategic asset required to support compute-intensive workloads and future digital transformation initiatives.

To support AI applications effectively, server designs are evolving beyond conventional compute configurations. Modern AI servers incorporate high GPU density, large memory pools, high-bandwidth interconnects, accelerated storage subsystems and advanced thermal management technologies, including liquid cooling in high-performance deployments. These enhancements are essential for handling larger AI models, reducing processing times, improving inference performance and enabling scalable AI deployments across enterprise and cloud environments.

Looking ahead, AI servers are expected to represent one of the fastest-growing segments within the broader server market. As hyperscalers continue expanding AI capacity and enterprises scale AI adoption across business functions, infrastructure spending will increasingly shift toward AI-optimized platforms. In India, this trend will be further reinforced by data localization requirements, growing data center investments and the country's ambition to build sovereign AI capabilities. Together, these factors position AI servers as a critical foundation for the next phase of digital transformation and AI-led innovation.

Exhibit 25: Server Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million



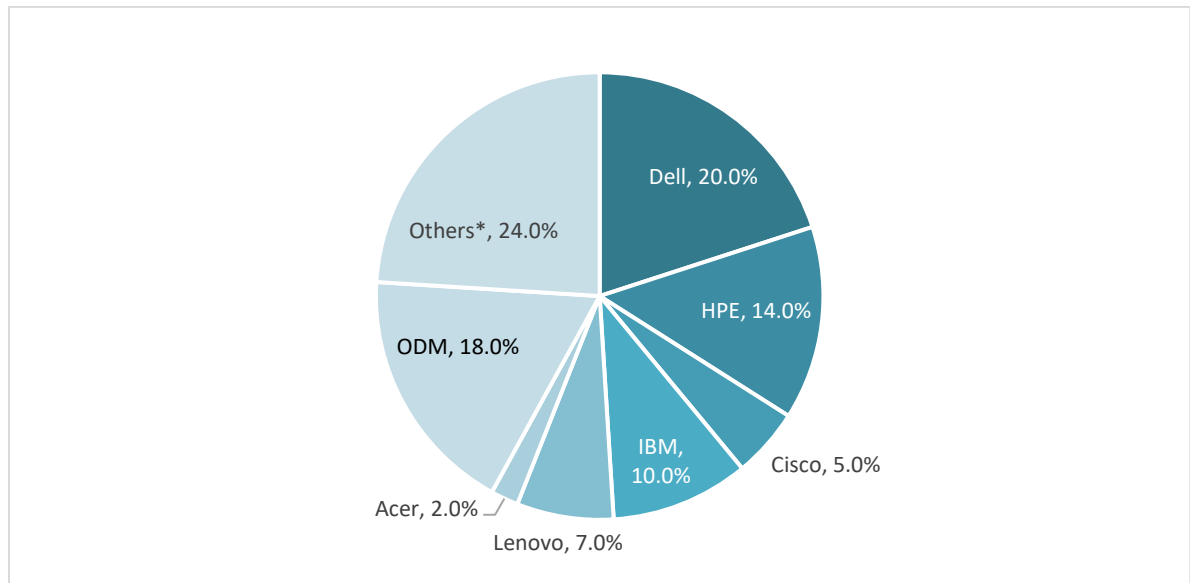
*Estimated

Note: The chart indicates the actual Server market size in India from FY 2022 to FY 2026, with projections till FY 2031

*Estimates include AI servers market

Source: Frost & Sullivan

The server market (includes Enterprise and AI Servers) is on an upward trajectory, generating a CAGR of 20.6% from FY2026 to FY2031. The growth can be attributed to rapid digital transformation, AI adoption, cloud adoption, data center expansion in the country, and government initiatives. By FY2031, the server market revenue is expected to reach INR 1,048,110 million.

Exhibit 26: Server Market Share, India, FY 2026, Percentage Split

Source: Frost & Sullivan

*Others include: Fujitsu, Oracle, Huawei, Inspur, Supermicro, NEC, Hitachi, Bull (Eviden/Atos), Netweb Technologies, RDP Technologies, Panasonic, etc.

ODMs include: Netweb Technologies, RDP Technologies, VVDN Technologies, Syrma SGS Technology, Dixon Technologies, Avalon Technologies, etc.

Dell remains the leading server vendor, accounting for 20.0% of total market revenues, followed by HPE at 14.0% and IBM at 10.0%. Together, the top three vendors contribute 44.0% of overall market revenues, indicating a relatively fragmented competitive landscape. Cisco, Lenovo, and Acer collectively account for a further 14.0% share, while the sizeable 'Others' category was at 24.0%, which reflects the presence of numerous OEMs and specialized infrastructure providers serving diverse enterprise and public-sector requirements.

ODMs (Original Design Manufacturers) account for 18.0% of total server revenues, highlighting the increasing adoption of direct sourcing and custom-built infrastructure across cloud, AI, and large-scale data center environments. The ODM segment is expected to expand its market presence over the forecast period as investments in AI infrastructure accelerate. Growing demand for GPU-intensive servers, AI training clusters, and high-performance computing platforms is driving organizations toward highly customized and cost-optimized server architectures. As AI server deployments increase, ODMs are expected to capture a larger share of infrastructure spending, supported by the broader shift toward hyperscale and AI-centric data center investments. ODMs support infrastructure deployments for leading server OEMs (e.g., Dell, HPE, Lenovo), AI infrastructure providers (e.g., NVIDIA), and hyperscale cloud and internet companies (e.g., Microsoft, Google, Meta), enabling large-scale cloud, AI, and data center operations.

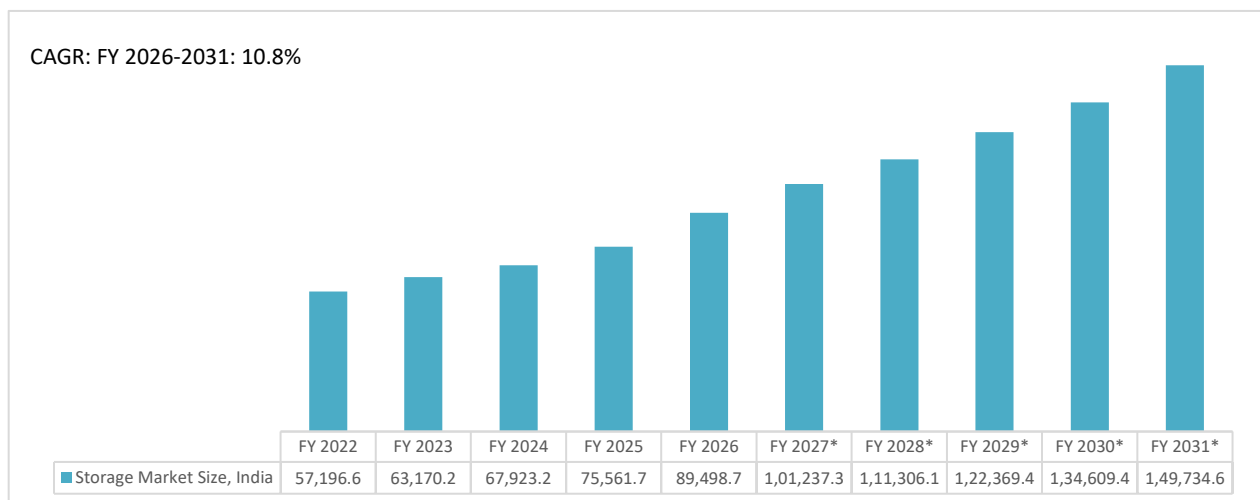
(IV) Storage

In India, increasing internet penetration, rising digital literacy, wider adoption of smart devices, and the growing reliance of enterprises on data-driven decision-making are driving substantial growth in data creation and consumption. Furthermore, the proliferation of emerging technologies such as AI/ML, 5G, IoT and advanced analytics is generating unprecedented volumes of structured and

unstructured data, significantly increasing the demand for scalable, high-performance storage infrastructure. As a result, the need for enterprise storage solutions is at an all-time high and is expected to continue growing over the coming years.

For this report, the storage market includes Storage Area Networks (SAN), Network Attached Storage (NAS), all-flash and SSD-based storage systems and cloud storage platforms. The market is increasingly shifting toward high-performance flash storage, software-defined architectures and hybrid cloud environments to support evolving enterprise requirements for performance, scalability, security and regulatory compliance. While global vendors such as Dell, HPE, NetApp, IBM, Hitachi Vantara continue to dominate the Indian market, other domestic and global players including Netweb Technologies, RDP Technologies, VVDN Technologies, CtrlS Datacenters, ESDS Software Solution, etc. are increasingly participating in storage deployments through integrated data center, cloud, AI infrastructure and sovereign digital infrastructure offerings.

Exhibit 27: Storage Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million

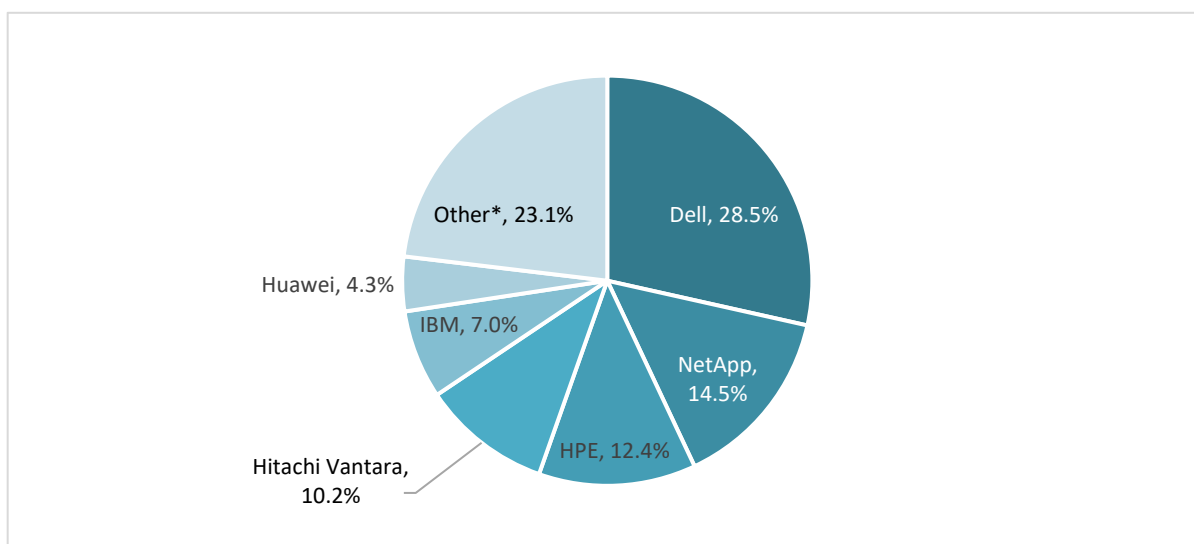


*Estimated

Note: The chart indicates the actual Storage market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The storage market is experiencing rapid growth, generating a CAGR of 10.8% from FY2026 to FY2031. The increasing amount of data generated by enterprises for their operations, technologies like AI-ML and IoT, along with the rise of big data tech and hyperscale data centers, boosts the need for efficient storage solutions. The storage market revenue is expected to reach INR 149,734.6 million by FY2031.

Exhibit 28: Storage Market Share, India, FY 2026, Percentage Split

Source: Frost & Sullivan

*Others include: Lenovo, Pure Storage, Nutanix, Fujitsu, Oracle, Seagate, Infinidat, Netweb Technologies, RDP Technologies, etc.

Dell is the biggest brand in the enterprise storage market with a revenue contribution of 28.5%, while NetApp and HPE rank second and third, respectively. The top 3 brands contribute over 55% of the total revenues in this segment

(V) Uninterrupted Power Supply (UPS)

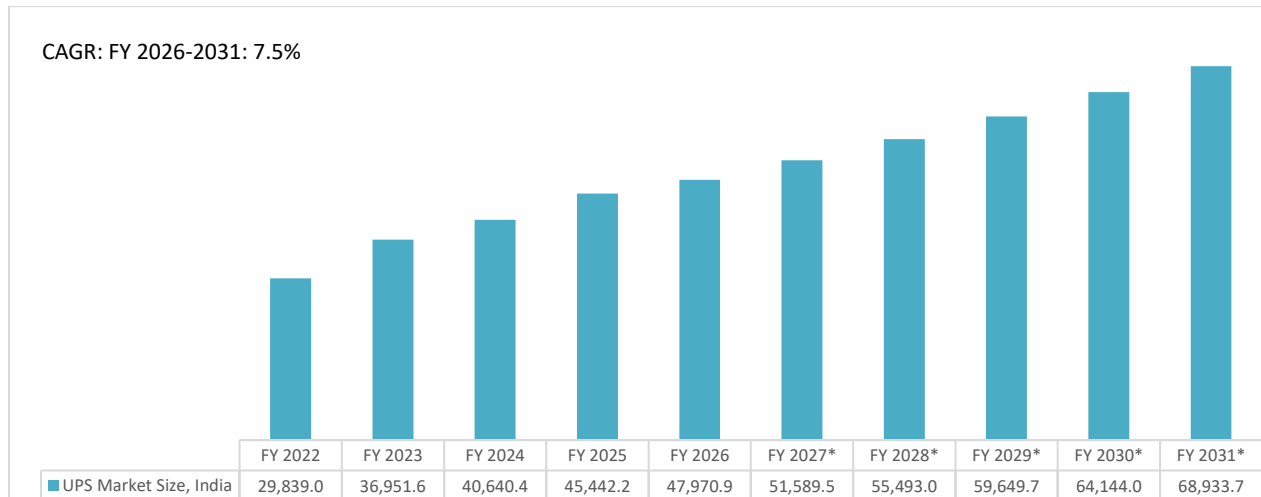
The Indian UPS market continues to be driven by the country's growing dependence on uninterrupted power infrastructure across enterprises, data centers, manufacturing facilities, healthcare institutions and digital businesses. While power reliability has improved in major urban centers, frequent power fluctuations and outages in several Tier II and Tier III cities continue to drive demand for backup power solutions. At the same time, increasing digitalization, enterprise IT adoption, automation initiatives and the rapid expansion of data center capacity are reinforcing the need for reliable power protection systems, positioning UPS solutions as a critical enabler of India's digital transformation agenda.

