INDUSTRY RESEARCH REPORT

DATA CENTRE MARKET IN INDIA-

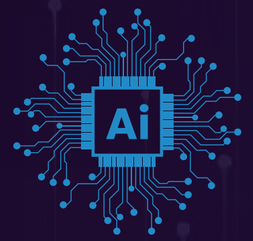
HISTORICAL TRENDS, CURRENT MARKET, AND FUTURE PROJECTIONS.

OPPORTUNITY EXAMINATION FOR KEY VALUE CHAIN PLAYERS

AN OVERVIEW - INDIAN DATA CENTRE

India's data centre industry is rapidly scaling, with 260+ operational facilities and 109 colocation centres as of 2025. Major hubs like Mumbai, Delhi-NCR, and Bengaluru dominate, while demand is driven by 5G rollout, data localisation, and rising cloud & AI adoption.

The country’s installed capacity stands at 870 MW (2023) and is projected to exceed 2,000 MW by 2026, growing at 20%+ CAGR (Cushman & Wakefield). Tech giants like AWS ($12.7B) and Microsoft ($3.7B) are leading the investment wave, alongside Adani and Reliance.



Artificial Intelligence

Increased 5G Penetration

Media Consumption

Cloud Services

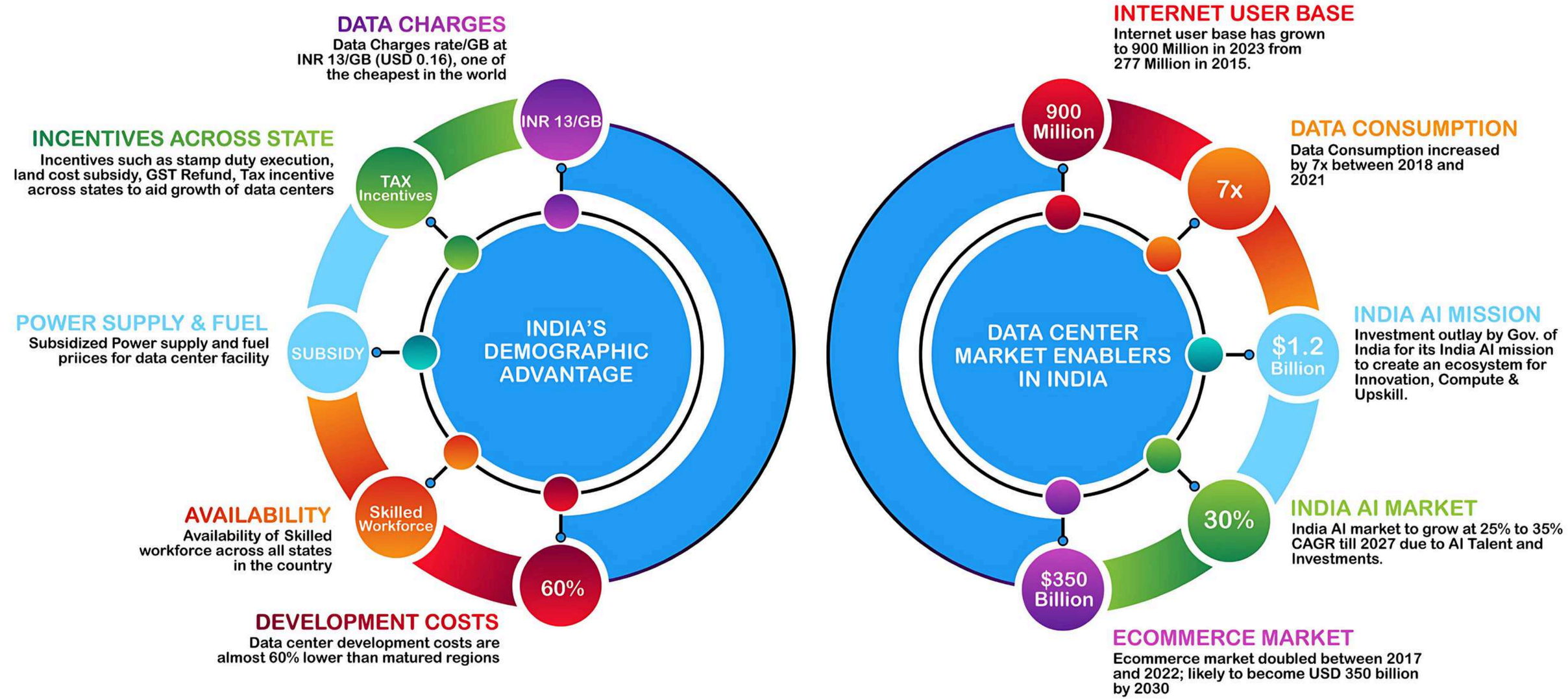
E-Commerce

Banking, Financial Services and Insurance

Data Center Industry Market Enablers

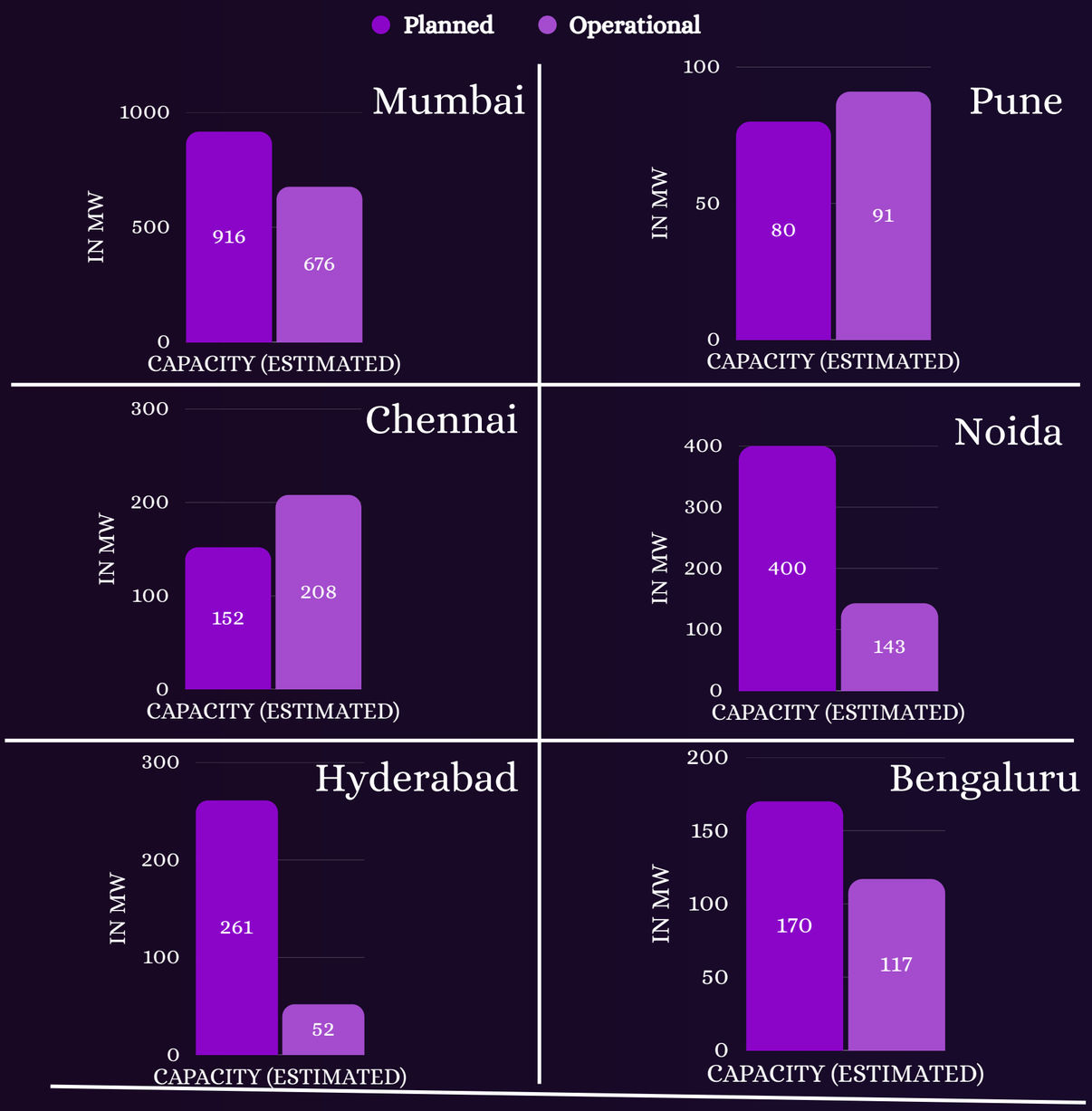
The increased usage of OTT platforms, social media, gaming and the advent of AI has spurred demand for the DC industry in India.

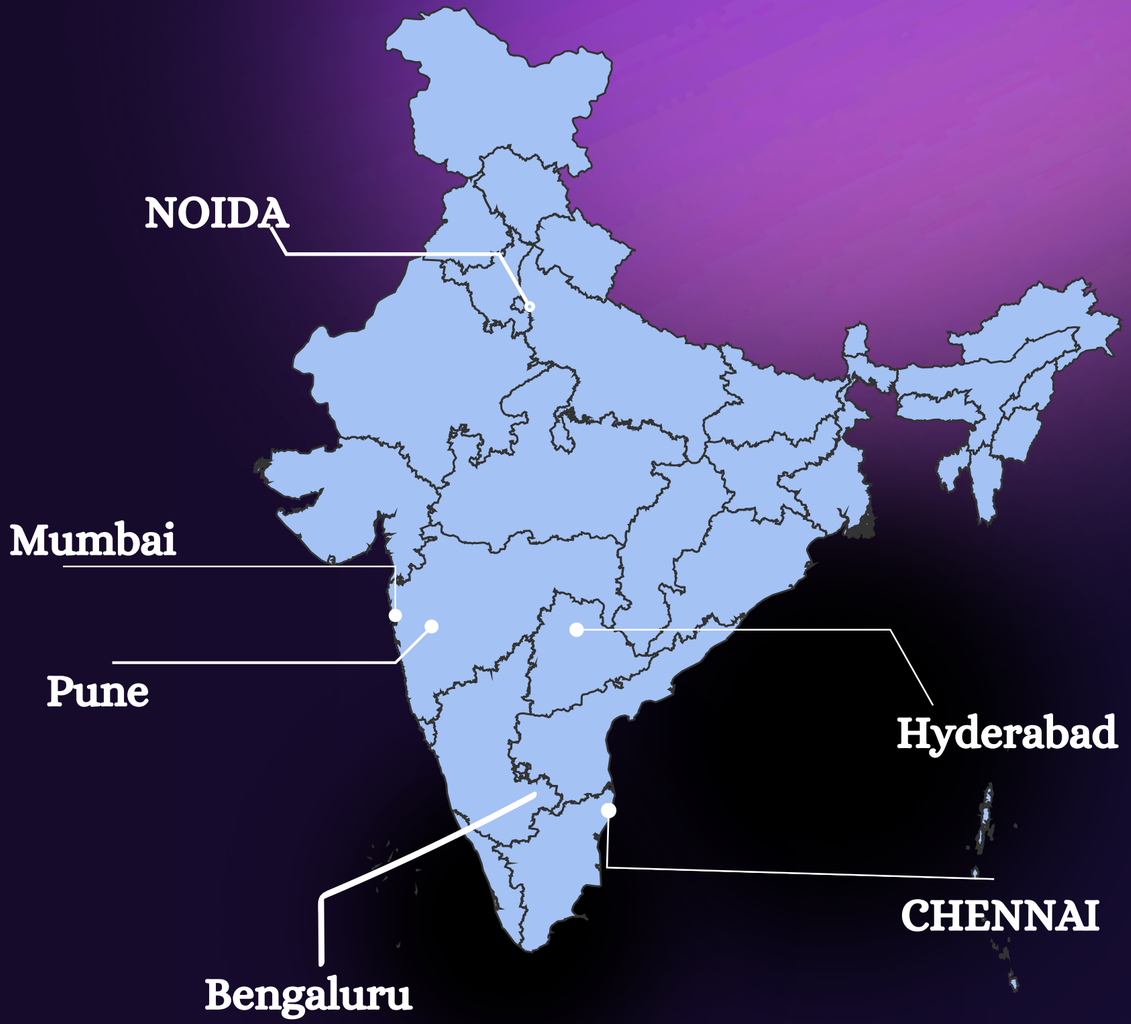
As most industries adopt AI, the need for computing resources to store huge volume of data will only get bigger hereon



