

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 2837
TO BE ANSWERED ON: 05.08.2026

SETTING UP OF DATA CENTRES

2837. SHRI SUDAMA PRASAD:

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

- (a) the details of the cities where Data Centres have been proposed to be set up in country along with their operational capacity;
- (b) the details of the cities where Data Centres have actually become operational, their operational capacity and the names of the investors/owners;
- (c) whether any funding or subsidies or support of either kinds have been provided to the investors/owners of the operational Data Centres and if so, the details thereof;
- (d) the details of the cities where proposals for setting up Data Centres are currently under consideration along with their operational capacity;
- (e) the details of policy of the Government with regard to providing access to water resources for the purpose of cooling the Data Centres; and
- (f) the details of quantum of water currently being consumed by each of the operational Data Centres?

ANSWER

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

(a) to (f): In line with Hon'ble Prime Minister Shri Narendra Modi's vision, the Government is democratising the development and usage of technology.

Data centres are an important & integral component of overall Digital India Infrastructure ecosystem. Data Centre industry in India has been growing at a steady pace. The rapid growth of AI and high-performance computing is driving increasing demand for data centre capacity in the country.

Data Centres in India are majorly developed, owned, and operated by private companies. Companies evaluate factors such as demand projections, operational expenses, availability of power, skilled manpower and long-term business viability before choosing locations for establishing a Data Centre. Based on commercial demand, Data Centres are set up in different locations keeping in mind consumers' needs.

The investments in the sector are coming from both domestic as well as global players. Government of India does not provide any subsidy for establishment of data centres.

Data centres are located across the country such as Mumbai, Navi Mumbai, Chennai, Hyderabad, Bengaluru, Delhi NCR and Gujarat. The installed capacity has grown from 375 MW in 2020 to current capacity of about 1,575 MW.

Data Centre industry is now further expanding in states like Andhra Pradesh, Madhya Pradesh, Chhattisgarh & West Bengal which are coming up with new investment destinations.

The water requirement of data centres depends on the type of cooling technologies deployed. Regulation and control of groundwater extraction, including for industrial purposes, is governed by the guidelines issued by the Ministry of Jal Shakti.

The industry is increasingly adopting advanced cooling technologies such as direct-to-chip liquid cooling, adiabatic cooling and immersion cooling.

With the evolution of AI infrastructure, cooling technologies are also moving towards closed-loop liquid cooling systems. Industry is also deploying high density racks to efficiently support high-performance computing & AI workloads for further reduction of power and water consumption.

Together, these technologies are significantly improving Water Use Efficiency (WUE) by lowering the water requirement across data centre operations.