The market is witnessing a gradual shift toward higher-capacity and intelligent UPS systems, supported by rising investments in data centers, cloud infrastructure and AI workloads. The proliferation of AI-ready data centers is driving demand for high power-density UPS solutions capable of supporting mission-critical environments, while modular and scalable UPS architectures are gaining traction among hyperscale operators and large enterprises seeking operational flexibility and efficiency. Additionally, commercial UPS adoption is expanding beyond metropolitan regions into emerging industrial and commercial hubs, supported by growth in manufacturing, healthcare, retail and SME digitization initiatives.

The competitive landscape remains highly dynamic, with leading vendors continuing to strengthen their presence across enterprise and infrastructure segments. Furthermore, the growing integration of UPS systems with solar power installations and battery energy storage systems (BESS) is creating

new opportunities for hybrid energy management solutions, enabling organizations to improve energy resilience, optimize power consumption, and support sustainability objectives.

Exhibit 29: UPS Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million



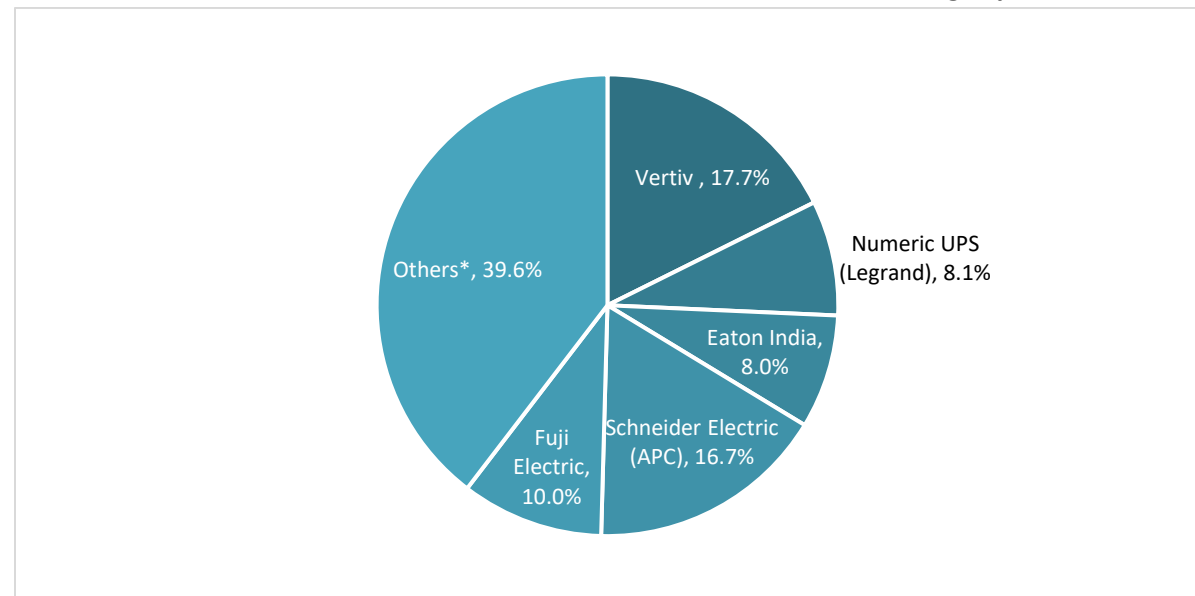
*Estimated

Note: The chart indicates the actual UPS market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

In recent years, the UPS market has been rising rapidly, generating a CAGR of 7.5% from FY2026 to FY2031. The growth can be attributed to the need for an uninterrupted power supply for the manufacturing and healthcare industries, frequent power outages, and the expansion of digital infrastructure. By 2031, the UPS market revenue is expected to reach INR 68933.7 million.

Exhibit 30: UPS Market Share, India, FY 2026, Percentage Split



Source: Frost & Sullivan

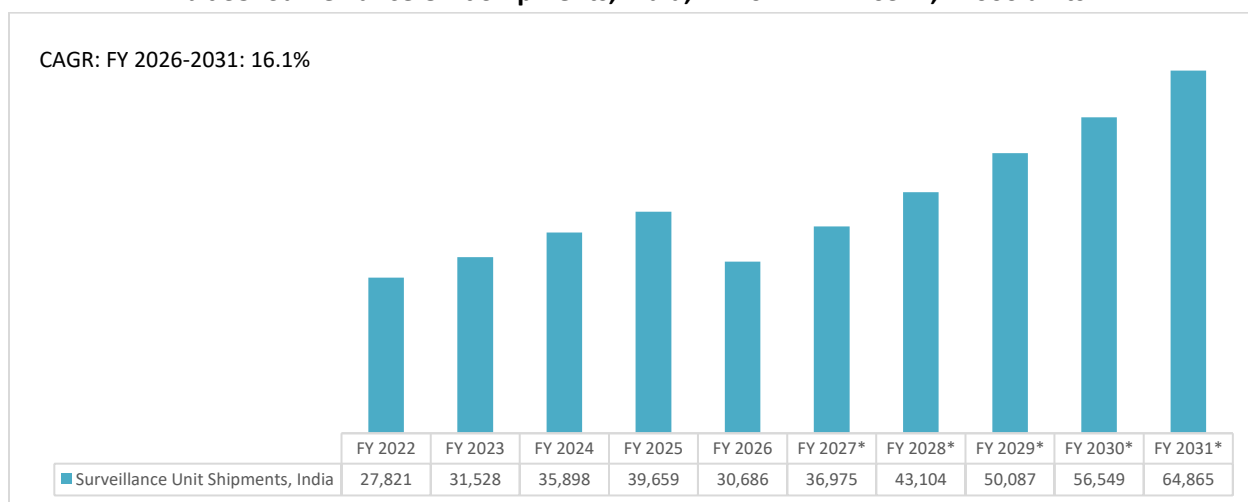
*Others include: Eaton, Delta Power, Numeric, ABB, Socomec, Riello, TMEIC, Microtek, Switching AVO, etc.

Vertiv with 17.7%, Schneider Electric/APC with 16.7%, and Fuji Electric with 10.0% market share collectively account for approximately 44% of UPS market revenues, establishing them as the leading vendors in the segment. However, no single player commands a dominant market position, reflecting the fragmented nature of the industry. The remaining market is distributed among a broad mix of global and regional manufacturers, that cater to specific industry requirements, power capacities, and regional demand centers.

(VI) Surveillance

Video surveillance is a fast-growing market driven by the need for improved safety and security, with modern surveillance equipment possessing AI-driven capabilities like video analytics, face recognition, motion detection, high-resolution video, remote access and monitoring, and flexibility and integration. Growing concerns about security and crime rates, increasing urbanization, the need for monitoring public spaces, and the growing number of use-cases for video analytics beyond security (eg. people counting, occupancy management, energy management, parking management, etc.) have been instrumental in prompting the recognition of the significance of CCTV cameras. Video surveillance is considered as a basic infrastructure element with wide adoption across most industry verticals.

Exhibit 35: Surveillance Unit Shipments, India, FY 2022 – FY 2031*, in 000 units



*Estimated

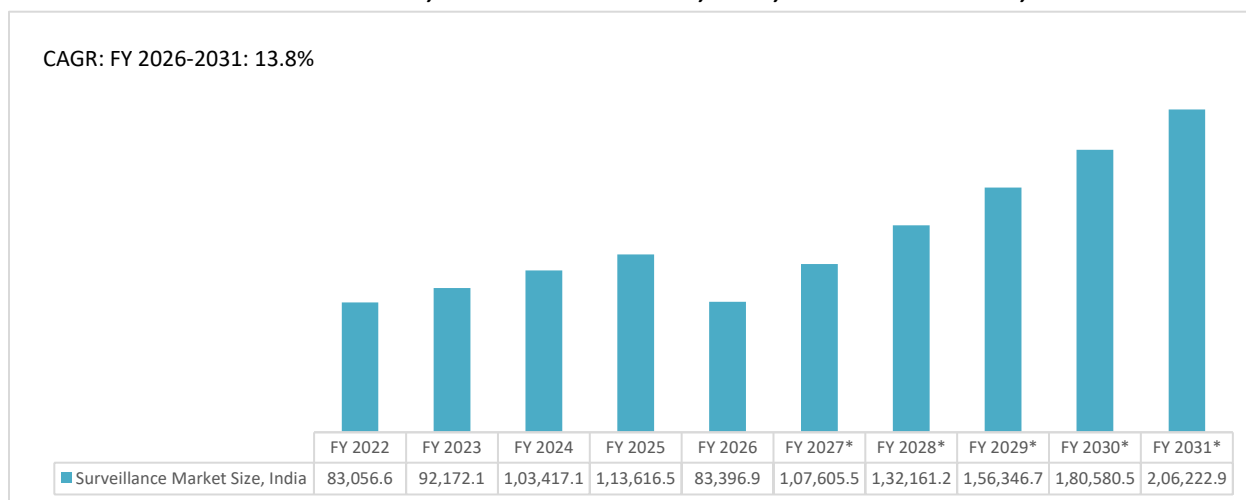
Note: The chart indicates the actual number of units of surveillance equipment shipped in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

In FY2026, the Indian video surveillance market recorded shipments of over 30.7 million units, reflecting the increasing adoption of surveillance systems across government, commercial, industrial, and residential segments. Market shipments are projected to grow at a robust 16.1% CAGR between FY2026 and FY2031, surpassing 64.9 million units by FY2031. Growth is being driven by continued investments in public safety and security infrastructure under government initiatives such as Smart Cities, Safe City projects, transportation modernization and critical infrastructure protection. Additionally, the market is benefiting from expanding enterprise adoption across sectors including

retail, banking, manufacturing, logistics, education and hospitality, where surveillance systems are increasingly being deployed for security, operational monitoring, and regulatory compliance. The ongoing transition from conventional CCTV systems to AI-enabled video analytics solutions, coupled with rising demand for intelligent monitoring, facial recognition, perimeter security, and traffic management applications, is expected to further accelerate market growth over the forecast period.

Exhibit 31: Surveillance Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million



*Estimated

Note: The chart indicates the actual Surveillance Equipment market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

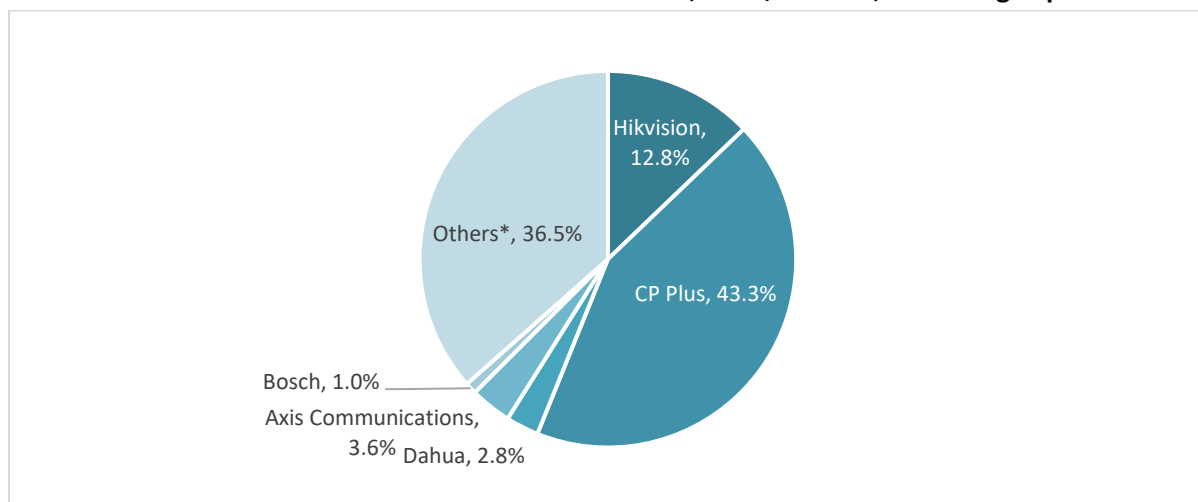
India is one of the fastest-growing markets for video surveillance globally and is expected to expand at a CAGR of 19.8% between FY2026 and FY2031. Growth is being driven by increasing investments in public safety, transportation infrastructure, and urban development under initiatives such as the Smart Cities Mission, Safe City Projects, PM Gati Shakti and Bharatmala. Large-scale deployments across railways, airports, metro networks, highways, ports, government facilities, educational institutions, healthcare facilities and other high-footfall public spaces are creating significant demand for surveillance infrastructure. Indian Railways, airports, and intelligent transportation systems represent key end-user segments, where surveillance solutions are increasingly deployed for passenger safety, crowd management, traffic monitoring, perimeter security and incident response.

Beyond security applications, surveillance systems are increasingly being adopted by enterprises across retail, banking, manufacturing, logistics, healthcare, and hospitality sectors for operational and business intelligence use cases such as people counting, occupancy monitoring, automatic number plate recognition (ANPR), asset tracking, workplace safety and process monitoring. This expanding scope of applications is transforming surveillance systems from conventional monitoring tools into data-driven platforms that support operational efficiency and decision-making.

The market is also undergoing a technology shift from analog CCTV systems to IP-based and AI-enabled surveillance solutions. Advanced capabilities such as facial recognition, video analytics, behavioral analysis, crowd monitoring and edge-based intelligence are driving higher adoption of intelligent surveillance systems. Additionally, the Government of India's STQC certification

requirements for CCTV cameras are increasing the focus on cybersecurity, product quality and trusted surveillance infrastructure. These regulations are expected to accelerate the replacement of non-compliant products, promote adoption of certified solutions and support the long-term growth of a more secure, technologically advanced surveillance ecosystem in India.