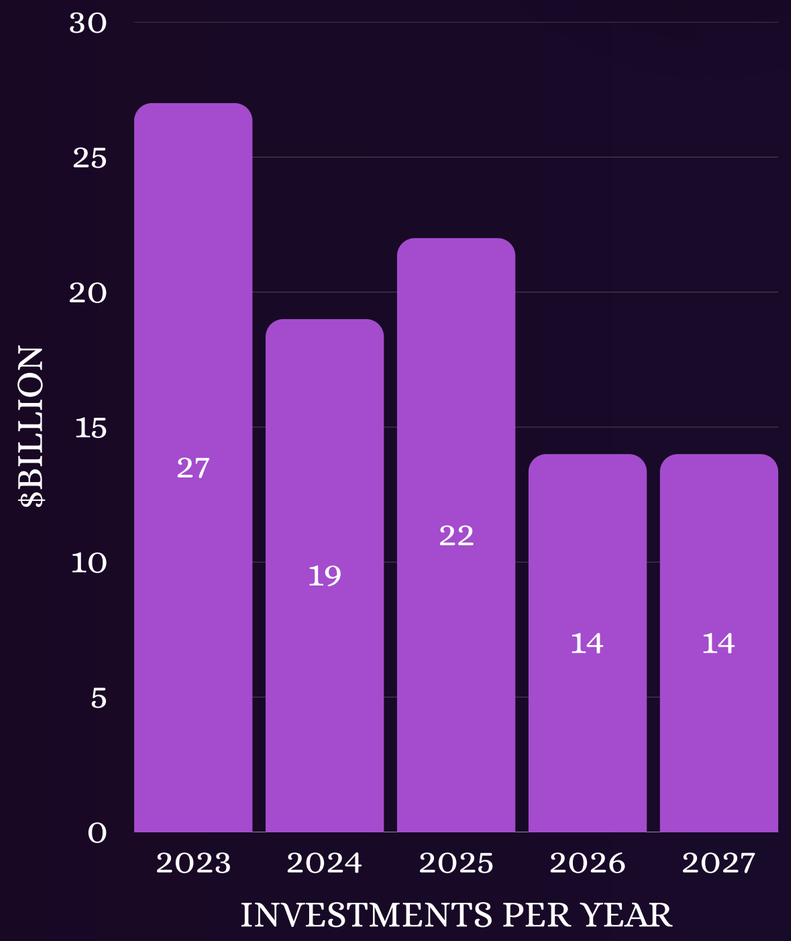
Infrastructure Landscape for Data Centres in India

DEMOGRAPHICS OF D.C MARKET IN INDIA

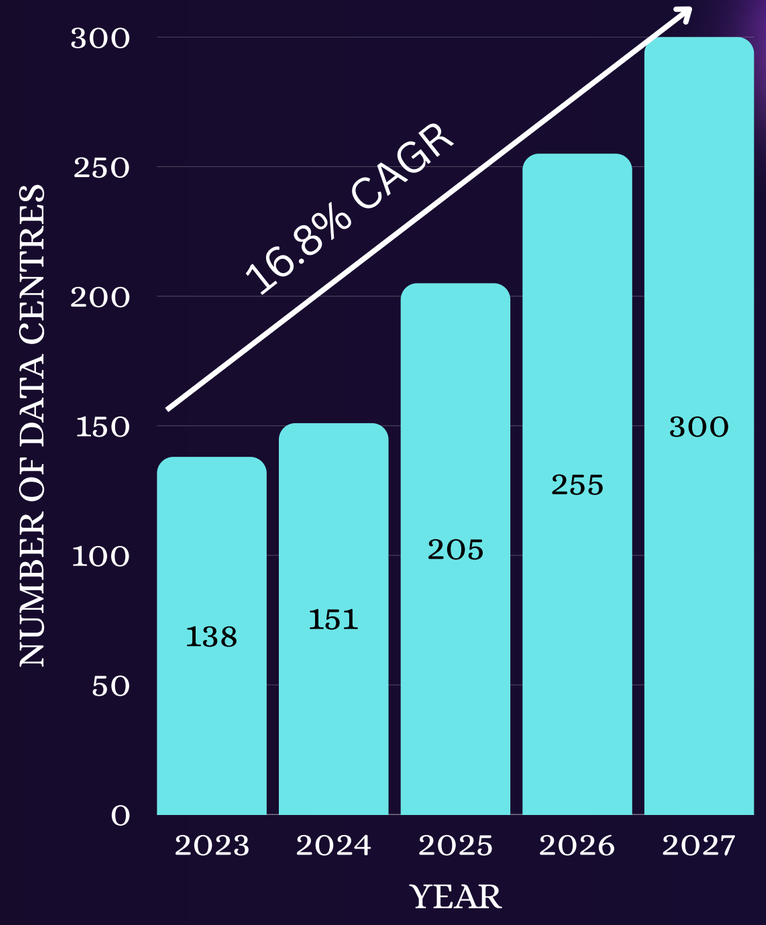


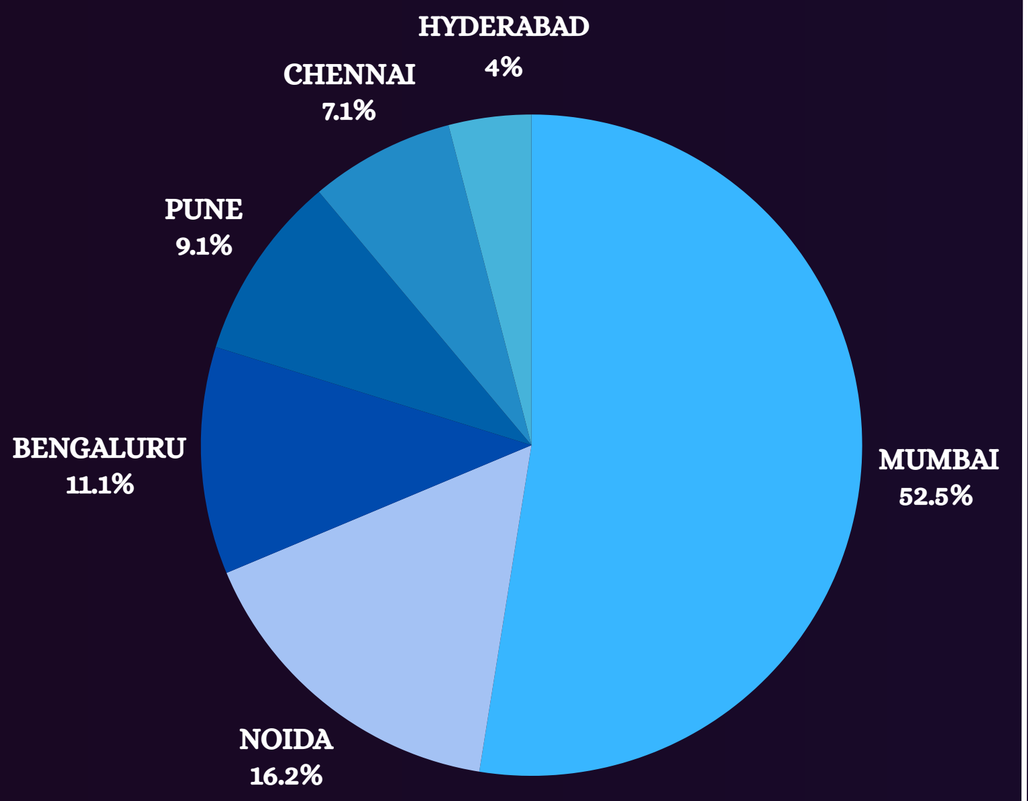


TARGET OF $100 BILLION IN INVESTMENT TILL 2027



DATA CENTRES IN INDIA





Percentage-Wise Geographic Distribution of Data Centres in India

- **MUMBAI**

Mumbai is home to all major submarine cable landing stations in India providing high-speed, low-latency international connectivity

Gateway for global internet traffic into India, making it the most preferred location

Being the financial hub of India, it has a dense concentration of enterprises that demand robust, reliable, and scalable data centre infrastructure.

- **NOIDA**

Government support – Incentives, simplified approvals, and power subsidies from the UP government.

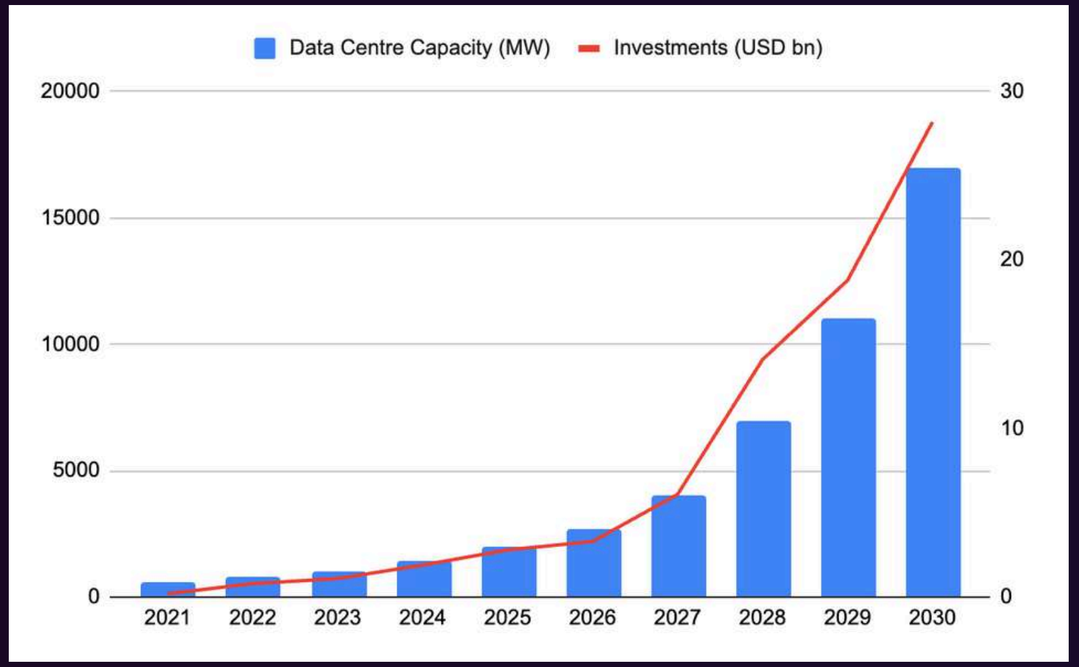
Proximity to NCR business hubs and availability of land for hyperscale developments.

- **CHENNAI**

Strong coastal connectivity, multiple international cable landings, ensuring strong global network access.

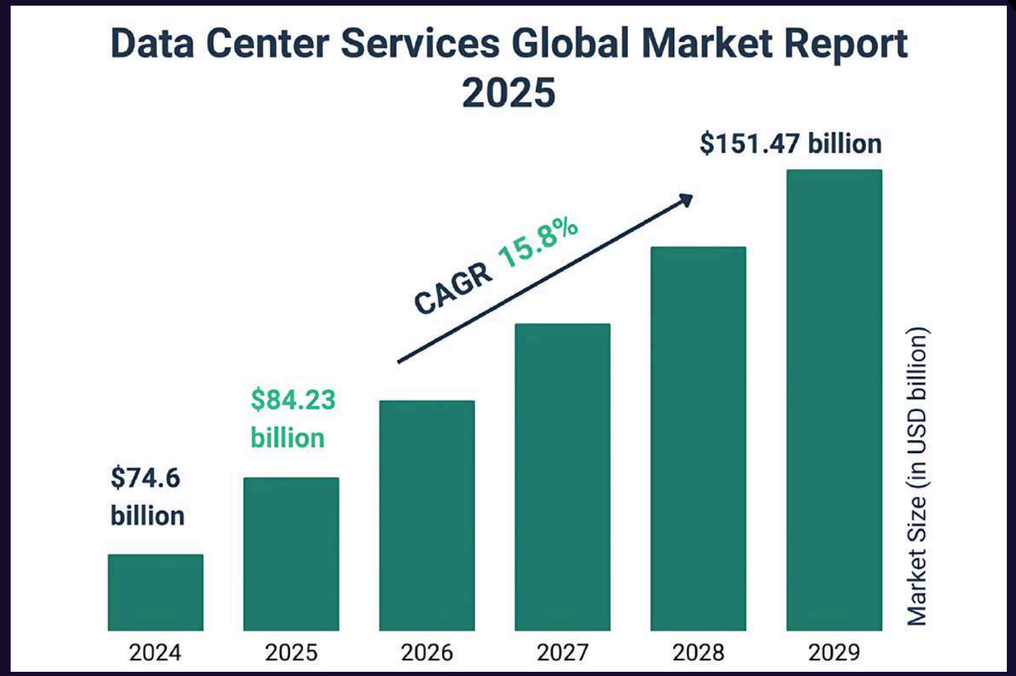
- **BENGALURU**

Home to major tech companies and a skilled workforce. Cloud adoption and digital services are driving data centre growth..