Exhibit 32: Surveillance Market Share, India, FY 2026, Percentage Split



Source: Frost & Sullivan

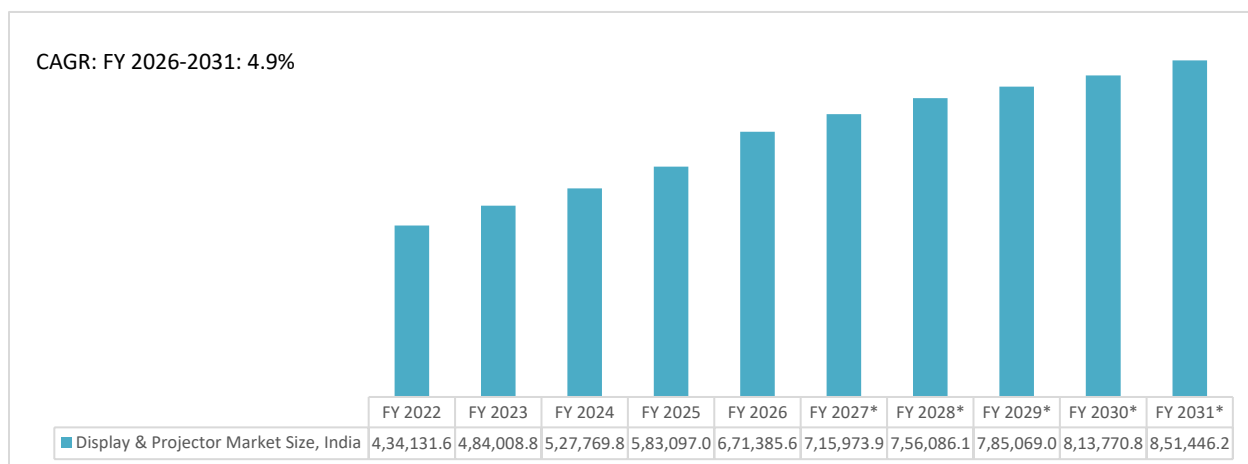
*Others include: Sparsh, Honeywell, Matrix, Vicom, Truview, HiFocus, etc.

The Indian video surveillance market is dominated by CP Plus, which accounts for approximately 43.3% of the market. The remaining market is fragmented among a mix of domestic and international players, with Indian brands such as Sparsh, Matrix, Trueview, Hi-Focus, Videonetics and others strengthening their presence in government, public sector. A sizeable share is held by global players such as Axis Communications, Honeywell and Bosch, that are primarily positioned in large enterprise, transportation, critical infrastructure and integrated security projects. The competitive landscape is increasingly shaped by product quality, AI-enabled capabilities, cybersecurity compliance and the ability to address large-scale public safety and infrastructure opportunities.

(VII) Display & Projector

Commercial displays and projectors have become a key part of the digital transformation journey of India. Increasing demand for dynamic digital signage, interactive kiosks, and immersive video walls in retail, transportation, education, and corporate environments indicates the reach and need for innovative displays and projector equipment. These devices are used to enhance visual experiences and change the way corporations and educational institutions communicate and engage with their respective audiences in this digital world.

Exhibit 33: Display & Projector Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million



*Estimated

Note: The chart indicates the actual Display & Projector market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

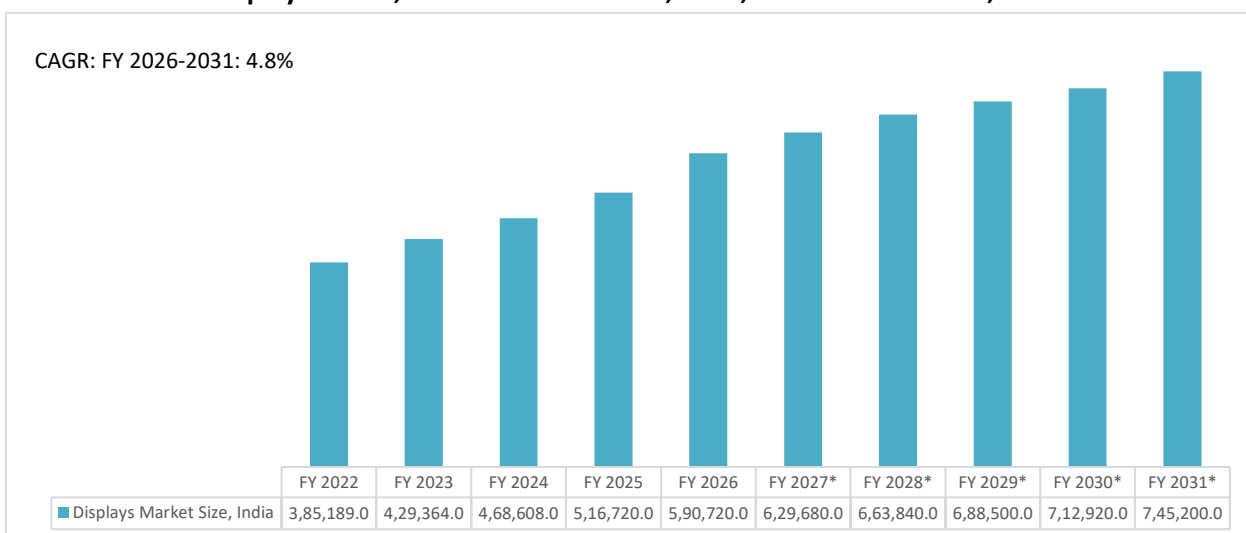
The combined market of displays and projectors is expected to generate modest annual growth of 4.9% from FY2026 to FY2031. The Displays segment makes up 93.7% of the total market, and this trend is expected to remain in the forecast period.

Display

In the Indian market, “Display” refers to electronic visual display devices that present information, video, images, or digital content through technologies such as LCD (Liquid Crystal Display) and LED (Light Emitting Diode) panels.

The product types in this category include:

- **Consumer Electronics:** This subsegment includes screens used in consumer electronics like televisions, computer monitors, and laptops
- **Commercial Displays and Digital Signage:** This subsegment provides the large-format LED or LCD panels used in advertising, digital billboards, information kiosks, interactive touch displays, video walls, and displays in retail stores or public venues.
- **Automotive Display:** Today, the number of electronics and displays in automobiles is rising. This subsegment provides digital instrument clusters, infotainment system screens, heads-up displays, and back-seat entertainment panels in vehicles.
- **Healthcare Display:** It consists of displays used in specialized monitors and information screens used in hospitals and clinics for patient data, imaging, and diagnostics.
- **Industrial and Control Room Display:** These displays are used for monitoring the facility, in control panels, and for industrial automation applications
- **Education and Corporate Display:** Digital transformation in the education sector and industry has led to heightened requirements for interactive whiteboards, smart displays, and conference room panels.

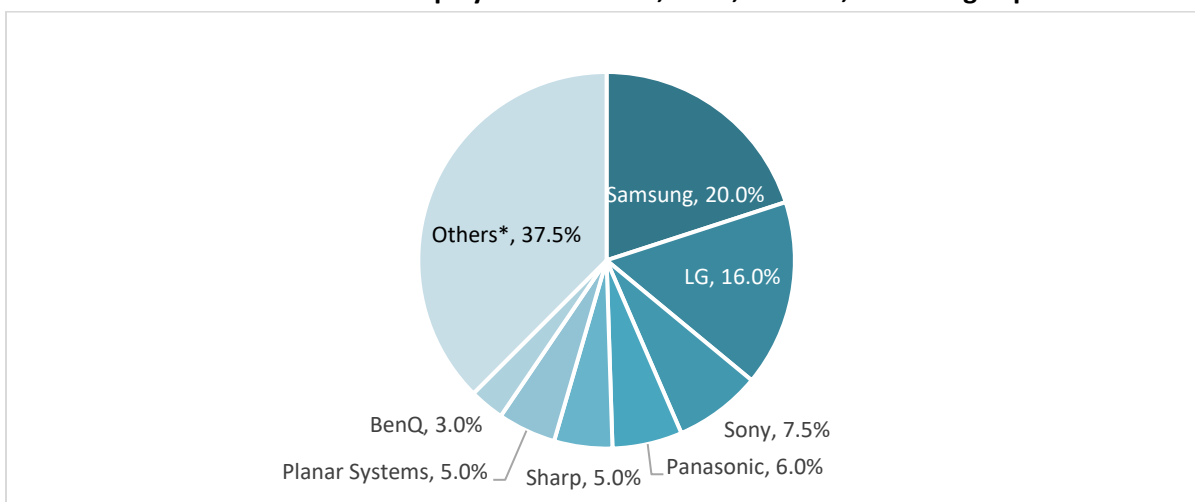
Exhibit 34: Display Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million

*Estimated

Note: The chart indicates the actual Display market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The Display market is a relatively slow-growing market, expected to generate modest CAGR of 4.8% from FY2026 to FY2031. FY2026 saw a high Y-o-Y growth of 14.3%, but it is expected to slightly decline in the coming years. The slow growth rate can be attributed to market maturity, lengthy replacement cycles, rise of non-display alternatives like projectors, iterative and not disruptive innovations.

Exhibit 35: Display Market Share, India, FY 2026, Percentage Split

Source: Frost & Sullivan

*Others include: ViewSonic, MSI, Philips, Apple, Panasonic, Sharp, NEC, etc.

The India display market remains highly fragmented, with many global and domestic vendors competing across consumer, enterprise, education, gaming, professional display, and digital signage segments. Samsung leads the market with a 20% share, supported by its broad portfolio spanning consumer monitors, commercial displays, and premium visual solutions, while LG follows with a 16% share, leveraging its strong presence across enterprise, commercial and professional display

applications. Despite their leadership positions, neither vendor commands a dominant market share, reflecting the competitive and diverse nature of the market. The sizeable 'Others' category highlights the presence of numerous niche and local vendors catering to specific customer requirements across SMB, education, government, gaming, surveillance and digital signage applications

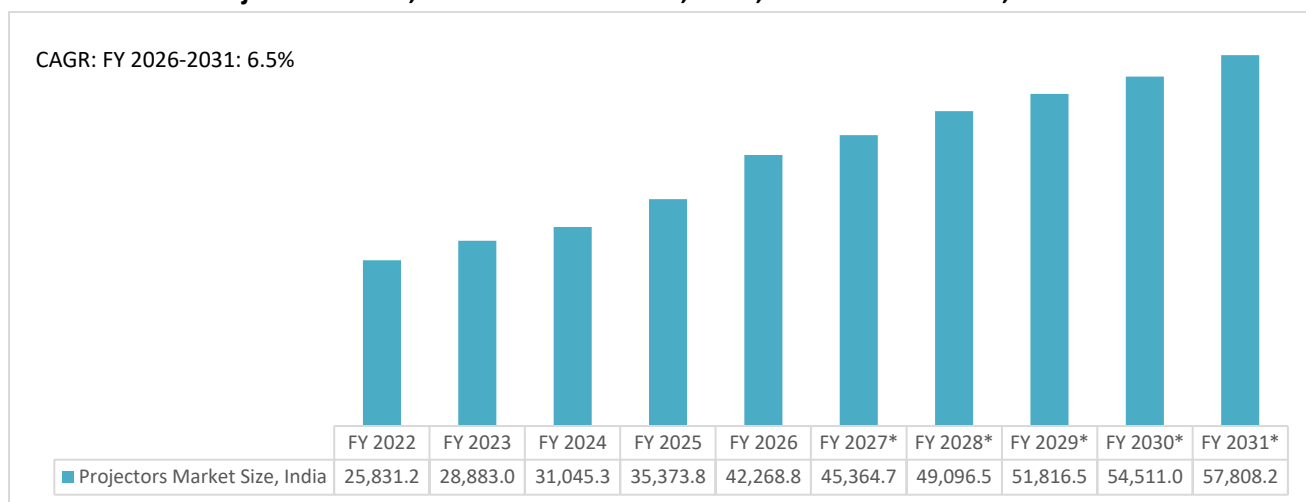
Projector

A 'Projector' is an optical device that takes images or video from a source (such as a computer, Blu-ray player, or streaming device) and projects them onto a large surface, usually a screen or wall using light. Its core function is to convert digital images or video signals into large-scale visual formats visible to groups by employing technologies such as LCD (Liquid Crystal Display), DLP (Digital Light Processing) and LCoS (Liquid Crystal on Silicon). Traditional projectors use lamps, while modern options include LED and laser for efficiency and color accuracy. Modern projectors support multiple input options, including HDMI, VGA, USB and wireless.

The following are the types of Projector:

- Home Theater Projector: Designed for immersive entertainment with high resolution.
- Business Projector: Tailored for presentations and meetings, usually with high brightness.
- Portable Projector: Compact and easy to transport; suitable for mobile use.
- Short-Throw/Ultra-Short-Throw Projector: Capable of displaying large images from a short distance.
- Interactive Projector: Enable touch or digital interaction, popular in educational and collaborative settings.

Exhibit 36: Projector Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million



*Estimated

Note: The chart indicates the actual Projector market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

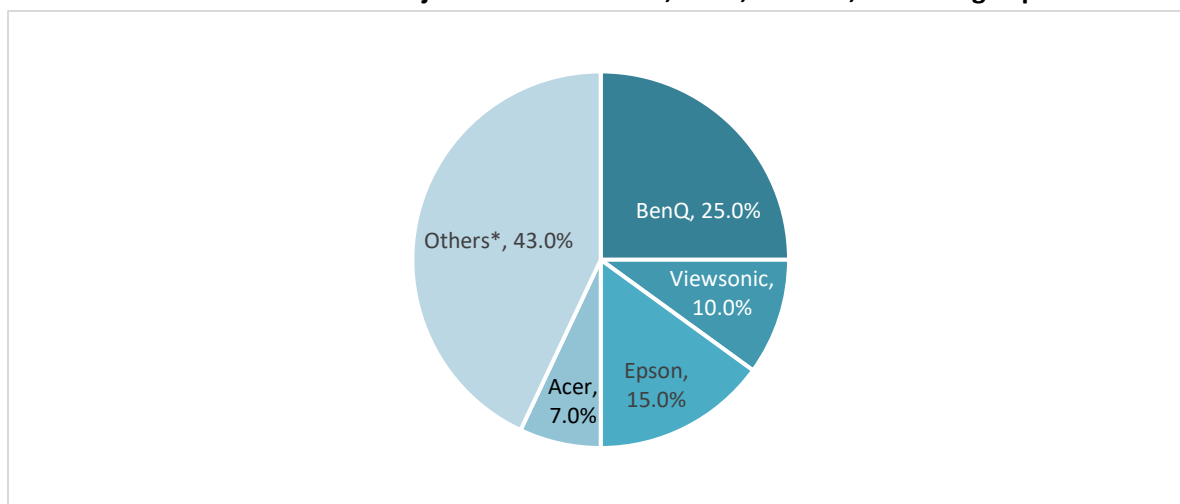
The Projector market is rising steadily, generating a CAGR of 6.5% from FY2026 to FY2031, driven by expanding use cases, mainly in educational institutions and corporates, rising use for entertainment in home theaters, AI-driven technological advancements and portability. FY2026 witnessed the highest year-over-year (Y-o-Y) growth rate of 11.0%. Growth is being driven by the increasing adoption

of projectors across educational institutions, corporate offices, training centers, auditoriums, government facilities and entertainment venues. The continued digitalization of classrooms, expansion of smart learning initiatives and growing demand for collaborative workplace technologies are supporting projector deployments across both public and private sectors. In addition, the rising popularity of home entertainment systems and dedicated home theater setups is creating incremental demand within the consumer segment.

Technological advancements are further accelerating market adoption. Modern projectors are increasingly incorporating features such as laser light sources, ultra-short throw capabilities, wireless connectivity, AI-enabled image optimization, enhanced brightness levels, and improved energy efficiency. The growing availability of compact and portable projectors is also expanding usage across mobile professionals, small businesses, educational users, and consumers seeking flexible display solutions. Furthermore, increasing investments in corporate infrastructure, experiential retail, events, and large-format visual communication are creating new opportunities for projector vendors.

Growth is also supported by strong replacement demand, renewed enterprise and education spending and continued investments in digital learning and collaboration infrastructure. The market is expected to maintain positive momentum throughout the forecast period, benefiting from evolving display requirements, improving affordability of advanced projection technologies, and the increasing need for large-format visual experiences across education, business and entertainment.

Exhibit 37: Projector Market Share, India, FY 2026, Percentage Split



Source: Frost & Sullivan

*Others include: Sony, Panasonic, NEC, LG, Samsung, Sharp, Christie Digital, Barco, Maxell, Xiaomi, Zebronic, etc.

The India projector market is characterized by a relatively concentrated competitive landscape, with BenQ, ViewSonic, Epson and Acer collectively accounting for approximately 57% of total market revenues. Among these, BenQ holds the leading position with nearly one-fourth of the market, supported by its strong presence across education and corporate segments. ViewSonic and Epson have also established significant market positions through their focus on education, enterprise, and commercial installations, while Acer continues to strengthen its presence by targeting both business and consumer applications.

(VIII) Networking

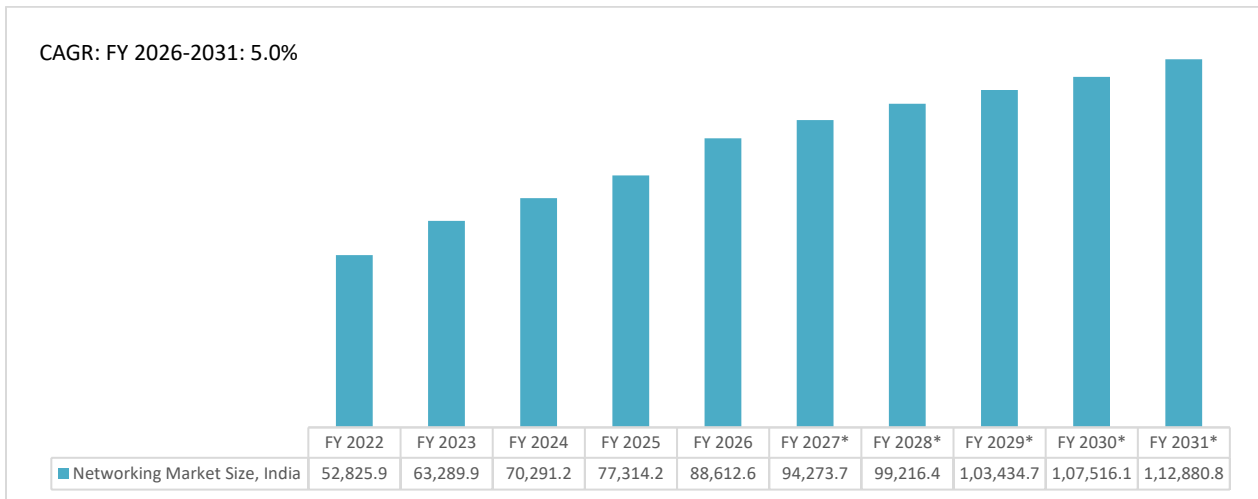
The 'Networking' segment primarily consists of Ethernet switches, Routers and Wireless Local Area Network (WLAN) devices. These products are necessary for data communication and connectivity.

- **Ethernet Switch:** Ethernet switch is used to connect multiple devices within a network and manage data traffic in any enterprise. It is also crucial in data center expansion and IoT deployments.
- **Router:** It is used to facilitate internet access and direct traffic between different networks. Rising internet penetration in the country is fueled by such devices, which allow internet accessibility.
- **WLAN device:** The devices provide wireless connectivity within homes, offices and enterprises. Due to the increasing need for internet in corporates, educational institutes, as well as homes, the sales of WLAN devices are on the rise.

The networking market in India continues to benefit from rapid digital transformation, expanding enterprise IT investments, increasing cloud adoption and the ongoing rollout of digital infrastructure across both urban and rural regions. Organizations are investing in modern networking solutions to support hybrid work environments, cloud-based applications, data center expansion, cybersecurity requirements and the growing volume of connected devices. The proliferation of broadband services, fiber deployments and mobile data consumption is further driving demand for high-performance networking infrastructure across enterprises, service providers, government organizations, educational institutions and households.

Ethernet switches remain a critical component of enterprise and data center networks, with demand being driven by increasing network traffic, IoT deployments, edge computing applications, and the need for higher-speed connectivity. Similarly, routers continue to play a central role in facilitating internet access and enabling secure communication between networks, supported by rising internet penetration and growing investments in telecom and broadband infrastructure. WLAN devices are witnessing strong adoption across enterprises, educational institutions, hospitality, healthcare, retail and residential environments as organizations seek reliable, scalable, and secure wireless connectivity solutions.

The market is also being shaped by the adoption of Wi-Fi 6, Wi-Fi 6E and emerging Wi-Fi 7 technologies, alongside software-defined networking (SDN), cloud-managed networking platforms and AI-driven network management solutions. These advancements are enabling improved network performance, enhanced security, greater automation, and more efficient management of increasingly complex network environments. As digitalization initiatives continue across sectors, networking infrastructure is expected to remain a foundational technology segment supporting India's growing digital economy.

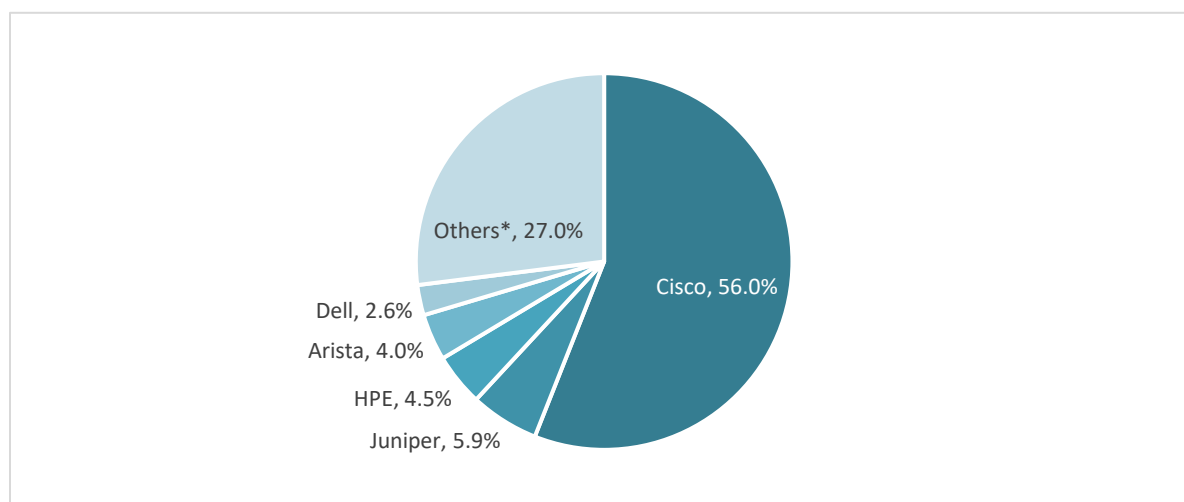
Exhibit 38: Networking Market, Distributor Revenues, India, FY 2022 – FY 2031*, INR Million

*Estimated

Note: The chart indicates the actual Networking market size in India from FY 2022 to FY 2026, with projections till FY 2031

Source: Frost & Sullivan

The Networking market has maintained a modest growth trajectory and is expected to generate a 5.0% CAGR from FY2026 to FY2031. Digital transformation, cloud adoption, technological advancements, rising internet usage and government initiatives aimed at expanding digital connectivity are among the key factors driving growth in the Indian networking products market. Enterprises are increasingly investing in networking infrastructure to support cloud-based applications, hybrid work environments, cybersecurity requirements and data-intensive workloads. The growing deployment of IoT devices and increasing adoption of next-generation networking technologies such as Wi-Fi 6/6E, software-defined networking (SDN) and AI-enabled network management solutions are expected to further support market expansion over the forecast period. Additionally, ongoing broadband expansion, fiber network rollouts and public-sector digital infrastructure initiatives are creating sustained demand across government, banking and financial services, manufacturing, education, telecom and other enterprise segments.

Exhibit 39: Networking Market Share, India, FY 2026, Percentage Split

Source: Frost & Sullivan

*Others include: Nokia, Fortinet, Extreme Networks, Arista Networks, D-Link, TP-Link, Alcatel-Lucent Enterprise, Sophos, SonicWall, etc.

The market is dominated by Cisco, with a revenue contribution of around 56%. The remaining market is fragmented with no other prominent player having more than 6% of the total market share. Cisco's strong market presence is supported by its extensive portfolio spanning enterprise networking, data center networking, security-integrated networking solutions, campus infrastructure and service provider deployments. Its longstanding relationships with large enterprises, government organizations, telecom operators and data center operators have enabled it to maintain a significant lead over competitors.

(IX) Other Products: Printing and Imaging (such as Printers, scanners), Peripherals and accessories (such as headphones, speakers, mouse, keyboards, power banks, hard drives, pen drives) and other ICT products

The "Other Products" category within ICT distribution is often defined differently across distributors and technology vendors, making it one of the most fragmented segments within the broader ICT market. The category may encompass a diverse range of products including printing and imaging solutions (such as printers and scanners), peripherals and accessories (such as headphones, speakers, keyboards, mice, webcams, docking stations, power banks, hard drives, and pen drives), as well as various ancillary ICT products. The exact composition of this category varies across distributors depending on their product portfolio, vendor relationships and target customer segments. Consequently, a standardized market definition and reliable industry-wide market size estimate are not readily available. For the purpose of this research, the "Other Products" category is limited to printing and imaging solutions, peripherals and accessories, and related ICT products.

Although these products account for a relatively smaller share of overall ICT spending compared to categories such as PCs, servers, storage, or networking equipment, they continue to represent an important and recurring revenue stream within the ICT distribution ecosystem. Demand for these products is closely linked to deployments of computing devices, workplace infrastructure, collaboration environments and enterprise IT modernization initiatives. Enterprise device refresh

programs, educational technology deployments, government digitization initiatives and increasing technology adoption among SMBs continue to support steady demand across the category.

The segment has also benefited from evolving workplace and digital collaboration trends. The widespread adoption of hybrid work models, remote collaboration platforms and digital communication tools has increased demand for webcams, headsets, conferencing accessories, external storage devices and productivity-enhancing peripherals. Simultaneously, growing investments in digital classrooms, healthcare facilities, customer service centers and collaborative workspaces are creating additional opportunities for printing solutions, communication devices and endpoint accessories. While growth rates may not match those of emerging segments such as AI infrastructure, cloud, or cybersecurity, the category remains resilient due to its broad customer base, recurring replacement requirements and widespread applicability across industries.

From a distribution perspective, these products serve as an important portfolio extension that complements larger hardware and infrastructure sales. Printing and imaging solutions, peripherals, and accessories are frequently bundled with PCs, laptops, displays, networking equipment and enterprise infrastructure deployments, enabling distributors to increase wallet share within existing customer engagements. Furthermore, many products within this category exhibit shorter replacement cycles and generate recurring demand, creating a stable revenue stream that is less dependent on large project-based purchases. Although individual product values are typically modest, the high-volume nature of the segment, combined with significant cross-selling opportunities across enterprise, government, education, healthcare and SMB sectors, contributes meaningfully to overall distributor revenues and strengthens long-term customer relationships.

5. OEM and Distribution Analysis

Technology OEMs and Distributors: Enabling the ICT Ecosystem

Technology brands/OEMs and distributors form the backbone of the value chain in the ICT distribution ecosystem, enabling technology solutions to reach a broad base of enterprise and retail customers efficiently. OEMs remain the first level of the IT ecosystem, manufacturing original IT hardware solutions. They invest in innovation and R&D to achieve unique product development and expand the market quality. All the technologies in the market, including but not limited to cloud computing, artificial intelligence, extended reality, and blockchain, are feasible only because of the hardware products supporting the operations. The IT hardware market consists of important players like Dell, HP, Acer, Hitachi, Sparsh, etc., who specialize in creating innovative IT hardware products.

Some of the larger OEMs not only manufacture the products but also license some of the critical components or technology to other OEMs. For example, in the server and storage segment, IBM is not only a leading manufacturer but also licenses the technology to others. This kind of distributed nature of OEMs results in larger OEMs often acting as a supplier as well as a SI.

The PC and Laptop segment OEMs often also manufacture and sell computer accessories like webcams. They usually package the accessories along with their key products like Laptops. Key OEMs in this segment are often the same as the ones in the Monitor segment. Dell, HP and Acer, are the prime examples of companies operating and specializing in multiple segments.

OEMs have also started to adopt a distributed manufacturing model with manufacturing bases in distant locations according to geographic, economic, and political convenience. This allows OEMs to cater to local demand better, while modular product designs allow the companies flexibility to manufacture and assemble in different locations according to their convenience. This distributed nature of manufacturing also allows OEMs to manage supply chain and logistics better, by striking better deals with distributors and partners, while offering better customization as well.

In the IT industry, a complete product can have multiple components assembled by various OEMs, giving distributors and SIs flexibility and convenience of selling better products at lower costs by sourcing the components at the lowest price from multiple OEMs. This makes the whole ecosystem more resilient, modular and cost-conscious, driving innovation in the industry.