Indian Market

India's data center capacity is set to grow from 1.5 GW to 17 GW by 2030, driven by rising demand for data processing and cloud services. Over the past 3–4 years, the sector has attracted over $27 billion in investments, with major occupants including Amazon, Netflix, banks, and fintech firms—fueling continued growth.



Global market

The Global Data Centre Industry has been growing at an average CAGR of 15.8%. From an Industry of 74.6 Billion USD in 2024, it is expected to cross the threshold of 150 billion USD by 2029.

The cost of renting a rack in a data center in India varies depending on factors like :-

Location

Power Requirement

Rack Size

Bandwidth and Connectivity

Additional factors include :-

- Data Centre Tier and Quality

Tier I to Tier IV data centers — Tier IV (very high uptime) facilities charge a premium.

- Additional services

Remote hands support, backup power (UPS), fire suppression, cooling systems.
Some datacenters also offer managed services (like server maintenance) for extra fees.

TYPES OF DATA CENTRES

Colocation Data Centres

Provide shared, rentable infrastructure for multiple businesses.

Cloud Data Centres

Cloud data centers, managed by providers, offer pay-as-you-go storage, processing, and networking resources

Enterprise Data Centres

Large-scale facilities owned by a single organization, tailored for its IT infrastructure needs like data processing and storage.

Hyperscale Data Centres

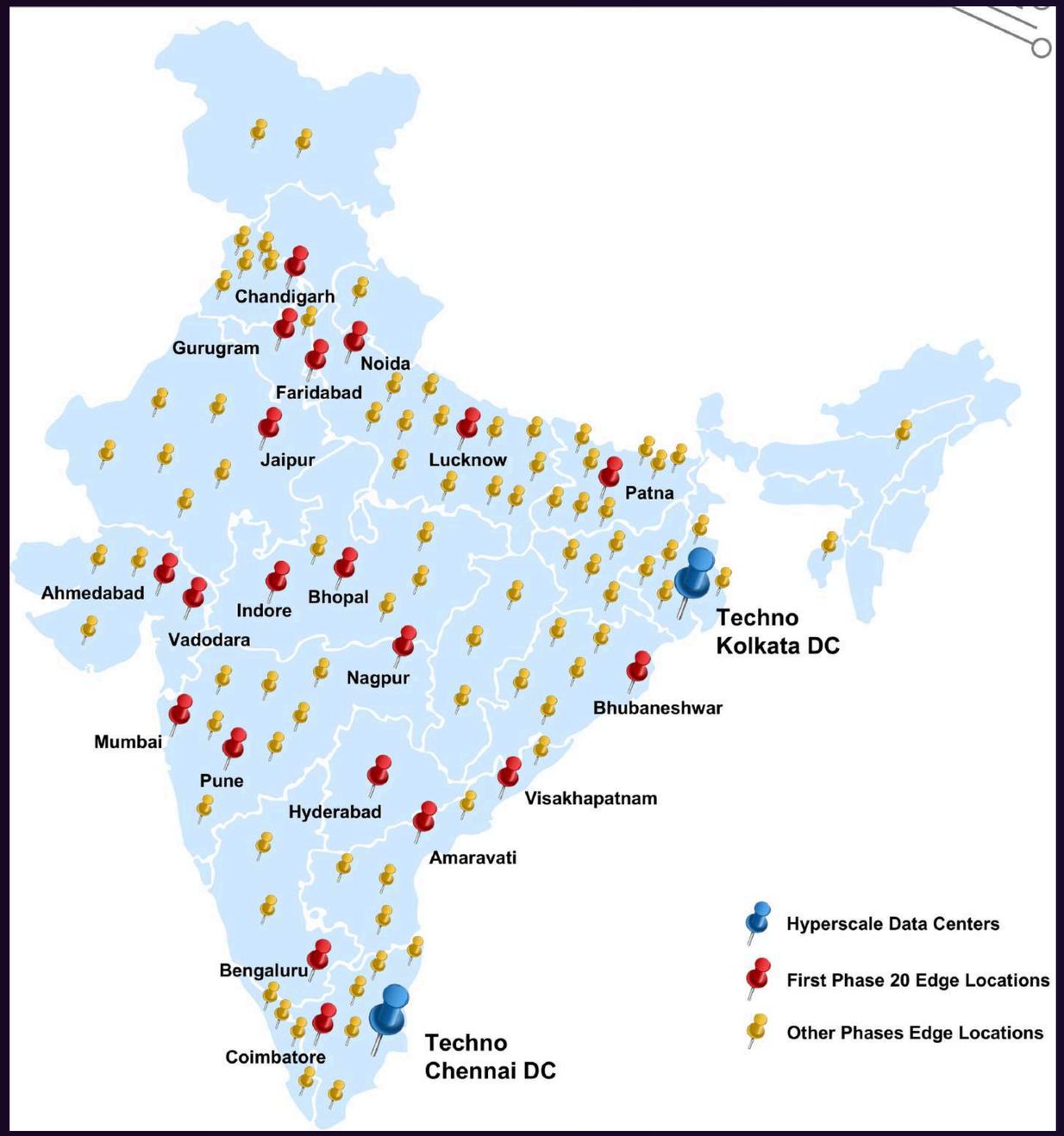
Hyperscale data centers, owned by tech giants, support massive cloud computing and data demands.

Micro Data Centres

Micro data centers are compact IT units for remote or specialized use

Edge Data Centres

Edge data centers are smaller facilities located closer to the end users, typically at the "edge" of the network.



TECHNO ELECTRIC & ENGINEERING CO. LTD.

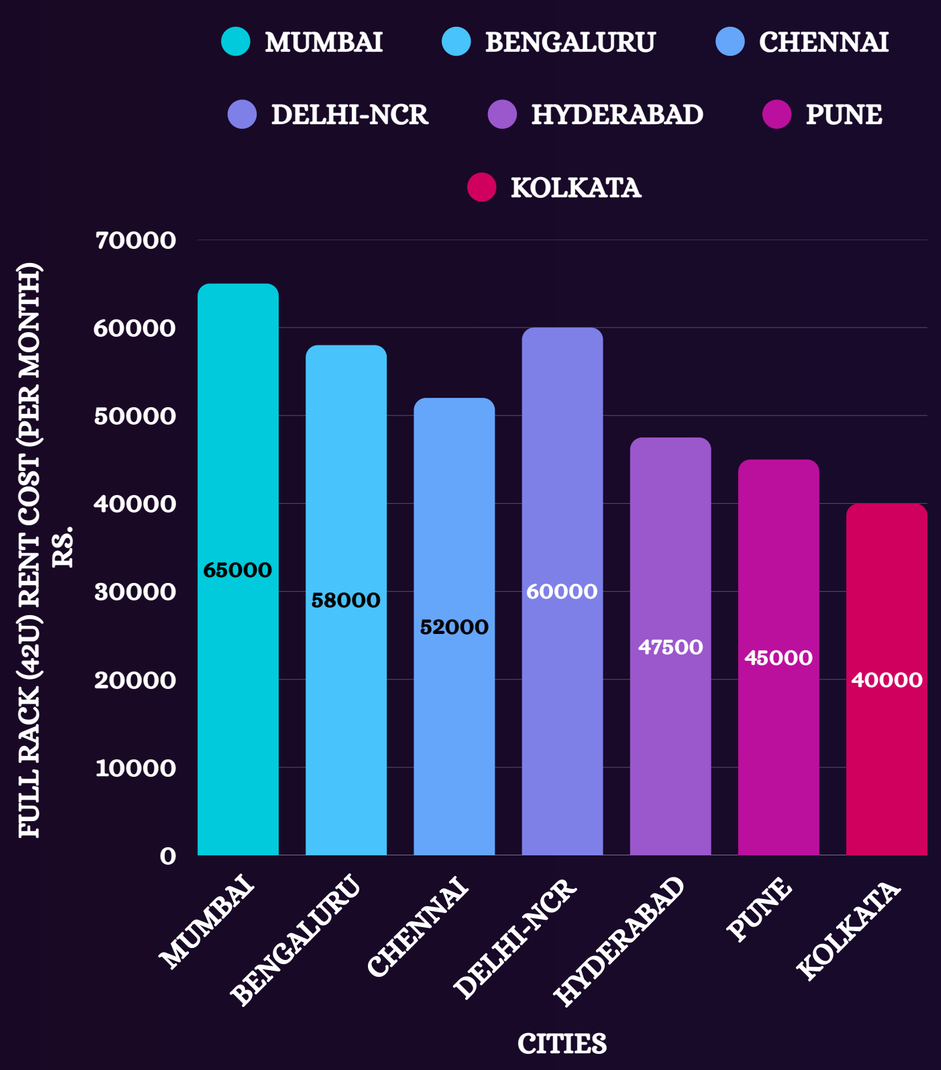
Techno Electric & Engineering Company is planning to invest USD 1 Billion developing datacenters across major Indian cities.

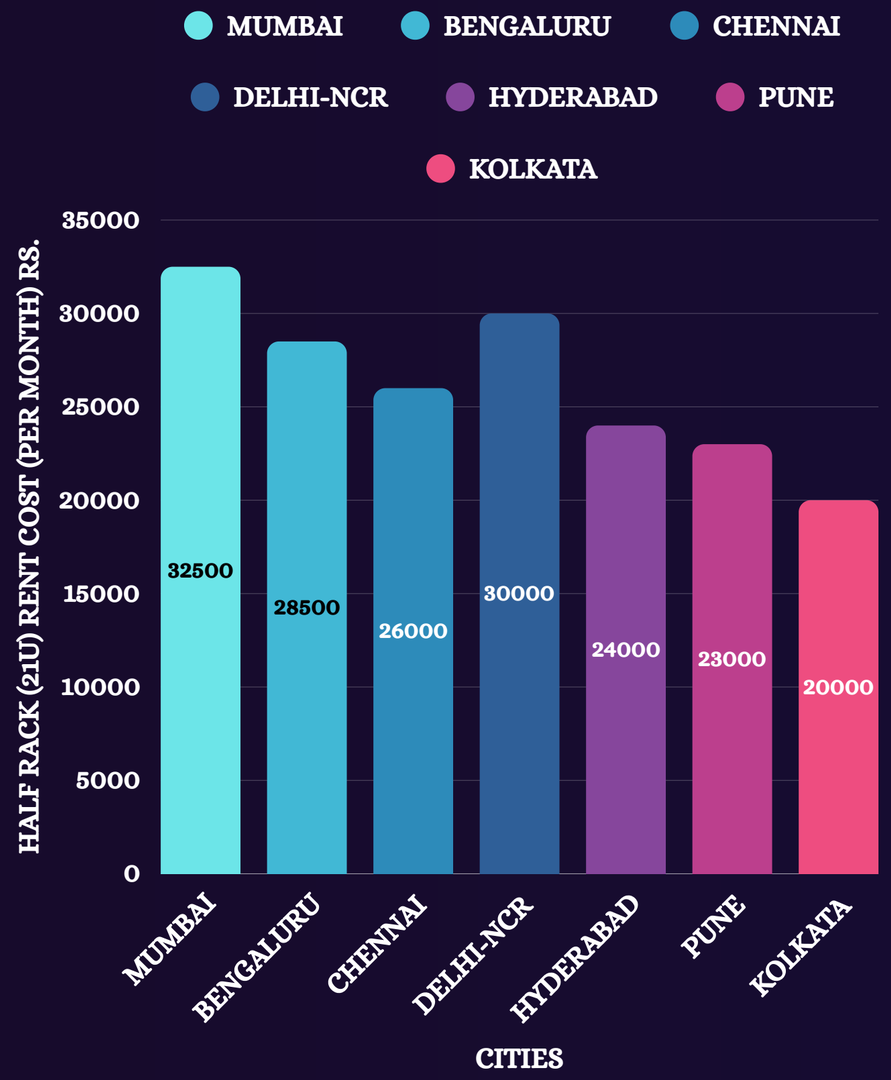
The map shows Techno Electric and Engineering Company upcoming hyperscale and edge data centres across the country.