5.1. Role of Distributors

Retail channels in technology and services are critically important in India because they act as the last-mile bridge between OEMs and end customers across a vast and diverse geography. To effectively serve 7,935 towns and urban centres and 6,49,481 villages as recorded in the 2011 Census of India, a strong distribution network is essential, as OEMs and technology product vendors alone cannot physically reach or service each of these locations. Distributors and retail partners provide localized presence, inventory, technical support, and on-ground sales expertise, enabling technology and services to penetrate even remote tier-2 and tier-3 markets. This channel-led model improves market coverage, reduces time-to-market, and ensures consistent availability and after-sales support for customers across India's wide urban–rural landscape.

Distributors play a critical role in enabling market expansion within the ICT ecosystem by acting as the link between manufacturers (OEMs) and end customers. While global technology brands undertake continuous research and development and introduce new products from time-to-time, they also have extensive supply chain capabilities (driven through distributors and partners) which ensures availability of their products. In a complex and diverse market such as India characterized by varied regional dynamics, regulatory requirements, and customer segments, distributors help OEMs scale operations efficiently without establishing a direct presence in every market. Their ability to build strong relationships with system integrators (SIs), resellers, and channel partners at both regional and national levels allows them to create a robust ecosystem that supports product adoption and technology deployment across industries. Securing partnerships with and offering products from multiple technology brands/OEMs allows distributors access to a wider and more innovative product portfolio, allowing them to cater to diverse customer needs.

Key Roles and Contributions of Distributors

- **Market Expansion and Access to Diverse Geographies**
Distributors enable technology brands/OEMs to penetrate new markets by leveraging their extensive partner networks across regions. Their local market knowledge, including customer behavior, cultural nuances, regulatory requirements and logistics considerations helps manufacturers expand into new geographies quickly and efficiently.
- **Bridge Between Manufacturers and End Customers**
Distributors act as intermediaries that connect OEMs with a wide network of resellers, retailers and system integrators. This ecosystem enables efficient distribution of products to enterprises, SMBs, government institutions and individual consumers.
- **One-Stop Solution Provider for ICT Products**
By partnering with multiple OEMs, distributors maintain a broad product portfolio covering various technology categories such as computing devices, networking equipment, storage, security solutions, and power infrastructure. This allows customers and partners to source multiple ICT solutions from a single distributor, improving procurement efficiency.
- **Development of Channel Ecosystem**
Distributors establish and manage networks of resellers, retailers and system integrators, creating a scalable sales and support ecosystem. Such channel network also provides valuable on-ground insights related to customer requirements, demand patterns and regional market conditions.
- **Channel Financing and Working Capital Support**
Access to financing remains a critical challenge for many channel partners, particularly in emerging markets. Distributors provide credit support, inventory financing, flexible payment terms and project financing support that help partners manage cash flows and expand their business opportunities.
- **fiFaster Time-to-Market for OEM Products**
Distributors significantly reduce the time required for products to reach the market. Their established partner network and logistics capabilities allow technology brands/OEMs to

launch and distribute products quickly across a wider geography, which is particularly important in the fast-evolving IT industry where product lifecycles are short.

- **Logistics, Warehousing, and Supply Chain Efficiency**
Distributors manage warehousing, transportation, and inventory movement across the supply chain. Their logistics expertise ensures efficient, cost-effective and timely delivery of products, improving customer satisfaction and operational efficiency for OEMs.
- **Bulk Procurement and Inventory Management**
Distributors purchase products from OEMs in bulk and manage inventory levels, reducing financial and operational risk for manufacturers. By handling inventory storage and product movement, distributors allow OEMs to focus on core functions such as product development, innovation and marketing.
- **Market Intelligence and Customer Feedback**
Through their close interaction with channel partners and customers, distributors gather valuable market insights related to product demand, pricing sensitivity, technology trends and customer preferences. This feedback helps OEMs refine their products, adjust strategies, and remain competitive.
- **Diversified OEM Partnerships and Portfolio Expansion**
Maintaining relationships with multiple OEMs allow distributors to diversify their offerings and reduce dependency on a single vendor. A diversified vendor portfolio enables distributors to cater to a wider range of customer needs and tap into multiple technology segments.
- **Risk Mitigation and Supply Chain Resilience**
Multiple OEM partnerships help distributors maintain supply chain stability during market fluctuations or supply shortages. If disruptions occur with one vendor, distributors can rely on alternative OEM partners, ensuring continuity of supply and minimizing delays.
- **Improved Negotiation Power and Cost Optimization**
Distributors dealing with multiple vendors gain stronger bargaining power, enabling them to negotiate better pricing, optimize logistics costs and improve overall operational efficiency.
- **Technology Enablement and Solution Aggregation**
As customer requirements become increasingly complex, distributors play a growing role in aggregating multi-vendor solutions that combine hardware, software, cloud, cybersecurity, networking, and services. This allows partners to deliver integrated solutions tailored to specific business outcomes.
- **Technical Pre-Sales and Deployment Support**
Many distributors provide technical consulting, solution design assistance, proof-of-concept (PoC) support, product configuration and deployment guidance. These capabilities are particularly important in advanced technology domains such as cybersecurity, AI infrastructure, cloud platforms, enterprise networking and data centers.
- **Asset-Light Market Access**

Distributors enable OEMs to extend their market presence through the distributor ecosystem, reducing the need to build and maintain their own extensive sales, distribution, and operational infrastructure.

- **Scalable Market Coverage**

Distributors enable OEMs to expand their market coverage efficiently by leveraging established commercial infrastructure and local market presence, particularly in markets where direct coverage would be resource-intensive.

- **Skills Development and Partner Enablement**

Distributors contribute significantly to ecosystem development through training programs, certifications, workshops and technical education initiatives. These efforts strengthen partner capabilities and accelerate adoption of emerging technologies across the market.

5.2. Growing Strategic Importance of Distributors in India

The strategic importance of distributors within India's ICT ecosystem has increased significantly over the past decade, driven by the rapid expansion of digital infrastructure, growing technology adoption across industries and the increasing complexity of technology solutions. While distributors have traditionally been viewed as supply chain intermediaries, their role today extends far beyond product movement and inventory management. They have evolved into critical ecosystem enablers that facilitate market access, technology adoption, partner development and business scalability for technology vendors.

1 Complexity of the Indian Market

India presents a unique set of challenges that make a robust distribution ecosystem indispensable. The country is characterized by vast geographic dispersion, significant economic diversity, varying levels of technology maturity, multiple languages, distinct regional business practices and a highly fragmented customer base. Technology demand is no longer concentrated solely in metropolitan cities but is increasingly emerging from Tier-2, Tier-3 and smaller urban centers, where local relationships, market understanding and physical presence play a critical role in influencing purchasing decisions.

Furthermore, customer requirements vary significantly across regions and segments. Large enterprises, government agencies, small and medium businesses (SMBs), educational institutions, healthcare organizations and retail customers often require different procurement models, support structures, financing mechanisms, and deployment approaches. Establishing direct sales, logistics, and support operations to address these diverse requirements would require substantial investments from OEMs, making distributor-led market access a more scalable and efficient model.

2 Enabling Scalable Market Reach for OEMs

For technology vendors, distributors provide a highly efficient route to market by extending their reach across thousands of partners and customers without the need to establish a direct presence in every geography. Through extensive networks of resellers, system integrators, retailers, managed service providers and regional channel partners, distributors enable OEMs to access a much broader customer base than would otherwise be possible through direct sales models.

This capability becomes particularly important in India, where a large percentage of technology spending originates from SMBs and mid-market organizations that are typically served through channel partners rather than direct vendor engagement. Distributors therefore act as force multipliers, enabling vendors to scale rapidly while maintaining operational efficiency.

3 Financial Enablement Across the Channel Ecosystem

Distributors play a critical financial role by providing credit support, inventory financing, project financing and flexible payment structures, which can assist them in undertaking larger engagements and maintaining inventory levels. These capabilities support channel partner growth while facilitating market reach for technology brands

This financing capability not only supports partner growth but also accelerates product movement and market expansion for OEMs. In many cases, distributor-led financing serves as an important catalyst for technology adoption, especially within price-sensitive market segments.

4 Managing Market Fragmentation

Unlike mature markets where customer engagement may be concentrated among a relatively smaller number of large enterprises, India's ICT market remains highly fragmented. Thousands of channel partners operate across different regions, customer segments and technology categories. Managing such a fragmented ecosystem directly can be resource-intensive for OEMs.

Distributors simplify this complexity by serving as a centralized engagement layer between vendors and channel partners. They manage partner onboarding, training, incentives, certifications, performance monitoring and sales enablement activities, allowing OEMs to focus on product innovation, strategic customer engagement and market development.

5 Supporting Emerging Technology Adoption

As technology solutions become increasingly sophisticated, distributors in India play a growing role in accelerating the adoption of emerging technologies. Areas such as cybersecurity, cloud computing, artificial intelligence, data center infrastructure, networking, storage, digital workplace solutions and industrial IoT often require specialized technical expertise and solution design capabilities.

Many channel partners, particularly smaller regional resellers, may lack the technical resources needed to support these advanced technologies independently. Distributors bridge this gap by providing technical consulting, pre-sales assistance, proof-of-concept support, solution architecture guidance and training programs that help partners develop new competencies and expand into higher-value technology segments.

6 Driving Technology Penetration Beyond Metropolitan Markets

One of the most significant contributions of distributors is their ability to facilitate technology adoption beyond major metropolitan centers. India's next phase of digital growth is increasingly being driven by organizations located in Tier-2 and Tier-3 cities, where demand for digital infrastructure, cybersecurity, cloud services, AI-enabled solutions and enterprise technologies continues to rise.

Distributors provide localized inventory, financing support, technical resources and partner ecosystems that enable OEMs to participate in these growth opportunities without having to build extensive local infrastructure. This capability is particularly valuable in a market where regional relationships and local support often influence purchasing decisions.

7 Enhancing Supply Chain Efficiency and Resilience

The importance of resilient supply chains has become increasingly evident in recent years due to global component shortages, geopolitical uncertainties and logistics disruptions. Distributors help mitigate these challenges by maintaining inventory buffers, optimizing procurement processes, managing warehousing infrastructure, and coordinating logistics across multiple regions.

Their ability to forecast demand, manage inventory allocations, and ensure product availability improves supply chain continuity and reduces operational risks for OEMs. This becomes particularly important for technology categories characterized by rapid product refresh cycles and fluctuating demand patterns.

8 Enabling New Consumption Models

The Indian ICT market is increasingly shifting from traditional product-centric procurement toward subscription-based and as-a-service consumption models. Cloud services, managed security offerings, Software-as-a-Service (SaaS), Infrastructure-as-a-Service (IaaS), Device-as-a-Service (DaaS), and AI-as-a-Service are becoming integral components of enterprise technology strategies.

Distributors are adapting to this transition by developing cloud marketplaces, recurring revenue management capabilities, digital provisioning platforms and partner enablement programs that support these new business models. This evolution allows OEMs to expand beyond traditional hardware sales and participate in recurring revenue opportunities.

9 Strategic Importance in the AI and Data Center Era

The emergence of AI infrastructure, high-performance computing and data sovereignty requirements in India is further elevating the importance of distributors. AI servers, GPU infrastructure, advanced networking solutions, storage platforms and data center technologies require specialized technical expertise, solution integration capabilities and ecosystem support.

As enterprises increasingly invest in AI-ready infrastructure and localized data processing environments, distributors are expected to play a key role in supporting technology deployment, partner readiness, customer education and market development. Their ability to aggregate solutions across multiple vendors and provide end-to-end support will become increasingly valuable as AI adoption accelerates.

In summary: In India's highly diverse and fragmented ICT market, distributors serve as far more than logistics and fulfillment partners. They act as strategic growth enablers that help OEMs navigate market complexity, scale operations efficiently, extend geographic reach, accelerate technology adoption, and build sustainable channel ecosystems. As digital transformation initiatives continue to expand and technologies become increasingly sophisticated, the role of distributors is expected to

become even more critical in driving market development, enabling innovation and supporting the next phase of India's technology-led growth.

6. ICT Market Drivers and Challenges

6.1. Overview

The ICT industry continues to expand rapidly as digital technologies become integral to economic growth and enterprise operations. India ICT spending is projected to reach USD 454 Billion by 2031, driven by increasing enterprise reliance on digital platforms, cloud computing, artificial intelligence, and cybersecurity solutions. The acceleration of digital transformation following the COVID-19 pandemic has significantly reshaped enterprise IT priorities, with organizations across sectors investing heavily in modernizing their technology infrastructure.

India has emerged as one of the fastest-growing IT markets globally and remains a critical contributor to the country's economic growth. The Indian IT industry growth is being supported by rising technology adoption across industries, increasing enterprise investments in digital infrastructure, and strong government focus on digital transformation initiatives. India's IT ecosystem benefits from a large and skilled workforce, providing global organizations with access to cost-effective technology talent. As a result, India has become a major hub for global IT services, with multinational enterprises increasingly outsourcing technology operations and development work to Indian firms.

Technology Adoption and Industry Transformation

The increasing adoption of advanced technologies is reshaping the structure of the IT industry in India. Enterprises across sectors such as banking, healthcare, retail, and manufacturing are investing in capabilities related to artificial intelligence, machine learning, big data analytics and advanced connectivity to enhance operational efficiency and improve customer experiences. Large Indian conglomerates are actively collaborating with global technology companies such as Microsoft, Google, Amazon and NVIDIA to strengthen the country's digital infrastructure and accelerate the deployment of next-generation technologies. In addition, India continues to attract substantial foreign direct investment (FDI) into the technology sector, enabling domestic enterprises to scale operations, develop innovative solutions, and expand their presence in international markets.

The COVID-19 pandemic also played a transformative role in shaping technology adoption patterns. Businesses across industries adopted remote and hybrid working models, while educational institutions accelerated the adoption of online learning platforms. These shifts significantly increased demand for digital collaboration tools, enterprise software and IT infrastructure, reinforcing the importance of technology in maintaining business continuity and operational resilience.

Policy Environment and Structural Considerations

The Indian government has played an important role in strengthening the country's digital ecosystem through targeted policies and strategic initiatives aimed at expanding technology infrastructure and encouraging innovation. National programs such as Digital India and Make in India have focused on improving digital connectivity, promoting domestic manufacturing, and accelerating technology adoption across industries. In addition, policy frameworks such as the National Strategy on Blockchain, the National Data Center & Cloud Policy, and the National Strategy on Artificial Intelligence are supporting the development of advanced technology capabilities within the country.