The company has planned 102 edge data centres across the country.

20 edge data centres are of First Phase

Major Cities and Approximate Rack Rental Costs for Full rack and Half rack





PRICES AVERAGE OF THE LOWER AND UPPER BAND OF THE CITY

Key Factors Influencing Data Center Pricing in Major Indian Hubs

MUMBAI

- High demand and Market share
- Submarine Cable Connectivity
- Power Costs and Infrastructure
- A full rack at ₹80,000 reflects Mumbai's premium for space, power, and connectivity.

BENGALURU

- IT Hub and Competition
- Moderate Real Estate Costs
- Stable Power Supply
- Tech Workforce

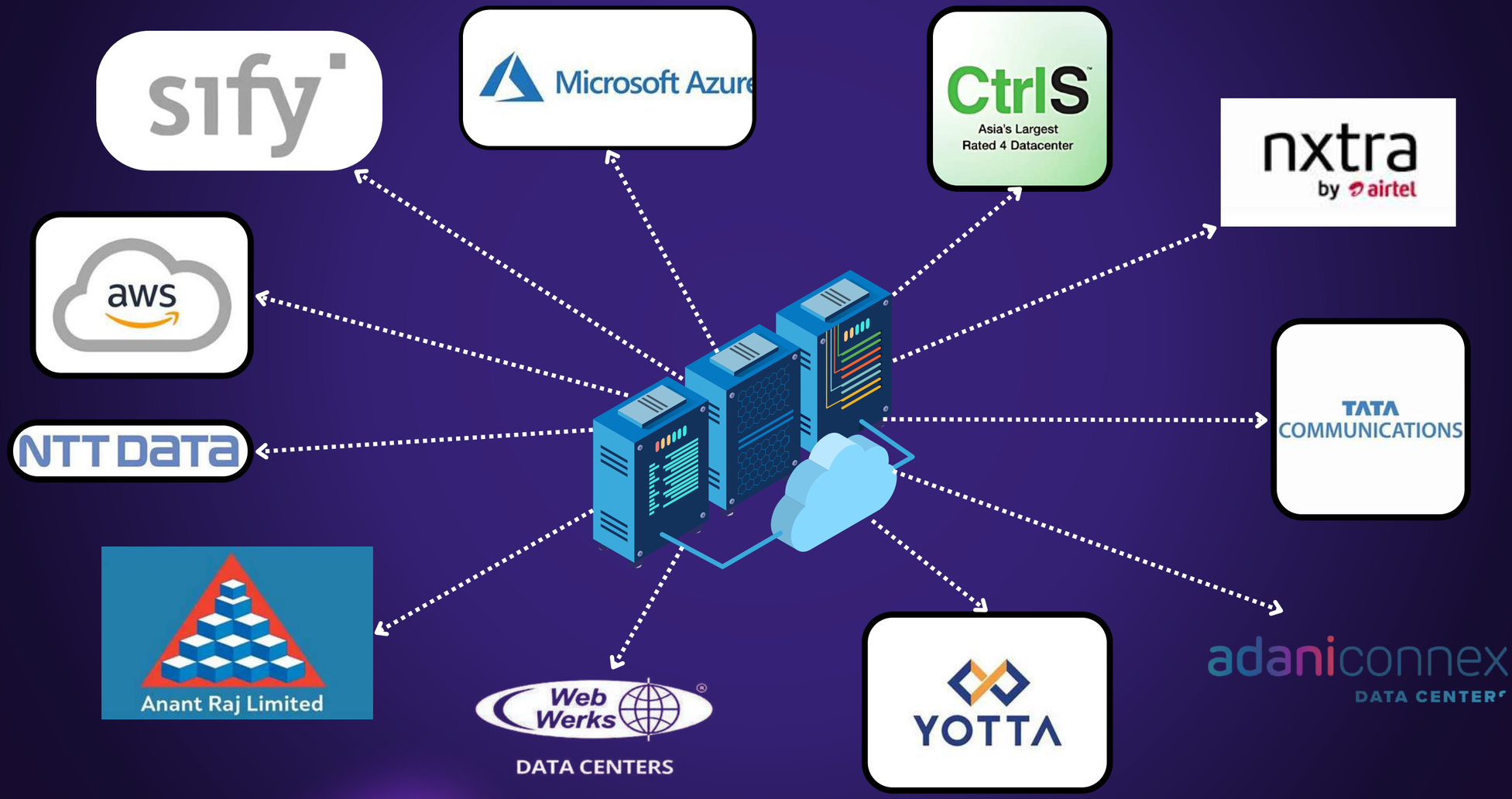
CHENNAI

- Submarine Cable Hub
- Lower Real Estate Costs
- Growing Demand
- Power Availability

Delhi-NCR

- North India Hub
- Real Estate Constraints
- Power Challenges
- Digital Growth

DATA CENTRE COMPANIES IN INDIA



FROM THE COMPANIES...

- **TECHNO ELECTRIC**

The company says that they expect **"larger business in transmission and data centers".**

They note that data centers will be **"creating a lot of additional demand for power".**

The company is presently focused on **"hyperscale data centers"** among other areas.
The growth of data centers and demand is attributed to "digitization and services or cloud, public or cloud, private", along with other reasons like "5G transmission and many more ISPs or IOPs

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- **TATA COMMUNICATIONS**

Tata Communications holds a 26% stake in STT.
The sources also mention that Tata Communications are leaders in the DC-to-DC connectivity segment, and they continue to benefit from a steady demand for dedicated metro network builds in India. A large DC-to-DC connectivity deal signed earlier in FY25 is expected to see revenue contribution more towards a later part of this year (FY26).

- **BHARTI AIRTEL**

Bharti Airtel's data centre business is part of their B2B portfolio.

The data centre business is currently growing steadily.

Regarding capital expenditure, data centres are continuing to spend at the same level as they have been.

Bharti Airtel considers the data centre business to remain a focus. They are looking at this space closely and are trying to see how they can expand it3, particularly with regard to AI data centers.

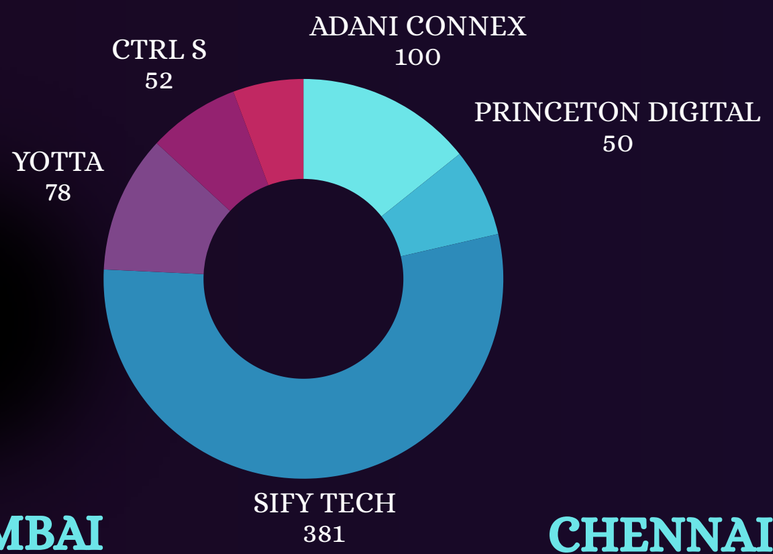
- **RELIANCE (JIO)**

Reliance Industries Limited views "**AI-ready data centers" as a new source of earnings that can provide a lot of lift to their potential.**

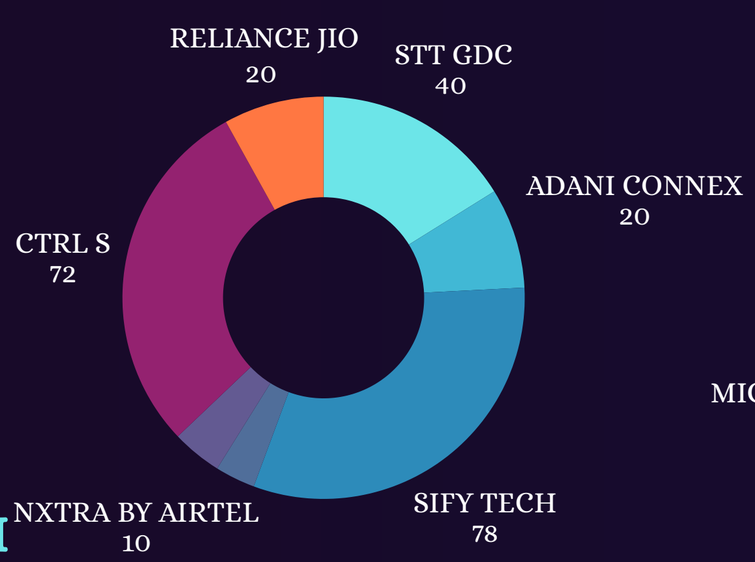
Reliance Jio Platforms' digital service revenues are noted as growing well and contributing to strong financial and operating performance.

IN MW

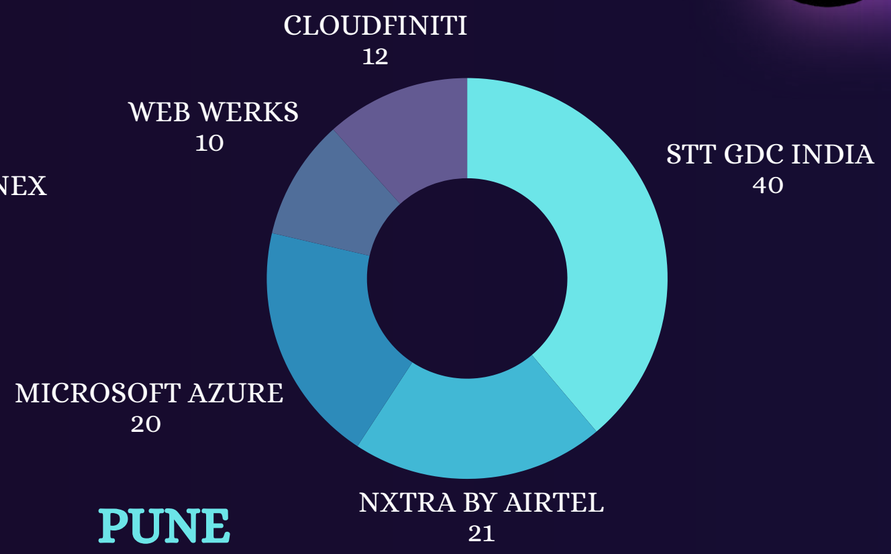
Operational Capacity of Companies in Different Cities