Despite these advancements, structural factors such as the digital divide between urban and rural regions, talent gaps in highly specialized technology domains, and economic constraints continue to influence the pace of IT infrastructure expansion. Internet penetration remains significantly higher in urban areas compared with rural regions, and disparities in access to digital resources persist. At the same time, the rapid evolution of technologies such as AI, blockchain, and cybersecurity has created a growing demand for specialized talent, placing pressure on educational institutions and organizations to continuously upskill the workforce.

6.2. ICT Distribution market: Strengths, Drivers, Challenges and Opportunities

ICT distribution plays a critical role in the technology ecosystem by acting as the bridge between manufacturers and the end market. Distributors enable wider market reach for OEMs by connecting them with an extensive network of resellers, system integrators, retailers, and enterprise customers, while also providing logistics, financing, inventory management, and technical enablement. As the ICT market expands and technology deployments become more complex, the role of distributors is gradually evolving from traditional product aggregation to solution aggregation and value-added service enablement. While strong digital adoption and infrastructure expansion are creating growth opportunities, distributors must also navigate evolving demand patterns, new digital sales channels, and emerging technology-led business models that may reshape traditional distribution structures.

Strengths

- **Extensive Channel Ecosystem and Market Reach**

The Indian ICT distribution market benefits from one of the largest and most extensive channel ecosystems globally, comprising resellers, retailers, system integrators, managed service providers, and regional partners. This broad market structure enables technology products to reach customers across metropolitan, Tier II, Tier III, and rural markets efficiently, supporting widespread technology adoption across enterprise, SMB, government, and consumer segments.

- **Mature Distribution and Supply Chain Infrastructure**

Over the years, the ICT distribution sector has developed a highly efficient logistics and supply chain framework capable of supporting large-scale movement of technology products across the country. Well-established warehousing networks, transportation infrastructure, inventory management capabilities, and regional fulfillment mechanisms help ensure product availability and timely delivery, even across geographically dispersed markets.

- **Strong Vendor and Channel Ecosystem Integration**

The ICT distribution market serves as a critical integration layer between global technology vendors and the broader channel ecosystem. Long-standing relationships between vendors, distributors, and channel partners have created a mature and scalable route-to-market model that facilitates product launches, market expansion, and technology adoption across diverse customer segments.

- **Ability to Support Multi-Vendor Technology Environments**

As enterprise technology environments become increasingly complex, the distribution market provides access to a wide range of products spanning computing, networking, storage, cybersecurity, power infrastructure, peripherals, and software. This enables channel partners to

address customer requirements through integrated technology solutions rather than isolated product deployments, increasing the overall value delivered to end users.

- **Deep Understanding of Regional Market Dynamics**

A key strength of the Indian ICT distribution ecosystem is its ability to address diverse regional market requirements. Differences in technology adoption levels, purchasing behavior, industry composition, and customer preferences across states and cities require localized market knowledge, which has become a defining characteristic of the distribution landscape.

- **Established Financing and Credit Support Mechanisms**

The distribution market plays an important role in facilitating technology procurement by supporting channel financing and working capital requirements across the ecosystem. This capability helps improve technology accessibility, particularly among small and medium-sized businesses, regional channel partners, and emerging markets where capital constraints may otherwise limit adoption.

- **Scalability Across High-Volume Product Categories**

The distribution industry has developed the operational scale required to support high-volume ICT product categories such as PCs, notebooks, peripherals, networking equipment, servers, and storage solutions. This scalability enables efficient handling of demand fluctuations, product refresh cycles, and large procurement programs while maintaining supply continuity.

- **Growing Technical and Solution Enablement Capabilities**

The market is increasingly evolving beyond traditional product fulfillment toward solution-oriented enablement. As technologies such as cloud, cybersecurity, AI infrastructure, and data centers become more prevalent, the distribution ecosystem is developing stronger technical, consulting, and integration capabilities that support broader technology adoption across customer segments.

Drivers

- **Rapid Digital Transformation Across Industries**

Digital transformation initiatives across enterprises, government agencies, financial institutions, manufacturing organizations, educational institutions, and healthcare providers continue to drive demand for ICT infrastructure. Investments in automation, digitization, cybersecurity, hybrid work environments, and customer engagement platforms are increasing the need for computing, networking, storage, and related hardware solutions.

- **Expansion of Data Centers, Cloud Infrastructure and Edge Computing**

India's growing digital economy is driving significant investments in data centers, cloud infrastructure, and edge computing environments. Rising data consumption, increasing cloud adoption, and the need for localized computing resources are fueling demand for servers, storage systems, networking equipment, power infrastructure, and associated hardware, creating sustained growth opportunities for the ICT distribution market.

- **Growth of AI, Analytics and Data-Intensive Workloads**

The increasing adoption of artificial intelligence, machine learning, advanced analytics, and generative AI applications is driving a new wave of infrastructure investments. Organizations require high-performance servers, GPU-based systems, advanced storage architectures, and high-speed networking platforms to support these workloads, creating an additional growth engine for the ICT hardware distribution market.

- **Continued Dependence on Indirect Route-to-Market Models**

Given the size, complexity, and geographic diversity of India, indirect sales models remain the preferred route-to-market for a large portion of the technology industry. The ability of the distribution ecosystem to provide market access, logistics support, inventory management, and channel development continues to reinforce its relevance within the broader ICT value chain.

- **Increasing Demand for Supply Chain Agility**

Organizations are placing greater emphasis on supply chain responsiveness, inventory optimization, and faster procurement cycles. This is driving demand for efficient distribution networks capable of supporting rapid product availability, shorter delivery timelines, and improved visibility across the technology supply chain.

- **Growing Technology Adoption Beyond Metropolitan Markets**

Technology spending is increasingly expanding beyond major metropolitan cities into Tier II and Tier III markets. Improvements in digital connectivity, rising business activity, increasing SMB technology investments, and greater awareness of digital solutions are creating new demand centers that further strengthen the role of the ICT distribution ecosystem.

- **Government-Led Digitalization and Infrastructure Initiatives**

National initiatives focused on digital governance, broadband connectivity, smart infrastructure, electronics manufacturing, and public-sector modernization continue to stimulate ICT investments across the country. These programs are contributing to increased demand for technology infrastructure and expanding opportunities across the distribution value chain.

- **Data Localization and Digital Sovereignty Requirements**

Growing emphasis on data residency, regulatory compliance, and digital sovereignty is encouraging investments in local data centers, servers, storage infrastructure, and networking technologies. As organizations increasingly process and store data within India, infrastructure demand is expected to rise, creating favorable conditions for the ICT hardware distribution market.

- **Shift Toward Integrated Technology Solutions**

Customer requirements are increasingly evolving from standalone product purchases toward integrated technology solutions that combine hardware, software, cloud services, cybersecurity, and support capabilities. This transition is increasing the strategic importance of solution aggregation and creating opportunities for the distribution ecosystem to play a larger role in technology deployment and adoption.

- **Continuous Infrastructure Modernization Cycles**

Rapid advancements in computing performance, networking technologies, AI capabilities, and cybersecurity requirements are shortening technology refresh cycles across many organizations. The resulting need to upgrade legacy infrastructure continues to generate recurring demand for ICT hardware and supports long-term growth within the distribution market.

Opportunities

- **Emerging Demand for AI Infrastructure, Edge Computing, Intelligent Surveillance and IoT Technologies**

The rapid adoption of AI, machine learning, edge computing, intelligent video surveillance, and IoT solutions is creating new demand for high-performance ICT infrastructure. This includes servers, storage systems, networking equipment, AI accelerators, sensors and edge devices, expanding the overall addressable market for ICT distribution.

- **Increasing Complexity of Enterprise Technology Environments**

Organizations are increasingly deploying integrated technology environments that combine cloud, cybersecurity, networking, data center infrastructure, AI and digital workplace solutions. This growing complexity is driving demand for multi-vendor technology ecosystems and creating opportunities for broader solution-led technology adoption across industries.

- **Expansion into High-Growth Industry Verticals**

Digital transformation initiatives across sectors such as manufacturing, healthcare, education, retail, logistics, smart cities and government are generating new demand for ICT infrastructure. Increasing sector-specific technology investments present opportunities for deeper market penetration and broader adoption of hardware-led technology solutions.

- **Growth in Data Centers, Cloud Infrastructure and Data Localization Investments**

The expansion of domestic data centers, cloud infrastructure and localized computing environments is creating sustained demand for servers, storage platforms, networking equipment and power infrastructure. Regulatory requirements related to data residency and digital sovereignty are expected to further strengthen infrastructure investments over the coming years.

- **Rising Technology Adoption Across Tier II and Tier III Markets**

Technology spending is increasingly expanding beyond metropolitan cities as businesses, educational institutions, healthcare providers and government organizations in smaller cities accelerate digital adoption. These emerging markets represent a significant long-term growth opportunity for the ICT distribution ecosystem.

- **Growth of Consumption-Based and As-a-Service Technology Models**

The increasing adoption of cloud services, Device-as-a-Service (DaaS), Infrastructure-as-a-Service (IaaS) and other subscription-based consumption models is reshaping technology procurement. The evolution of these models is expanding the technology ecosystem and creating new opportunities across the ICT value chain.

- **Expansion of Domestic Electronics Manufacturing and Supply Chain Localization**

- Government initiatives promoting local manufacturing and electronics production are strengthening India's technology ecosystem. Increasing domestic production capabilities and supply chain localization efforts are expected to improve product availability, enhance supply chain resilience and create additional growth opportunities for the ICT market.
- **Increasing Demand for Financing-Enabled Technology Adoption**
Access to financing remains a key enabler of technology adoption, particularly among SMBs and emerging businesses. Growing demand for flexible procurement models, credit support and technology financing mechanisms is expected to support broader ICT infrastructure investments and expand overall market demand.
 - **Continuous Infrastructure Refresh and Modernization Cycles**
Rapid advancements in computing performance, AI capabilities, networking technologies, and cybersecurity requirements are accelerating infrastructure modernization across organizations. The resulting need to replace or upgrade legacy systems is expected to generate recurring demand for ICT hardware and related infrastructure solutions.
 - **Government-Led Digitalization and Infrastructure Development Initiatives**
National programs focused on digital governance, connectivity expansion, smart infrastructure, public-sector modernization and technology-led economic development continue to stimulate ICT investments across the country. These initiatives are expected to create long-term opportunities across multiple technology categories and customer segments.

Challenges

- **Inventory Management Complexities**
The ICT hardware market is characterized by rapid product refresh cycles, evolving technology preferences, and varying customer demand, making inventory management increasingly complex. The growing diversity of product categories and differences in demand patterns across regions and customer segments increase the risk of excess inventory, product obsolescence, or stock shortages, which can adversely impact operational efficiency and profitability within the distribution ecosystem.
- **Supply Chain Disruptions and Global Sourcing Dependencies**
The ICT distribution market remains highly dependent on global technology supply chains for the procurement of servers, PCs, networking equipment, storage systems, semiconductors and related hardware. Geopolitical tensions, trade restrictions, tariffs, logistics bottlenecks, semiconductor shortages, manufacturing disruptions, and currency fluctuations can significantly impact product availability and lead times. Such disruptions can create supply-demand imbalances, increase procurement costs and affect the timely fulfillment of customer requirements across the market.
- **Margin Pressures from Intense Competition and Hardware Commoditization**
Several ICT hardware categories, particularly mature product segments such as PCs, peripherals and certain networking products, are increasingly characterized by price-based competition and product commoditization. As technology products become more

standardized, pricing differentiation tends to narrow, placing downward pressure on margins across the value chain. Additionally, competitive intensity among vendors, online marketplaces and multiple route-to-market models can further compress profitability within the distribution ecosystem.

- **Rapid Technology Evolution and Skill Gap Challenges**

The pace of technological innovation continues to accelerate across areas such as artificial intelligence, cloud computing, cybersecurity, edge computing, networking, data centers and software-defined infrastructure. As technology ecosystems become more complex, the market requires continuous investments in technical knowledge, solution expertise and ecosystem readiness. Failure to keep pace with evolving technology trends may slow adoption, limit market opportunities and create capability gaps within the broader ICT ecosystem.

- **Increasing Adoption of Direct-to-Customer and Digital Procurement Models**

The growing use of digital procurement platforms, cloud marketplaces, vendor-operated online channels and direct enterprise engagement models has the potential to alter traditional technology purchasing patterns. While indirect channels remain dominant across many ICT hardware categories, increasing digitalization of procurement processes may gradually reduce reliance on certain conventional distribution functions, particularly for standardized products and transactional purchases.

- **Volatility in Enterprise IT Spending and Macroeconomic Conditions**

Demand for ICT infrastructure is closely linked to business confidence, capital expenditure cycles, and broader economic conditions. Economic slowdowns, inflationary pressures, interest rate fluctuations, or reductions in corporate technology budgets can delay infrastructure upgrades and technology investments. Such uncertainty can affect demand visibility and create challenges in planning inventory, procurement and capacity requirements across the market.

- **Currency Fluctuations and Import Cost Exposure**

A significant proportion of ICT hardware sold in India relies on imported components or finished products. Consequently, fluctuations in foreign exchange rates can impact OEMs procurement costs, product pricing and overall market demand. Sustained currency volatility may increase technology acquisition costs for customers and create pricing challenges across the ICT value chain.

- **Cybersecurity and Supply Chain Security Risks**

As digital infrastructure becomes more interconnected, concerns related to cybersecurity, supply chain integrity and trusted sourcing are becoming increasingly important. Organizations are placing greater emphasis on secure technology procurement, compliance requirements, and vendor risk assessments. Any vulnerabilities within global technology supply chains could affect customer confidence, regulatory compliance and technology adoption across the market.

- **Consolidation Among Vendors and Channel Ecosystems**

Ongoing consolidation within the technology industry through mergers, acquisitions and strategic alliances may alter existing route-to-market structures and partner ecosystems. Changes in vendor strategies, channel policies, or go-to-market models could affect market dynamics, competitive positioning and the overall structure of the ICT distribution landscape. While consolidation may create efficiencies, it can also introduce uncertainty and increase competitive pressures within the ecosystem.