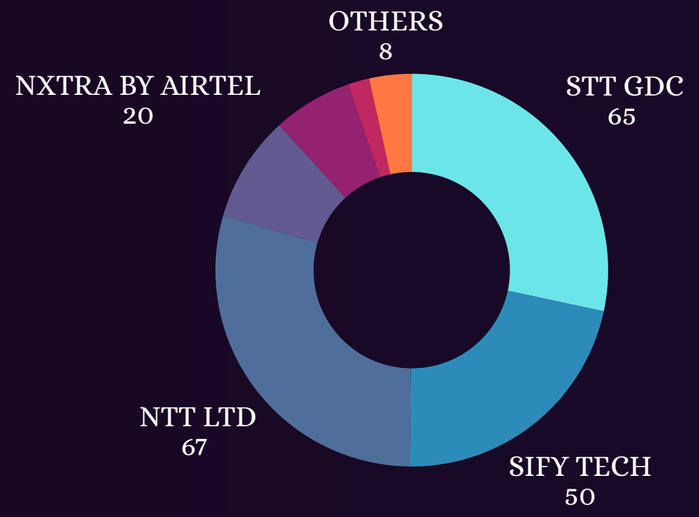
MUMBAI



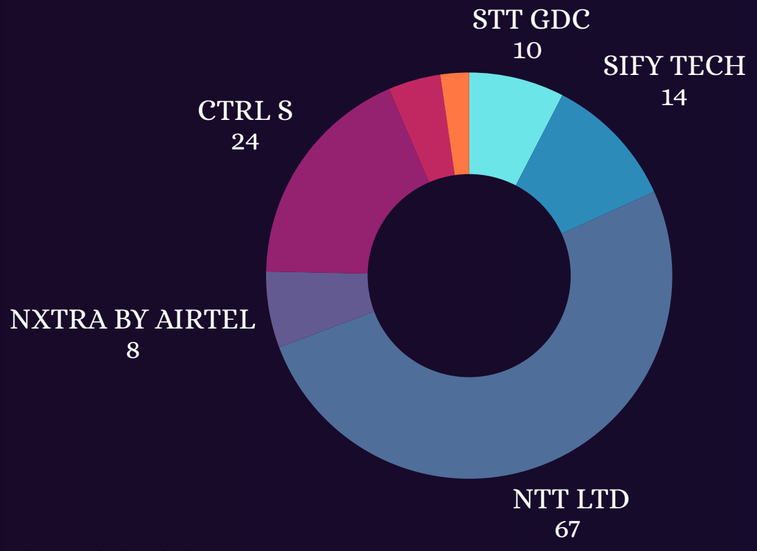
CHENNAI



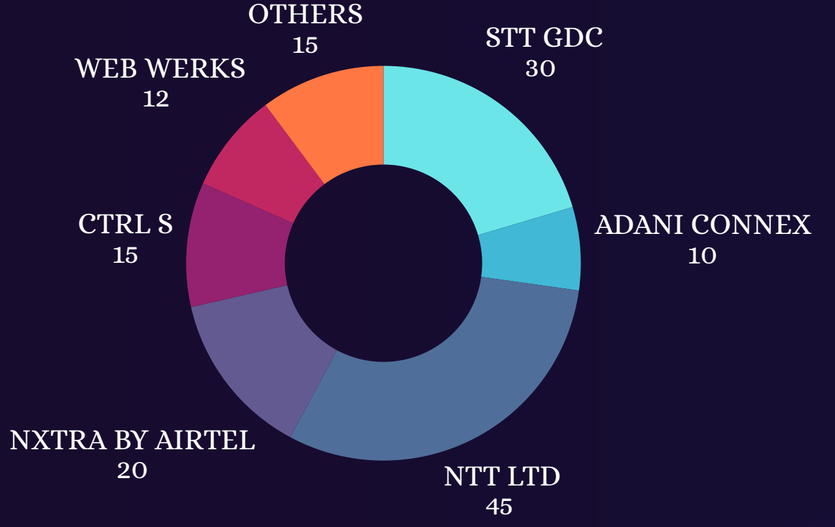
PUNE



BENGALURU

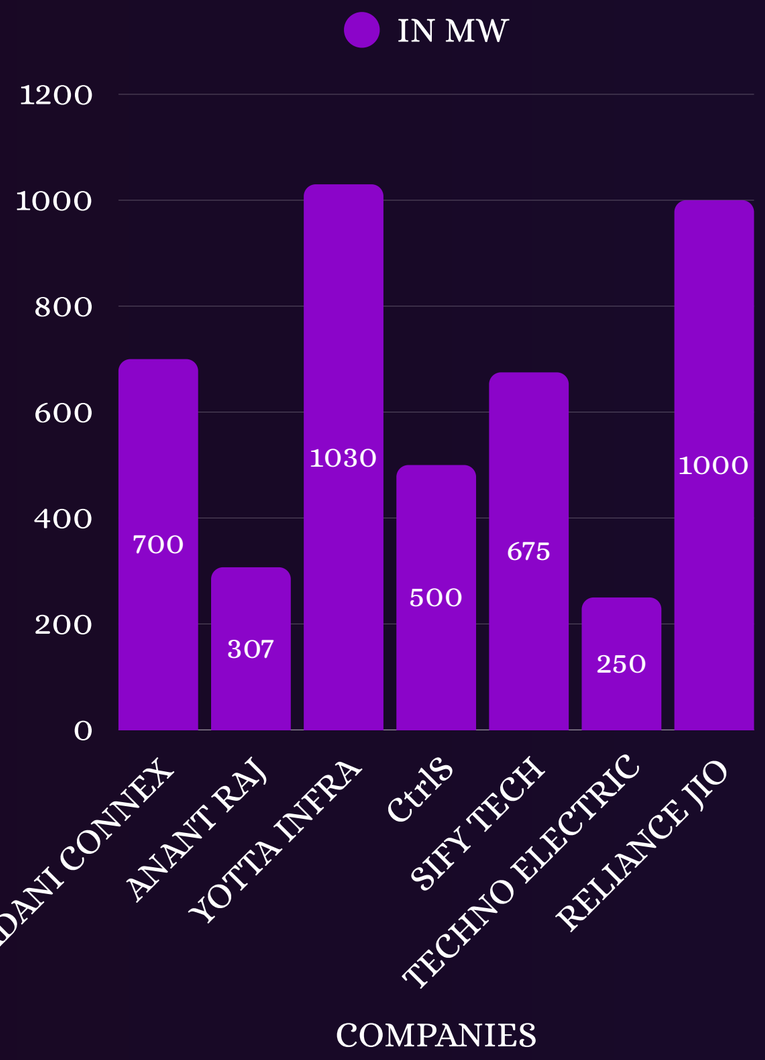


HYDERABAD

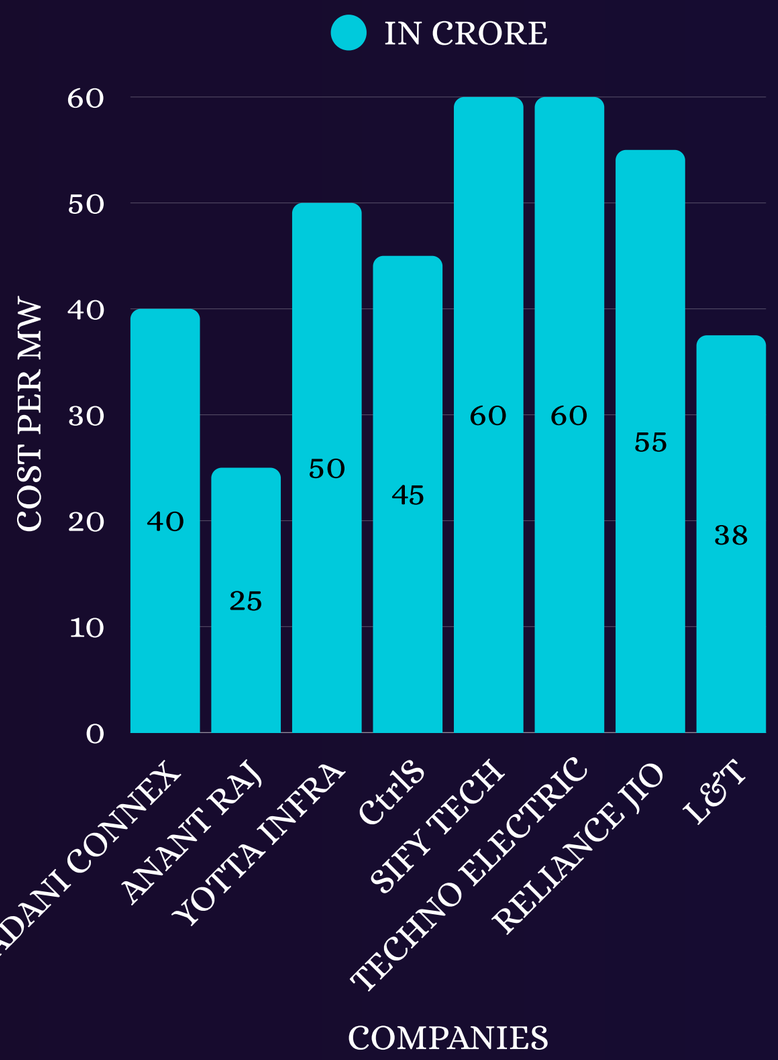


DELHI-NCR

Company-Wise Planned Operational Capacity Outlook for 2027



Company-Wise Cost per MW



ANCILLARIES TO THE DATA CENTRES

ANCILLARIES TO D.C

IT HARDWARE

COOLING SYSTEMS

POWER AND ANCILLARIES

NETWORK AND CONNECTIVITY

hp, DELL, NetApp, Lenovo, CISCO

Schneider Electric, VERTIV, MITSUBISHI ELECTRIC, STULZ CLIMATE. CUSTOMIZED., BLUE STAR, legrand

Cummins, Schneider Electric, VERTIV, SIEMENS, Hitachi Energy, ABB

airtel, Sterlite Tech, रेलटेल RAILTEL, TATA, TATA COMMUNICATIONS, Jio

POWER

UNINTERRUPTED POWER SUPPLY

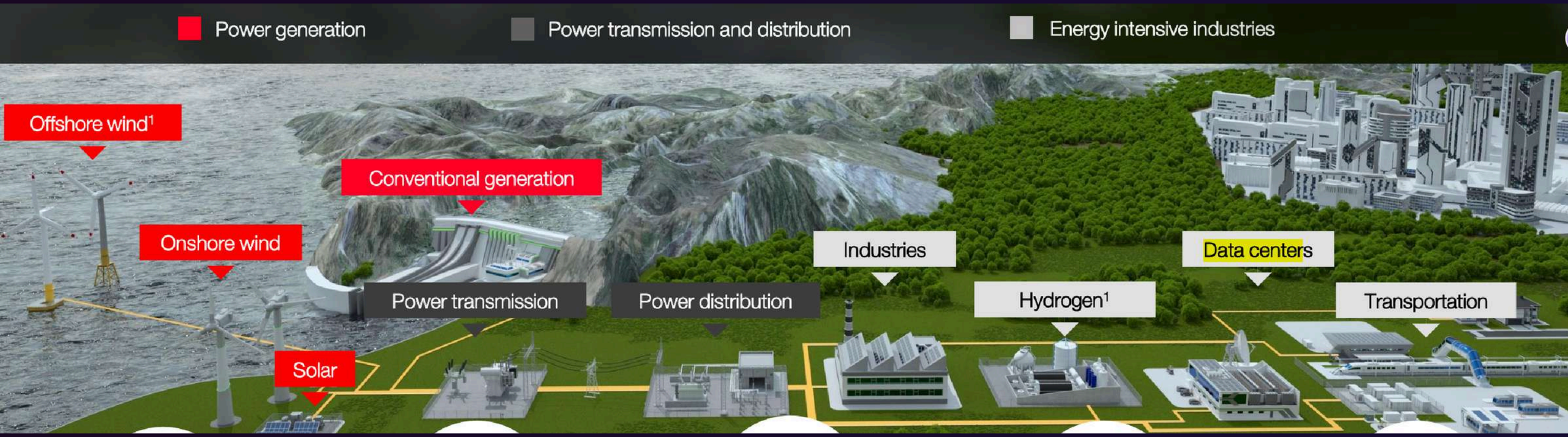
SWITCHGEARS

POWER DISTRIBUTION UNITS

GENERATORS

Enriching Lives

POWERING THE DATA CENTRES



Many industries, through the entire value chain of power, are set to benefit from the robust power requirement that is going to be generated by data centres in the coming times.

एनटीपीसी NTPC

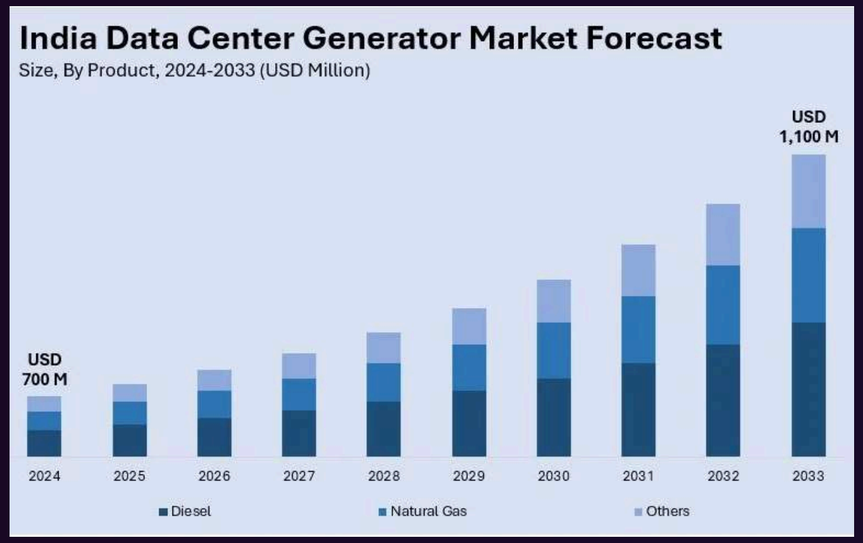
SKIPPER Limited

WAAREE One with the Sun

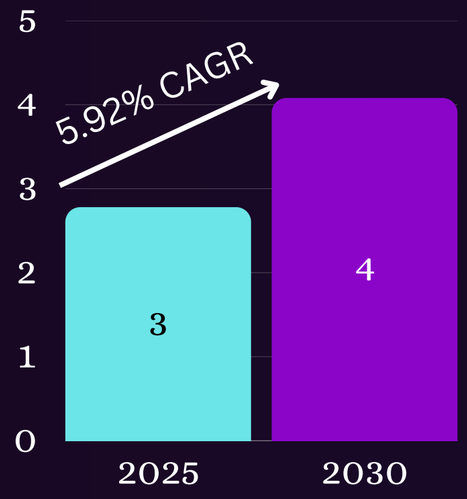
TATA TATA POWER

adani Power

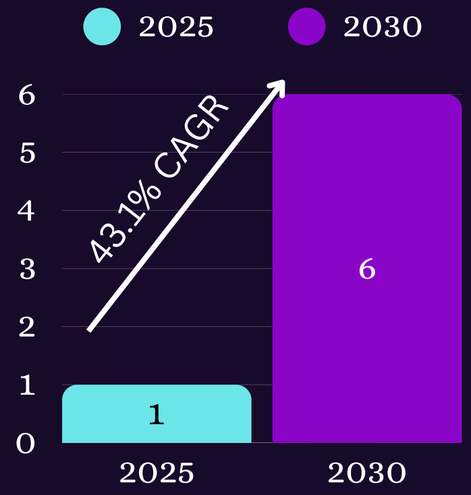
GENERATOR MARKET



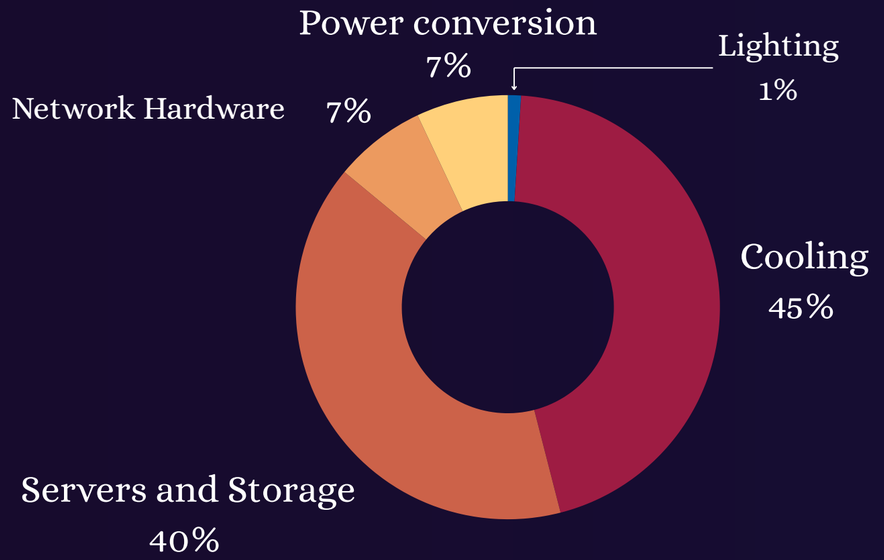
UPS MARKET



Data Centre Rack Power Distribution Unit (PDU) Market



% Of India's Total Power Demand By DC



% Of Total Power Used in DC

From the companies .....

- **Schneider electric**

There is a general understanding that India is **at the cusp of data centre growth** due to the advent of AI and the extensive usage of phones combined with the low cost of data for Indian consumers.

Government, hyperscalers, and colos are establishing data centre facilities at **breakneck speed** in India.

The company has supplied solutions to a colo developer for electrifying one of the largest data centres they have developed in India, describing this as a repeated engagement

Overall, the **pipeline** for orders is described as good and healthy, with no road blocks seen

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- **ABB**

In the last year (2024), the data centre segment was very powerful and had a significant contribution to ABB's business.

ABB views data centres as one of the **new emerging segments** in India that they actively look for, noting that they start small but become big over time. This sector is considered a **key driver for their growth.**

They see a tremendous opportunity in India with the data centre segment, driven by high data consumption and increasing investments.

Data centre demand continues to grow, and ABB is continuing to build the order board.

- **CUMMINS**

The data center segment continues to grow in India.

Data centres are included in the mission-critical power segment, which is seeing demand driven by infrastructure growth in the country.

A large part of the significant high horsepower sales performance in Q4 2024 was driven by data center order execution, along with growth in other mission-critical segments and better execution.

Data center demand continues to grow, and Cummins is set to benefit from the diesel generators growing demand.

A large part of the significant high horsepower sales performance in Q4 2024 was specifically driven by data center order execution

- **SEIMENS**

Data centres are identified as a vertical that is ordering pretty well.

Within the Smart Infrastructure business, data centres are described as "really growing" with "a large demand coming in for it".

This suggests that Siemens Limited views data centres as a significant and growing market with strong demand.

- **HITACHI ENERGY**

Orders from the data centre segment grew six-fold year-on-year in Q3 FY25

The company anticipates that AI-ready data centres will further add to this growth.

Looking ahead, the company will focus on strengthening their presence in segments like data center to maintain growth momentum

India's data centre industry now worth $10 bn, shows explosive growth.

- IT ministry in talks with Power minister to address data centre energy needs.
- AI surge to double data centre electricity demand by 2030: IEA
- IT Ministry Focuses On Ensuring Power Availability For Data Centres Amid AI Boom In India.
- Chhattisgarh CM lays foundation for India’s first AI-based data centre park in Nava Raipur.
- Adani Group Plans Data Centres In India With $10 Billion-Plus Investment.
- Mumbai has emerged as one of the Asia-Pacific (APAC) region's most competitive data centre leasing markets, driven by AWS-led colocation growth.
- AMD To Strengthen Its Data Centre Business In India.
- L&T to spend Rs 3,600 crore to set up 3 new data centres in India.
- NTT Data to invest ₹10,500 crore for AI data centre cluster in Hyderabad.
- Reliance and NVIDIA to Build World’s Largest Data Centre in Jamnagar
- OpenAI is exploring the possibility of setting up data centre operations in India to store user data from India and neighbouring countries.

7 PILLARS OF INDIA AI MISSION

Build a scalable AI ecosystem with over 10,000 GPUs and an AI marketplace for AI as a service.

Support 4,000 BTech, 400 MTech, and 600 PhD candidates and upskill professionals to meet demand for 1 million AI experts by 2026.

Develop indigenous Large Multimodal Models and domain-specific models for sectors like healthcare and agriculture (₹2,000 crore).

Fund deep-tech AI startups with ₹2,000 crore.

Promote AI solutions for critical sectors to drive socio-economic impact.

Provide access to high-quality, non-personal datasets, launching January 2025.

Develop tools and guidelines for ethical AI, focusing on bias, deepfakes, and privacy.

INDIA AI MISSION

1) The Ministry for Electronics and IT (MeitY) led by Union Minister Ashwini Vaishnaw rolled out several initiatives under the IndiaAI Mission. It includes an AI compute platform and **a dataset platform called AIKosha**. Minister Vaishnaw said that the AI Compute Portal will provide access to **10,000 GPUs, with 8,693 more** to be added gradually

2) India's Ministry of Electronics and Information Technology (MeitY) has shortlisted ten companies for the final stage of bidding to procure 10,000 GPUs. **The IndiaAI Mission was approved in March 2024 with a total outlay of ₹10,372 crore over five years**. A significant portion of this budget, **₹4,563.36 crore (44%), has been specifically allocated for providing the compute capacity of these 10,000 GPUs**.

3) 10 companies were shortlisted for the final bidding after submitting their applications. These companies include **Jio Platforms, Tata Communications, CMS Computers India, NxtGen Datacenter and Cloud Technologies, Ctrls Datacenters Ltd, E2E Networks, Locuz Enterprise Solutions, Orient Technologies, Vensysco Technologies Limited, and Yotta Data Services**.

4) One of the key pillars of the IndiaAI Mission is IndiaAI Innovation Centre (IAIC), under which IndiaAI on 30th January, 2025, launched a Call for Proposals inviting proposals from startups, researchers, and entrepreneurs to collaborate on building state-of-the-art foundational AI models trained on Indian datasets.

5) In the first month, IndiaAI Mission has received a total of 67 proposals till 15th February 2025 aimed at building India's foundation models, with contributions from both established startups and new teams of researchers & academia. 22 are focused on Large Language Models (LLMs) & Large Multimodal Models (LMMs), while the remaining 45 are centered on domain-specific models (SLMs).

NVIDIA

PARTNERS

Networks

Jio

YOTTA

Netweb TECHNOLOGIES

AMD

PARTNERS

Netweb TECHNOLOGIES

KALYANI POWERTRAIN

Networks

Microsoft Azure

E2E NETWORKS

E2E provides NVIDIA GPU-powered instances, optimized for AI training, inference, and scientific computing. They provide the **Latest GPUs such as Nvidia H200** (first in India), H100, A100 (40GB/80GB), L40S, T4, and more. These chipsets have multiple use cases such as LLM training, generative AI, computer vision simulation etc.

E2E provides AI Lab as a Service (AILaaS), where you can leverage these high performance Nvidia GPUs as a Pay-as-you-go service, with access to preconfigured tools such as Jupyter Notebook for academic purposes.

E2E Cloud launches India's largest NVIDIA H200 GPU clusters.

L&T acquired 21% stake in E2E recently.

The H200 GPUs are particularly suited for memory-intensive AI applications in healthcare, autonomous systems, financial analytics, and research. For organizations with data residency requirements, E2E Cloud offers these high-performance AI solutions through its Sovereign Cloud Platform.

NETWEB TECHNOLOGIES LTD

Netweb® TECHNOLOGIES

India’s leading High end computing solutions (HCS) provider with fully integrated design and manufacturing capabilities.

Enhanced Capabilties

State of the art new manufacturing facility with latest Surface Mount Technology (SMT) commissioned in May’24

AI native appliances with built-in GPU resource abstraction using Skylus.ai

Under our OEM partnership with NVIDIA, we have established a roadmap to design and develop AI GPU systems based on the world’s most advanced NVIDIA Blackwell platform. This will solidify Netweb’s technological leadership in the AI domain

Launched Intel Emerald Rapids & AMD Turin based ‘Make in India’ high-end computing servers

Enhanced Opportunities

Rising investments in Generative AI infra by Govt & Large enterprises, especially to cater to demand generated by indigenous LLMs

Heavy adoption of Private Cloud across sectors

Huge demand of high-end compute for booming in-bound data centers across India

Foray into Europe & Middle East, plan to setup service network in 4 countries to start with

Expanding Product Portfolio

Introduced Skylus.ai, a unified solution to set up a GPU-based AI infrastructure on the go

Forayed into developing new product lines, viz., Network Switches

On-prem AI Sovereign cloud for demand of contemporary data & AI workloads

Container Platforms replacing Virtualization Platforms

The company’s cloud solutions comprise deployment services which include

Designing

Application Migration

Virtual Machine Migration

Application Porting Services

The company’s AI Systems & workstations are designed to support wide range of applications such as