While the ICT distribution ecosystem continues to benefit from strong technology adoption trends, certain structural shifts in the technology landscape may influence the pace and nature of hardware demand over time. Changes in enterprise IT consumption models, evolving procurement practices, and macroeconomic factors could moderate growth in specific hardware categories or alter traditional distribution dynamics. As a result, distributors must proactively adapt their strategies to address potential demand fluctuations while identifying new value creation opportunities within the ecosystem.

ICT distribution is expected to remain a critical component of the technology supply chain, particularly in large and diverse markets such as India where channel ecosystems, financing capabilities and logistical reach are essential. Distributors that successfully transition toward value-added services, digital platforms, and solution-led distribution models are likely to maintain a strong position in the evolving ICT ecosystem.

7. Company Overview

7.1. About Iris Global Services Ltd (“Iris”)

Iris is a business-to-business (B2B), information and communication technology (ICT) distribution and services company, operating as an integrated technology distribution and solutions provider that connects original equipment manufacturers (OEMs or Technology Brands) with a diversified network comprising regional distributors, stockist partners, system integrators and value-added resellers (collectively called Channel Partners) across India. Since its incorporation in 2009, the Company has expanded its presence across multiple product categories and has established itself as a distribution partner for several leading technology brands and has evolved into an integrated technology distribution platform through its extensive distribution ecosystem. It offers a diversified and balanced portfolio of ICT products and technology solutions. Iris is a well-established national distribution partner for global technology brands in India, supported by a strong channel network across India.

Iris maintains relationships with several leading global and domestic technology brands across multiple ICT categories. Over the last few years, Iris has significantly expanded its technology brands ecosystem. The number of technology brands associated with Iris increased from 30 in Fiscal 2024 to 70 in Fiscal 2026, reflecting its growing relevance within the ICT distribution landscape, and its ability to attract and retain leading technology brands across multiple product categories. The company’s vendor portfolio includes several globally recognized technology brands across computing, enterprise infrastructure, networking, display, power management and security categories. Through these partnerships, Iris provides market access, channel enablement and distribution support to technology brands seeking to strengthen their presence in India. The continued expansion of technology brands positions the company to address a wider range of enterprise requirements while improving its ability to deliver integrated, multi-vendor technology solutions.

Its vendor ecosystem includes globally recognized technology companies such as Dell International Services India Private Limited, Acer India Private limited, HP India Sales Private Limited, LG Electronics India Private Limited and Schneider Electric IT Business India Private Limited, Sparsh CCTV Pvt Ltd and several other technology providers. Iris’ long-standing relationships with many of these technology brands have enabled it to strengthen its market position, diversify product offerings and expand its reach across customer segments.

The breadth of Iris's technology brand ecosystem enables it to offer customers access to a diversified portfolio of products and solutions while reducing concentration on any single product category or technology brand.

Exhibit 40: Iris Technology Brand Ecosystem (non-exhaustive)

Product	Name of Technology Brand
PCs and Tablets	HP, Dell, Acer, INP, HLBS, Wishtel, Wacom
Servers & Storage	Dell, INP, Infinity Lab, Lenovo

UPS	APC, Delta, Microtek, BPE, Hitachi UPS, Krykard, Fuji, Elnova
Security and Surveillance	Sparsh, BOSCH
Displays	LG, Viewsonic, BenQ, Acer, Teachmint, Delta, Globus, BenQ, Digital Live, Wacom, Panasonic
Printer	Xerox
Networking	Ruckus, TP Link, Molex, HFCL

Source: Iris

A key strength of Iris is its extensive channel partner ecosystem, which has witnessed substantial growth in recent years. Iris operates through a diversified network comprising regional distributors, stockists, value-added resellers, system integrators and other channel partners across India. As of July 31, 2026 it had an ecosystem of approximately over 10,000 channel partners. This extensive network enables Iris to provide technology brands with deep market penetration and broad geographic reach while supporting channel partners with access to a diversified technology portfolio, logistics capabilities and value-added services. The Company's channel partner ecosystem serves as an important route-to-market platform for technology brands and supports efficient product availability across customer segments.

Distributors contribute significantly to ecosystem development through training programmes, certifications, workshops and technical education initiatives, which strengthen partner capabilities and accelerate the adoption of emerging technologies across the market. In addition to product availability, Iris supports its channel partners through training programmes, product enablement initiatives, financing facilitation and ongoing engagement activities aimed at improving product knowledge, market outreach and business growth opportunities.

An established distribution and logistics network is critical to the ICT distribution ecosystem, enabling distributors to maintain product availability, manage inventory across multiple product categories and facilitate the movement of products from Technology Brands to downstream Channel Partners across geographies. Iris has also strengthened its operational infrastructure to support its growing distribution network. It has established a robust distribution infrastructure supported by strategically located warehouses and supply chain capabilities. As of July 31, 2026, Iris operated through a network of 32 warehouses-cum-branch offices across 21 states/union territories. Supported by this distribution infrastructure, as of March 31, 2026, Iris had approximately 12,000 SKUs across multiple ICT product categories. Efficient ICT distribution requires the ability to ensure product availability at the point of demand and manage the movement of products across the distribution ecosystem. The company's warehousing and logistics capabilities facilitate efficient product availability and fulfilment across multiple geographies.

A key differentiator for Iris is its ability to combine product distribution with solution-oriented offerings. In addition to product distribution, Iris has developed a service-enabled business model through offerings such as logistics support, financing facilitation, warranty support services and infrastructure rental solutions.

The increasing adoption of artificial intelligence, cloud computing, data-intensive workloads and digital transformation initiatives has created growing demand for advanced computing infrastructure. To capitalise on these trends, Iris has expanded its portfolio into AI-focused technology segments including GPU-based AI servers and intelligent storage solutions.

The Company has also strengthened its capabilities in enterprise infrastructure solutions by expanding offerings across storage, networking, cybersecurity and advanced computing technologies. These initiatives position the Company to participate in emerging technology spending trends and support customers undertaking digital transformation and AI adoption programmes.

Iris has also expanded its presence in software and digital transformation solutions through select strategic partnerships, including exclusive distribution arrangements for certain offerings in India as well as the APAC region. Such initiatives enable it to participate in evolving enterprise technology spending trends while strengthening engagement with channel partners and end customers. It has entered into an exclusive distribution agreement with a technology services and software solutions provider for a portfolio of software and digital transformation solutions. These offerings include AI assessments, AI consulting, application modernization, migration planning and intelligent quality engineering solutions.

Iris's vendor ecosystem includes several leading global technology brands across computing, enterprise infrastructure, networking, display, power management and security categories. Long-standing relationships with technology vendors, combined with its expanding channel network and distribution infrastructure, have enabled Iris to strengthen its position within the ICT distribution ecosystem.

The Company has demonstrated strong growth over the last few years, supported by expansion of its technology partner ecosystem, increasing channel penetration and rising demand for enterprise technology solutions. Iris is one of the fastest growing national distribution partners for Technology Brands in India for ICT products in terms of revenue growth. Their revenue from operations increased from INR 26,849.66 million in FY 2024 to INR 41,564.37 million in FY 2026, representing a CAGR of 24.42 %, which is significantly higher than the peer set average of 20.06% during the same period. The profit for the year increased from INR 529.80 million in FY 2024 to INR 794.95 million in FY 2026 at a CAGR of 22.49 %. Further, EBITDA CAGR stood at 28.80%, compared to the peer set average of 22.36%. With a diversified technology portfolio, growing technology brands ecosystem, extensive channel network and expanding presence across emerging technology segments, Iris is well positioned to benefit from increasing enterprise technology spending, digital transformation initiatives and growing demand for ICT infrastructure solutions in India.

Key competitive strengths of Iris

Iris' competitive position is supported by several key strengths:

- Diversified portfolio of over 70 technology brands across multiple ICT categories.
- Extensive channel ecosystem comprising over 10,000 channel partners.
- Pan-India distribution and logistics infrastructure.

- Diversified product portfolio spanning enterprise infrastructure and end-user technology solutions.
- Service-enabled distribution model supported by financing facilitation, warranty support and logistics capabilities.
- Long-standing relationships with leading global technology brands.
- Expanding presence in emerging technology segments including AI infrastructure and advanced storage solutions.
- Experienced management team with longstanding industry relationships and execution capabilities.

Iris's Portfolio Matrix

Category	Offerings
Personal Computing	Laptops, desktops, tablets, workstations
Server	Servers
Storage	Storage systems, intelligent storage solutions
Networking and connectivity	Routers, switches, wireless networking, cables and connectors
Security and surveillance	Surveillance cameras, Network Video recorders (NVR) and DVRs (digital video recorders)
Power solutions	UPS, batteries
Visual Display Systems	high-resolution monitors, large format displays and interactive flat panels
Printing and Imaging	Printers, scanners, photocopiers
Peripherals & Accessories	headphones, speakers, mouse, keyboards, power banks, hard drives, audio devices and pen drives

The Company's business verticals comprise Enterprise and Infrastructure Solutions ("EIS") vertical and Computing and Mobility Solutions ("CMS") vertical, through which they cater to diverse technology requirements across end-user segments.

The EIS vertical focuses on enterprise ICT infrastructure requirements and comprises servers, storage, networking and connectivity, security and surveillance, and power solutions. Their offerings under these categories include enterprise servers and GPU-based AI servers; storage systems and intelligent storage solutions; routers, switches and wireless networking products; CCTV and surveillance systems, cybersecurity solutions and digital video recorders; and UPS systems, batteries and cooling solutions for data centres.

The CMS vertical comprises personal computing, visual display systems, printing and imaging, and peripherals and accessories. Their offerings under these categories include laptops, desktops, tablets and workstations; high-resolution monitors, large format displays, interactive flat panels and video walls; printers, scanners and photocopiers; and a range of lifestyle peripherals and accessories including headphones, speakers, mouse, keyboards, power banks, hard drives, sound bars and pen drives, among others.

Together, their EIS and CMS verticals enable them to address a broad spectrum of enterprise technology requirements. Their diversified portfolio allows them to participate across multiple layers of the technology ecosystem, ranging from workplace computing and enterprise infrastructure to advanced computing infrastructure and enterprise storage solutions. The breadth of their portfolio, together with their distribution and solution enablement capabilities, positions them as an integrated technology distribution and solutions platform serving evolving customer requirements across industries.

7.2. Awards and Recognition

Iris has been a reputable company in the market since its incorporation in 2009 and has consistently received industry validation as a successful and reliable IT distributor. Multiple OEM partners have lauded Iris for its vision, performance, capabilities, and efforts. The company has received multiple awards from premier organizations during the entire length of its journey. These awards, milestones, and praise are a testament to Iris's market credibility and operational excellence.

Listed below are some of the key awards, accreditations, certifications and recognitions received by Iris in the last few years.

Exhibit 41: Recent List of Accolades as received by Iris (non-exhaustive list)

Calendar Year	Award/Accreditation/Certification/Recognition
2017	'Platinum Partner' for the 'Lenovo Top Edge Excellence North Star Award for Highest Units (CA) for H2 2017-18'
2018	'Platinum Business Partner' for Samsung Enterprise Mobility
2020	'Most Preferred National Distributor 2020' by Digital Terminal Awards
	Top Achiever's Award for the 'Most Preferred Indian Distributor of 2020' at the 13 th NCN Innovative Product Awards 2020
2021	Top Achiever Award for the 'Most Trusted ICT Distributor of 2021' at the 14 th NCN Innovative Product Awards, 2021
	'Best Distributor of South Asia Region 2021' by Sangoma
2022	'Top Distributor of India Award 2022' by Digital Edge
	'Most Resilient National Distributor' by LG Business Solutions
	'Most Reliable ICT Distributor of 2022' at the 15 th NCN Innovative Product Awards 2022

Calendar Year	Award/Accreditation/Certification/Recognition
2023	‘MB Acquisition Distributor’ at the Dell Technologies Forum Partner Summit Bangalore 2023
	‘Most Preferred National Distributor by OEMs’ at the 9 th Digital Terminal Partner Excellence Awards 2023
	‘The NCN Top Achiever Award for the Most Reliable ICT Distributor 2023’ at the 16 th NCN Innovative Product Awards, 2023
	‘Exclusive Excellence’ award and certificate for ‘The National Level Leading Mobility Distributor of 2023’ at 10 th Mobility Excellence Awards
2024	‘India’s Most Trusted National Distributor 2024’ by Digital Terminal at the Partner Excellence Awards
	Top Achiever Award for the ‘Most Reliable ICT Distributor’ at the 17 th NCN Innovative Product Awards 2024
	‘2024 Best Secure Power Distributor’ by Schneider Electric
2025	‘Best Power Equipments Elite Partner’ from Best Power Equipments India Private Limited
	‘Best National Distributor for Channel Empowerment 2025’ at the Digital Terminal Partner Excellence Awards 2025
	‘India’s Most Trusted IT Distributor 2025’ at IT awards 2025
	‘The Best National Distributor of Printer Solutions’ at NCN Printtech Summit & Awards 2025
2026	‘Innovative Solution’ award at the 20 th Tech Partner Summit 2026 organized by NCN

Source: Iris

8. Peer group analysis

8.1 Financial KPIs and Operational KPIs comparison of Iris Global Services Limited with listed Indian peer group companies

Particulars	Iris Global Services Limited			Rashi Peripherals Limited			Redington Limited			Creative Newtech		
	Fiscal			Fiscal			Fiscal			Fiscal		
	2026	2025	2024	2026	2025	2024	2026	2025	2024	2026	2025	2024
Revenue from Operations	41,564.37	32,291.31	26,849.66	1,58,273.37	1,37,727.33	1,10,946.99	11,91,623.60	9,93,336.50	8,93,457.10	26,997.54	17,827.54	17,206.24
EBITDA	1,309.06	966.58	789.12	4,587.32	3,002.80	2,928.95	20,863.50	26,791.00	18,772.20	910.54	541.48	489.30
Restated profit after tax	794.95	622.89	529.80	2,823.46	2,097.16	1,438.58	12,841.50	18,206.20	12,386.10	702.92	531.11	482.51
ROCE	23.66	21.48	26.48	14.60	10.71	12.25	14.32	20.62	15.90	12.99	16.26	16.98
Debt / Equity	0.79	0.95	0.79	0.47	0.52	0.44	0.26	0.30	0.37	0.84	0.23	0.33
SKUs	12,845	12,761	12,343	NA	17,993	16,813	NA	NA	NA	NA	5000+	4000+
Technology Brands	70	62	30	NA	70	60	440	450	NA	NA	25+	25+
Channel Partners	2,692	2,608	2,725	NA	10,000+	9,915	70,000+	70,000+	50,000+	NA	10,000+	10,000+

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the audited consolidated financial statements of the respective companies for the financial year ended March 31, 2026 available on the website of National Stock Exchange of India Limited at www.nseindia.com.