ML - DL

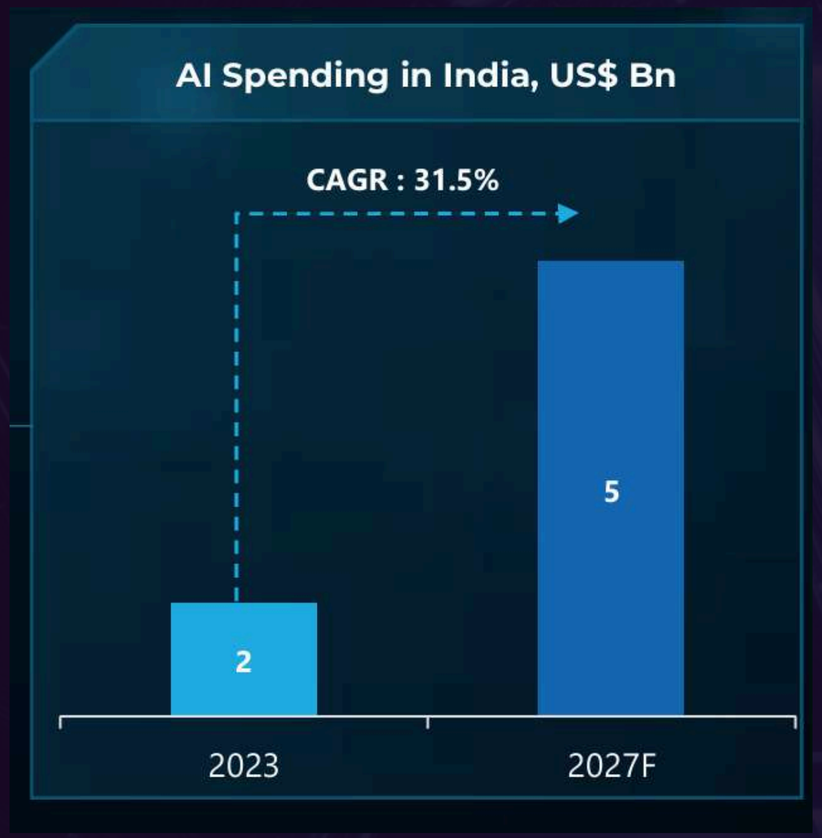
LLM, SLM

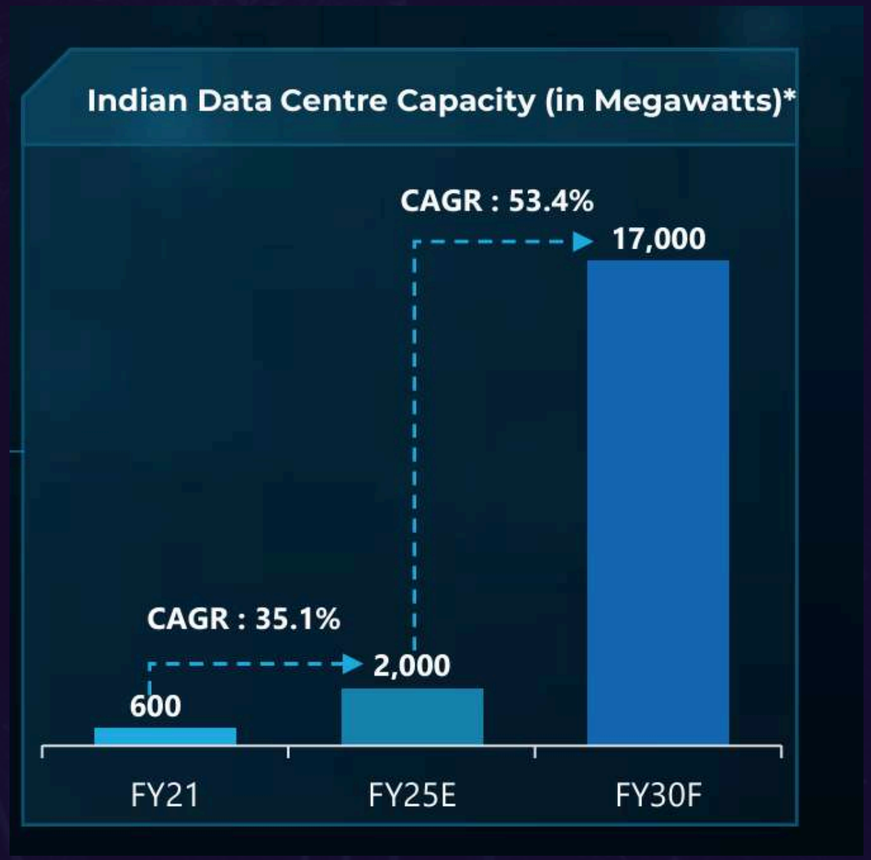
Generative AI

CFD & CMD

COMPETITOR LANDSCAPE

Products & Solutions	Netweb Technologies	IBM Lenovo	Dell	Hewlett Packard Enterprise	ATOS	NetApp Hitachi Data Systems	Red Hat Nutanix	Vmware Suse	HCL Cognizant	Accenture Tech Mahindra
HPC	✓	✓	✗	✓	✓	✗	✗	✗	✗	✗
Data Centre Server	✓	✓	✓	✓	✗	✗	✗	✗	✗	✗
Enterprise Storage Systems	✓	✗	✓	✓	✗	✓	✗	✗	✗	✗
Private Cloud & HCL	✓	✗	✗	✗	✗	✗	✓	✓	✗	✗
AI Systems & Enterprise Workstation	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
Cloud Managed Services	✓	✗	✗	✗	✗	✗	✗	✗	✓	✓





Both E2E and Netweb technolgies are getting ready to leverage on the upcoming robust demand in the industry with both of them progressing aggressively on their particular capibilities.

IT Hardware

Servers

Central units for data processing and running applications

~10.27% CAGR through 2028

Storage

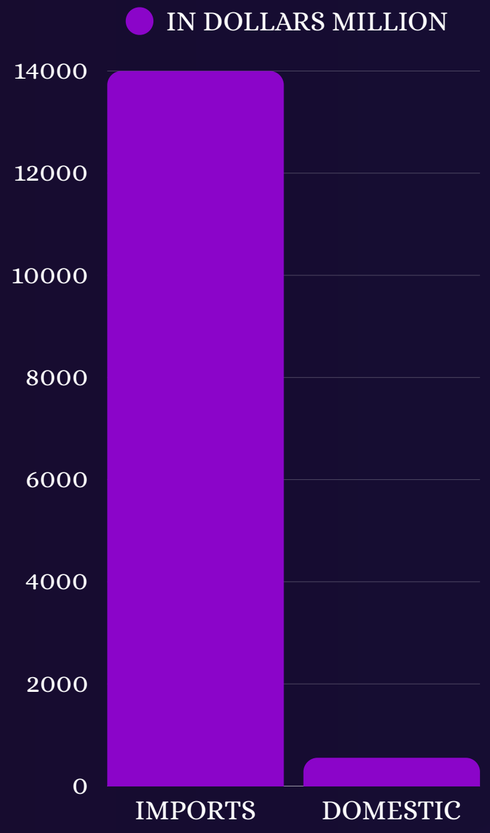
Hardware for storing large volumes of data, such as HDDs, SSDs, SANs, and NAS.

$2.53B in 2024 to $5.77B by 2030 (14.68% CAGR)

Networking Equipment

Switches and routers for data flow and interconnectivity.

5–7% CAGR



INDIA DEPENDS HEAVILY ON IMPORTS

AMD (ADVANCED MICRO DEVICES)

AMD India: Driving Data Centre Growth..

AMD generates nearly 50% of its global revenue from the data centre segment, with India emerging as one of its fastest-growing markets. Around 25% of AMD's global workforce—over 8,000 engineers—is based in India, contributing significantly to global innovation and development.

The company’s business in India has doubled in two years, fueled by demand for EPYC processors and Instinct GPUs. Data centre revenue is balanced alongside embedded products, gaming consoles, and PCs. As part of its 2025 strategy, AMD is deepening collaborations with customers, ISVs, and hyperscalers, gaining market share among India’s top three cloud providers.

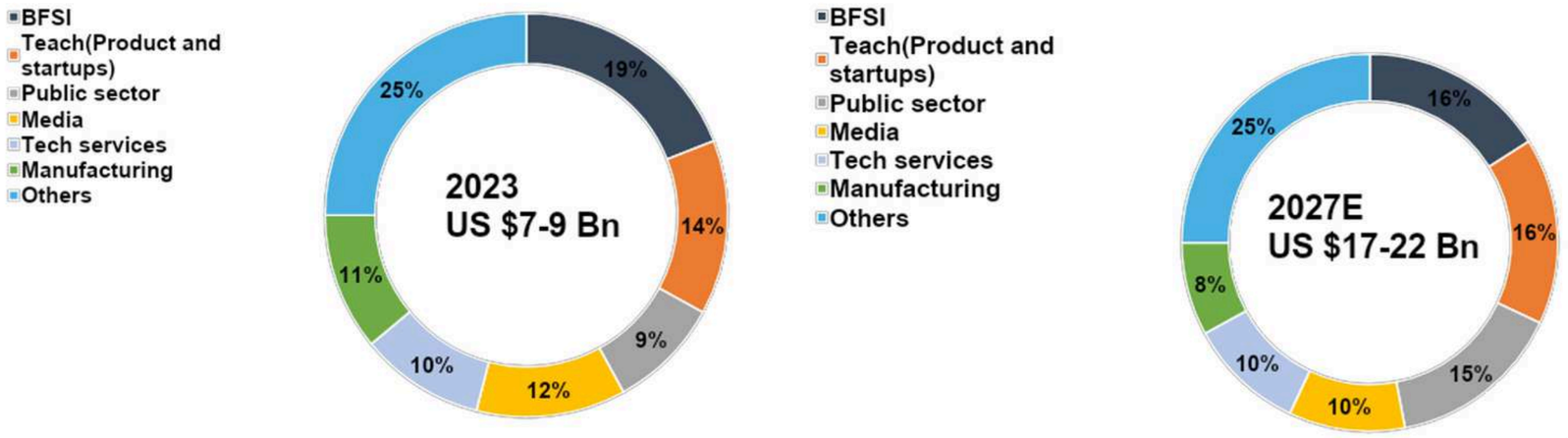
AMAZON WEB SERVICES

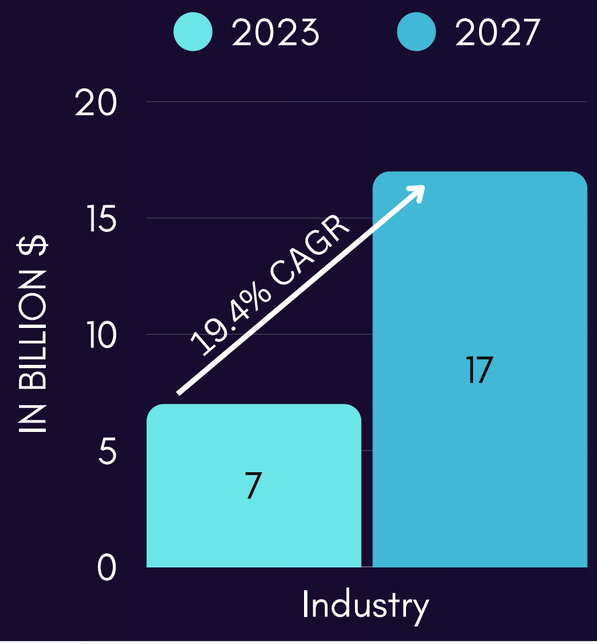
AWS plans $8.3 billion investment in cloud infrastructure in Maharashtra by 2030.

Amazon to invest a massive ₹60,000 Cr on building data centers in Telangana.

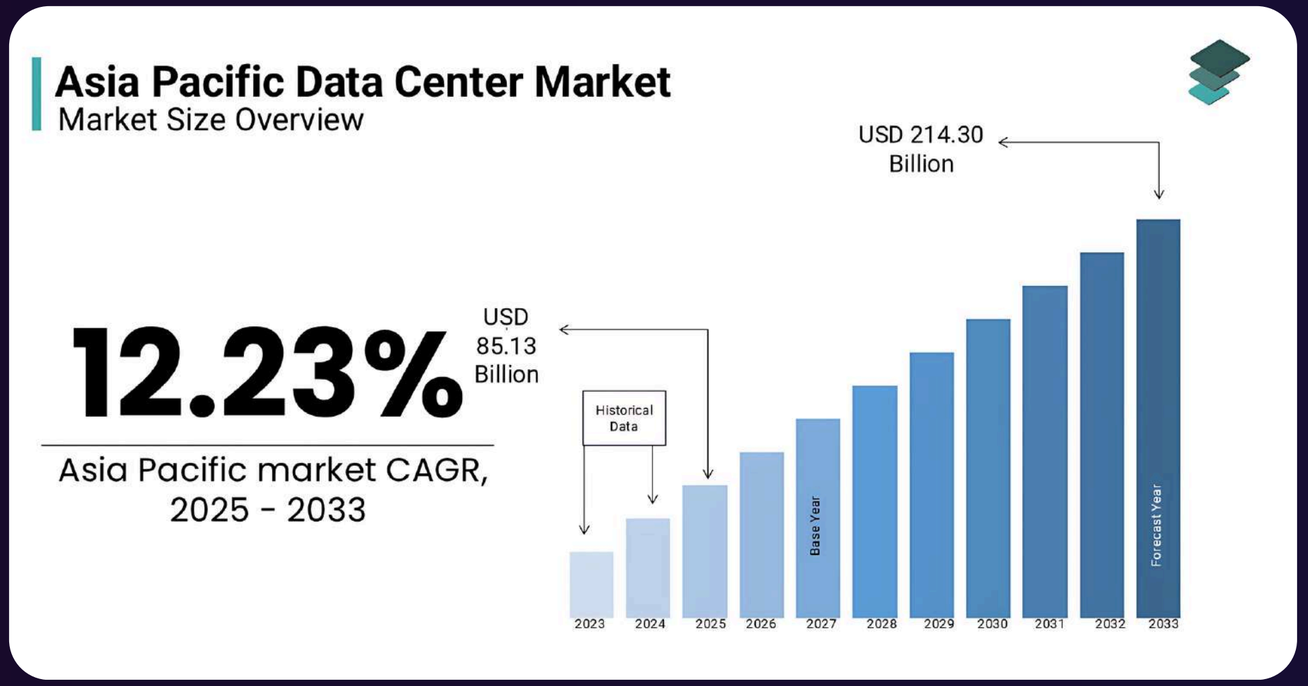
This is part of AWS’s largest $12.7 Billion planned investment across India by 2030.

India Amongst The Top Five Nations For AI Talent

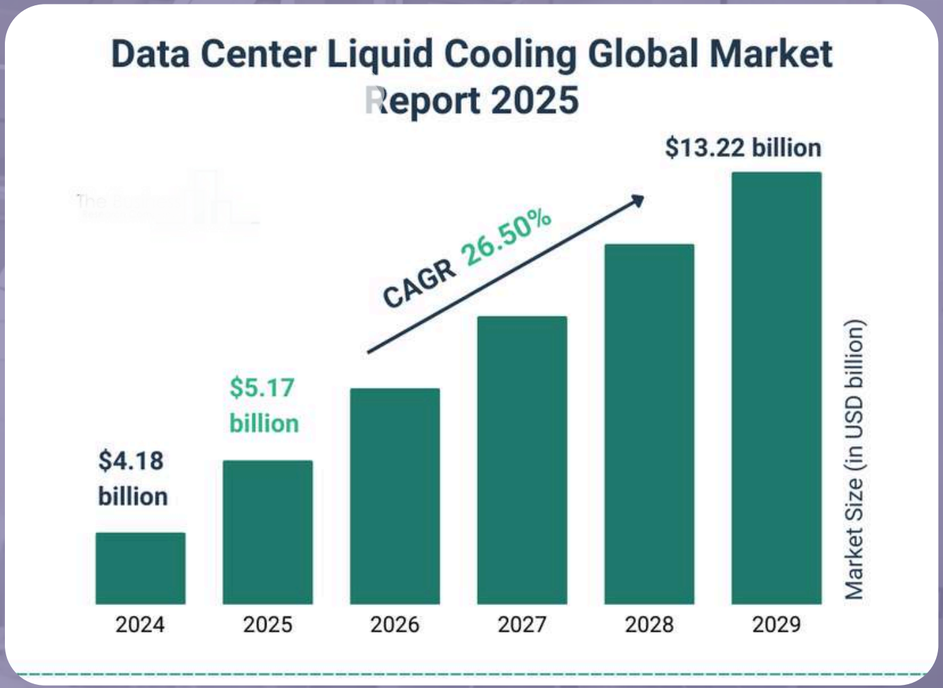


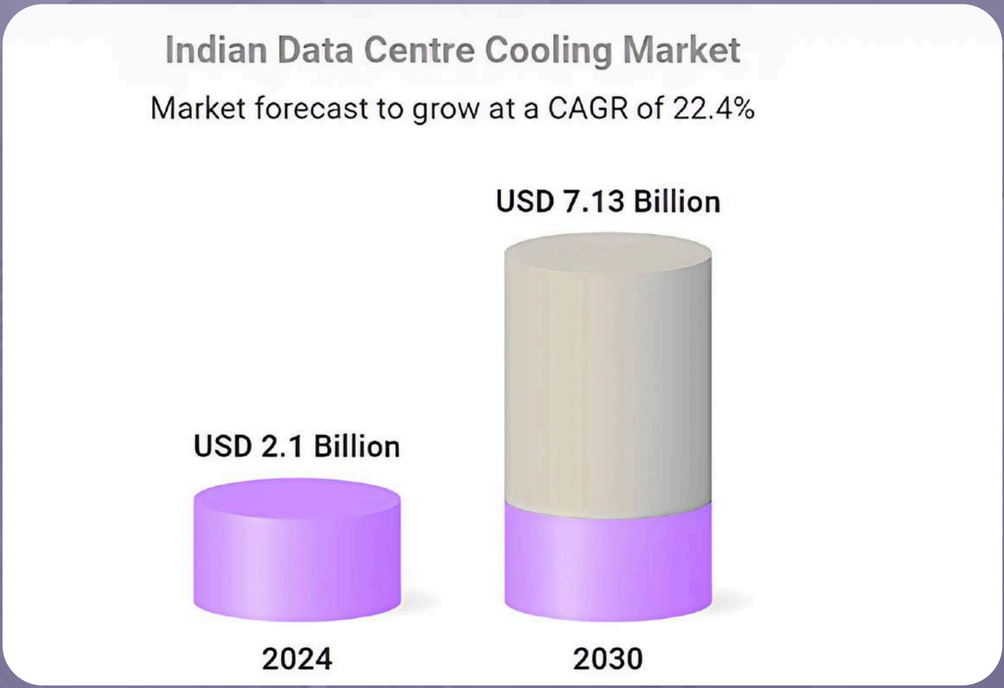


The Asia-Pacific data centre market, including emerging markets, is experiencing significant growth, with projections indicating a substantial increase in market value over the coming years. This growth is driven by factors like increased digital adoption, government initiatives, and the growing demand for data processing and storage capabilities. Key emerging markets in the region includes **India, Indonesia, Thailand, Philippines, and Malaysia.**



DATA CENTRE COOLING INDUSTRY





MAJOR COMPANIES

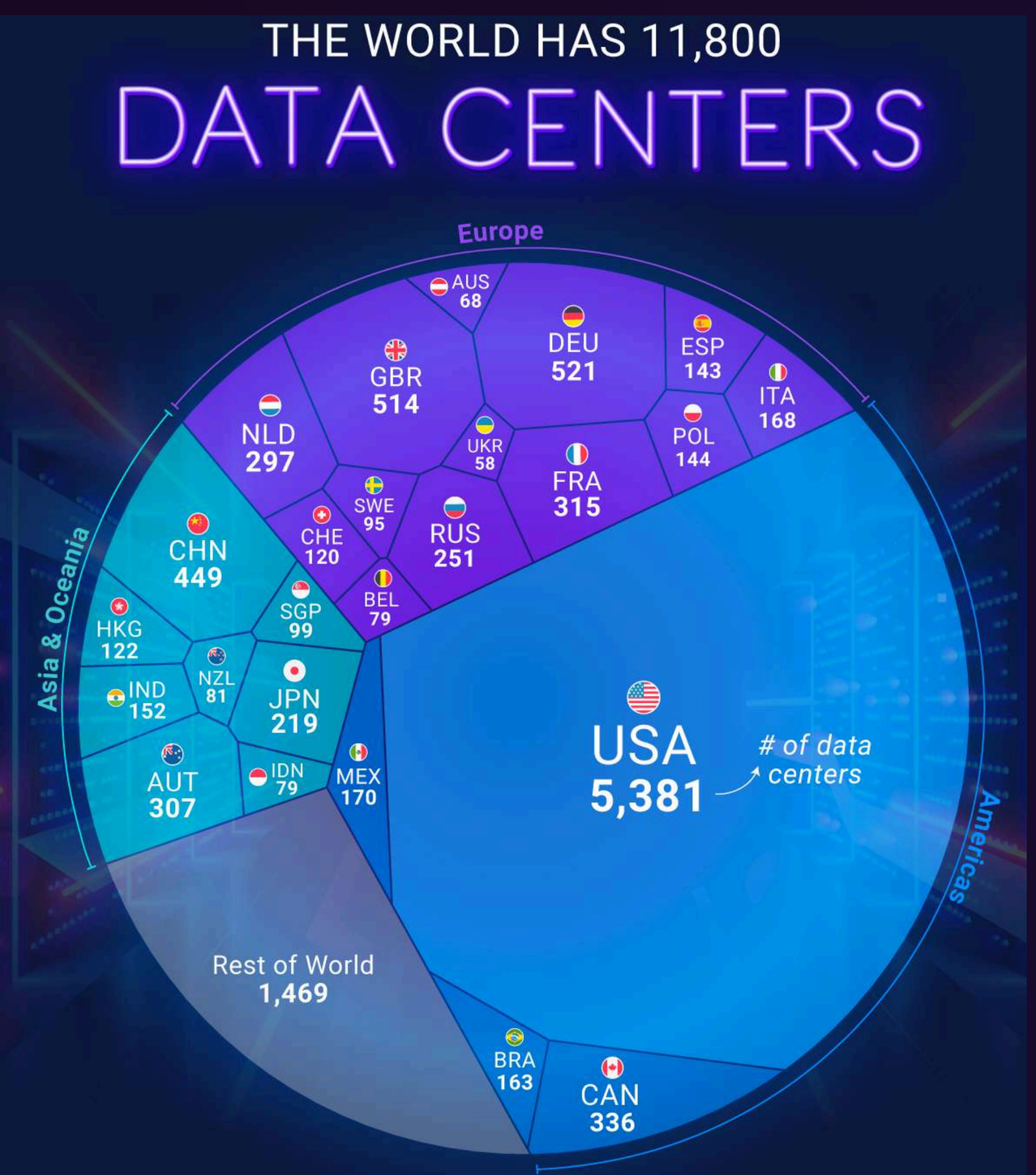
VERTIV

Schneider Electric

RITTAL

STULZ

MITSUBISHI ELECTRIC
Changes for the Better



United States: Market Size & Growth

2024 Revenue: $19.8B (colocation segment only)

2025 Revenue (Projected): $24.04B

2030 Revenue (Projected): $38.68B

CAGR (2025–2030): 9.98%

Global Comparison

Global Colocation Market (2024): $69.41B

U.S. Share (2024): 28.5% (largest globally)

India: Market Size & Growth

2025 Revenue: $2.34B

2030 Revenue: $17.05B (CAGR 16.1%)

2027 Revenue (Projected): $9.5B

2029 Revenue (Projected): $13.96B

Capacity Expansion

2024 Capacity: 950 MW

2026 Capacity (Projected): 1,800 MW (90% growth)

Infrastructure & Key Players

Total Data Centers (2025): 153

CONCLUSION

The data centre industry in India is undergoing rapid evolution, emerging as a critical pillar of the country's digital infrastructure. The rise in internet usage, growth of e-commerce, cloud adoption, and a surge in data consumption have significantly increased the demand for efficient and scalable data storage and processing facilities. As organisations across sectors shift towards digital platforms, data centres are becoming indispensable for ensuring business continuity, data security, and seamless access to services.

India's position as a data hub is further strengthened by favourable government initiatives such as Digital India, National Data Centre Policy (proposed), and incentives for infrastructure development. Strategic cities such as Mumbai, Chennai, Hyderabad, and Bengaluru have become key destinations for data centre investments, owing to their connectivity, climate suitability, and access to power and fibre infrastructure. Additionally, the potential of Tier-2 cities is beginning to attract attention due to cost benefits and decentralisation efforts.

The industry has also witnessed growing participation from global hyperscale players, domestic technology firms, and infrastructure investors, underlining India’s growing relevance in the global digital economy. With market projections indicating robust growth, the country is poised to become a regional data centre hub catering not only to domestic needs but also to the broader Asia-Pacific region.

However, the industry is not without challenges. High energy consumption, need for sustainable infrastructure, land acquisition complexities, and regulatory uncertainties continue to pose obstacles. Addressing these challenges through streamlined policies, investment in renewable energy, and collaboration between public and private stakeholders will be essential for long-term growth.

In conclusion, India’s data centre industry holds immense promise. With the right blend of technological innovation, policy support, and strategic investment, it can serve as a cornerstone of India's digital economy and contribute significantly to its vision of becoming a global digital leader.

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