Note

Financial KPIs are in ₹ million

Operational KPIs are in absolute numbers

8.2 Financial analysis of other players in the market

Particulars	Iris Global Services Limited*	Ingram Micro Holding Corporation**	Superttron ElectronicsPrivate Limited*	TD Synnex Corporation**	Rah Infotech Private Limited*
Revenue From Operations (INR. Mn.)	41,564.37 (FY 2026)	-	-	-	-
	32,291.31(FY 2025)	45,89,265.44 (FY 2025)	70,208.73 (FY 2025)	54,35,765.67 (FY 2025)	12,995.46 (FY 2025)
	26,849.66 (FY 2024)	40,18,920.35 (FY 2024)	67,488.58 (FY 2024)	48,84,227.10 (FY 2024)	11,706.74 (FY 2024)
EBITDA (INR. Mn.)	1309.07 (FY 2026)	-	-	-	-
	966.58 (FY 2025)	89,985.16 (FY 2025)	876.98 (FY 2025)	158,971.75 (FY 2025)	520.85 (FY 2025)
	789.12 (FY 2024)	81,541.07 (FY 2024)	1,681.02 (FY 2024)	133,146.43 (FY 2024)	557.28 (FY 2024)
PAT (INR. Mn.)	794.91 (FY 2026)	-	-	-	-
	624.11 (FY 2025)	28,630.98 (FY 2025)	190.44 (FY 2025))	71,974.14 (FY 2025)	326.37 (FY 2025)
	531.26 (FY 2024)	22,130.18 (FY 2024)	987.56 (FY 2024)	57,579.75 (FY 2024)	350.17 (FY 2024)
EBITDA Margin (%)	3.15% (FY 2026)	-	-	-	-
	2.99% (FY 2025)	1.96% (FY 2025)	1.25% (FY 2025)	2.92% (FY 2025)	4.01% (FY 2025)
	2.94% (FY 2024)	2.03% (FY 2024)	2.49% (FY 2024)	2.73% (FY 2024)	4.76% (FY 2024)
PAT Margin (%)	1.90% (FY 2026)	-	-	-	-
	1.92% (FY 2025)	0.62% (FY 2025)	0.27% (FY 2025)	1.32% (FY 2025)	2.51% (FY 2025)
	1.97% (FY 2024)	0.55% (FY 2024)	1.46% (FY 2024)	1.18% (FY 2024)	2.99% (FY 2024)
ROCE (%)	23.66% (FY 2026)	-	-	-	-
	21.50% (FY 2025)	14.95% (FY 2025)	7.12% (FY 2025)	13.31% (FY 2025)	24.43% (FY 2025)

	26.50% (FY 2024)	12.71% (FY 2024)	16.90% (FY 2024)	10.90% (FY 2024)	30.36% (FY 2024)
Debt to Equity Ratio	0.79 (FY 2026)	-	-	-	-
	0.95 (FY 2025)	0.75 (FY 2025)	0.92 (FY 2025)	0.55 (FY 2025)	0.50 (FY 2025)
	0.79 (FY 2024)	0.90 (FY 2024)	1.02 (FY 2024)	0.49 (FY 2024)	0.60 (FY 2024)

Note:

* FY refers to April to March

** FY refers to January to December

*** FY refers to December to November

Ingram Micro and Tech Data financial numbers originally reported in USD and converted into INR. using the following exchange rates.
Average conversion rate for the year has been taken.

1 USD to INR Conversion

FY 2024-25 (Jan to Dec): 87.32

FY 2023-24 (Jan to Dec): 83.756

FY 2022-23 (Jan to Dec): 82.567

FY 2022-21 (Jan to Dec): 78.845

FY 2023-24 (Dec to Nov): 83.559

FY 2022-23 (Dec to Nov): 82.438

FY 2022-21 (Dec to Nov): 78.158

Formulas:

(1) Return on Capital Employed: EBIT/Capital Employed

(2) Capital Employed: total equity + total current & non-current borrowings

(3) COGS: Cost of Material Consumed + Purchase of Stock in Trade + Change in Inventories

(4) Debt to Equity Ratio: Total Debt/Total Equity

Source: Iris Global and publicly available financial information/annual reports of respective companies

9. Threats and Challenges for Iris Global

Iris Global is one of the leading ICT distributors in India, offering a comprehensive portfolio of ICT products through an extensive ecosystem of technology brands/OEMs and channel partners. Over the years, the company has established a strong presence in the Indian ICT distribution market by continuously expanding its product portfolio, strengthening relationships with technology brands/OEMs, and enhancing its nationwide distribution capabilities. However, like any business operating in the dynamic technology distribution industry, Iris Global is exposed to a number of external threats and internal challenges that could influence its future growth and profitability. Mentioned below are some of the key threats and challenges that Iris Global currently faces or is likely to face over the coming years.

9.1. Threats for Iris Global

Business threats are predominantly external factors that have the potential to adversely impact an organization's operations, financial performance, and long-term growth. While many of these factors remain beyond the direct control of the company, proactively identifying emerging risks and implementing timely mitigation strategies can help minimize their impact and strengthen business resilience.

- **Economic Uncertainty:** Economic uncertainty can significantly impact the ICT distribution business by affecting enterprise and consumer spending on technology products. Factors such as inflation, currency fluctuations, geopolitical tensions, interest rate changes, and slower economic growth can reduce IT investments across enterprises and government organizations. Customers may postpone hardware refresh cycles or reduce discretionary IT spending, leading to lower sales volumes. Additionally, uncertainty can affect inventory planning, pricing strategies and working capital requirements, thereby impacting the profitability and operational efficiency of distributors like Iris Global.
- **Supply Chain Disruptions:** ICT distributors are heavily dependent on global supply chains for timely product availability. Disruptions caused by geopolitical conflicts, semiconductor shortages, shipping delays, natural disasters, trade restrictions, or manufacturing constraints can delay product deliveries and create inventory shortages. Such disruptions may increase procurement costs, reduce product availability, delay customer projects and affect revenue realization. Maintaining adequate inventory while balancing working capital becomes increasingly challenging during prolonged supply chain disruptions.
- **Intense Competition in ICT Distribution:** The Indian ICT distribution market is highly competitive, with several national, regional and specialized distributors competing for OEM partnerships, channel partners, and enterprise customers. Larger distributors often possess stronger financial capabilities, wider geographical reach and broader product portfolios, enabling them to negotiate better commercial terms with OEMs. Continuous pricing pressure, declining distribution margins, increasing value-added service expectations and aggressive market expansion by competitors can impact the market and profitability. Additionally, OEMs

may appoint multiple distributors for the same product portfolio, intensifying channel competition.

- **OEM Channel Strategy Changes:** ICT distributors largely depend on technology vendors for product availability and channel authorization. Changes in OEM go-to-market strategies, such as increasing direct enterprise sales, expanding online sales channels, appointing additional distributors, or consolidating channel partnerships, may reduce business opportunities for existing distributors. Any reduction in product allocations, channel incentives, rebate programs, or distribution rights could directly impact revenues and profitability. Maintaining strong strategic relationships with multiple OEMs therefore remains critical.
- **Technology Obsolescence and Inventory Risks:** The ICT industry experiences rapid technological advancements, resulting in shorter product life cycles and frequent product refreshes. New product launches, changing technology standards and evolving customer requirements can quickly reduce the market value of existing inventory. Distributors carrying higher inventory levels may face inventory obsolescence, price erosion and increased holding costs if products are not sold before newer generations are introduced. Efficient demand forecasting and inventory management are therefore essential to minimize financial exposure.

9.2. Challenges for Iris Global

Business challenges refer to operational and strategic difficulties that an organization must effectively address to achieve sustainable growth and maintain healthy business operations. Unlike external threats, these challenges are largely within the company's influence and can be mitigated through appropriate business strategies and execution.

- **Financial Management of the Company:** ICT distribution is a business that requires significant working capital to procure inventory, extend credit to channel partners and maintain healthy stock levels. Efficient management of receivables, payables, inventory turnover and cash flow is critical to sustaining profitability. Delayed customer payments, higher borrowing costs, inventory carrying expenses, or fluctuations in foreign exchange rates can adversely impact financial performance. Maintaining prudent credit policies, strong financial discipline and effective risk management remains essential for ensuring long-term business sustainability.
- **Talent Acquisition and Retention:** As ICT distribution increasingly evolves towards solution-led selling involving cloud, AI infrastructure, networking and enterprise solutions, distributors require skilled professionals across sales, technical consulting, pre-sales engineering, supply chain management and customer support. Attracting and retaining experienced talent remains challenging due to intense competition across the technology sector. Continuous employee training and certification are also necessary to keep pace with rapidly evolving technologies and OEM requirements. Building a knowledgeable and motivated workforce is therefore essential for sustaining competitive differentiation.

-----X-----

Glossary

Terminology	Description
Desktop	A stationary personal computer designed for office or home use.
Display	A monitor used to visually display digital content.
Hard Disk Drive (HDD)	A storage device used to store digital data.
High-end Workstation	A high-performance computer designed for compute-intensive applications.
ICT (Information and Communication Technology)	Technologies used for computing, networking, storage, and communication.
Keyboard	An input device used to enter text and commands into a computer.
Laptop	A portable personal computer with an integrated display and keyboard.
Mouse	A pointing device used to control the computer cursor.
Networking	Technologies that connect devices and enable data communication.
Pen Drive (USB Flash Drive)	A portable USB device used for data storage and transfer.
Peripheral	An external device connected to a computer to provide additional functionality.
Personal Computer (PC)	A computer designed for use by an individual user.
Power Bank	A portable battery used to charge electronic devices.
Printer	A device that produces hard copies of digital documents or images.
Projector	A device that projects images or videos onto a screen or surface.
Router	A networking device that directs data traffic between networks.
Scanner	A device that converts physical documents into digital format.
Server	A computer that provides applications, storage, or services to other devices.
Speakers	Audio output devices used to reproduce sound.
Storage	Devices or systems used to store digital data.
Surveillance	Security solutions used for monitoring people, assets, or premises.
Switch	A networking device that connects multiple devices within a local network.
Tablet	A portable touchscreen computing device.
UPS (Uninterruptible Power Supply)	A backup power device that provides electricity during outages.
Webcam	A digital camera used for video communication and recording.
WLAN (Wireless Local Area Network)	A wireless network that connects devices within a limited area.

5G	The fifth generation of mobile network technology offering high-speed, low-latency connectivity.
AI (Artificial Intelligence)	Technology that enables machines to simulate human intelligence and decision-making.
Business Process Management (BPM)	The practice of designing, automating, managing, and optimizing business processes.
Cloud Computing	The on-demand delivery of computing resources over the internet.
ICT (Information and Communication Technology)	Technologies used for computing, communication, networking, and information management.
IoT (Internet of Things)	A network of connected devices that collect and exchange data over the internet.
ML (Machine Learning)	A branch of AI that enables systems to learn from data and improve performance without explicit programming.
PLI (Production Linked Incentive)	A Government of India scheme that incentivizes domestic manufacturing based on incremental production and sales.
AR (Augmented Reality)	Technology that overlays digital content onto the real-world environment.
B2B (Business-to-Business)	Commercial transactions between businesses.
Blockchain	A decentralized digital ledger used to securely record transactions.
Cloud Computing	The on-demand delivery of computing resources over the internet.
Cybersecurity	Technologies and practices used to protect systems, networks, and data from cyber threats.
Data Center	A facility that houses servers, storage, and networking equipment.
Data Center Infrastructure	The physical and IT components that support data center operations, including power, cooling, networking, and security.
D2C (Direct-to-Consumer)	A business model where companies sell products directly to consumers without intermediaries.
DSCI (Data Security Council of India)	An industry body promoting cybersecurity, data protection, and privacy in India.
IMF (International Monetary Fund)	An international organization promoting global monetary cooperation and financial stability.
MSME (Micro, Small and Medium Enterprises)	Businesses classified by investment and turnover under the Government of India.
VR (Virtual Reality)	Technology that creates an immersive, computer-generated virtual environment.
WEF (World Economic Forum)	An international organization focused on public-private cooperation and global economic issues.
SKU (Stock Keeping Unit)	A unique code assigned to each distinct product for inventory management and tracking.

Inventory	The stock of products held by a distributor for sale.
Channel Partner	A broad term for organizations that sell, deploy, or support technology products and solutions.
Distributor	A company that procures products from technology brands/OEMs and supplies them to channel partners.
End Customer	The final user or organization purchasing and using the technology solution.
OEM (Original Equipment Manufacturer)	A company that designs, manufactures, and markets technology products under its own brand.
Reseller	A business that purchases products from distributors or OEMs for resale to end customers.
System Integrator (SI)	A company that integrates multiple hardware, software, and services into a complete solution.
Technology Brand	A company that develops and markets technology products, either directly or through channel partners.
Technology Brand/OEM	A technology company that designs, manufactures, and sells products under its own brand through distribution channels.
Value-added Distributor (VAD)	A distributor that provides technical, integration, financing, training, or professional services in addition to product distribution.
Value-added Reseller (VAR)	A reseller that enhances products with implementation, customization, integration, or support services before selling to customers.
National Distributor	A distributor with sales, logistics, and partner coverage across the country.
Regional Distributor	A distributor primarily serving specific geographic regions or states.
Revenue from Operations	Revenue generated from the company's core business activities, excluding non-operating income.
Revenue from Operations CAGR	The compound annual growth rate of operating revenue over a specified period.
EBITDA	Earnings before Interest, Taxes, Depreciation, and Amortization; a measure of operating profitability.
EBITDA Margin (%)	EBITDA expressed as a percentage of revenue from operations.
Restated Profit After Tax (PAT)	Profit after taxes, adjusted for accounting restatements or prior-period changes, where applicable.
PAT Margin (%)	Profit after tax expressed as a percentage of revenue from operations.
ROCE (Return on Capital Employed)	A measure of profitability generated from the capital employed in the business.
Debt-to-Equity Ratio	A financial ratio comparing the company's total debt with shareholders' equity.