

Centre to build and lease data centres to India Inc

THE AI DATA centres will help segment startups reduce computing costs by around 40-50%, officials said. This is because currently an Nvidia GPU costs about \$40,000-50,000 a unit. Even for running basic tasks, an AI company requires at least 100 GPUs and the cost for directly acquiring that for startups will be significant, analysts said.

GPUs are essential for creating AI models as these require large-scale computing, which cannot be done by central processing units (CPUs).

At present, the US and China lead in computing infrastructure required for the development of AI technology. US-based Nvidia dominates the GPU market with an about 88% market share and there is a lag of 12-18 months in getting GPUs from the company due to its high



demand across the globe.

There are several other global firms making GPUs, but their processing capacity is around 60% of Nvidia's. Analysts said the government can target those companies to set up their units here.

The AI mission basically pertains to bringing AI compute capacity under the pub-

lic-private partnership (PPP) mode through GPU-based servers, allocating early-stage funding to deeptech startups, setting up of innovation centres and developing broader AI sovereign infrastructure in the country.

The programme also includes creating India AI datasets platform that will

have the largest collection of anonymised data to drive innovation and enhance capabilities of AI applications. The approved corpus will also be utilised to promote the development of AI applications in critical sectors as well as increase AI courses in colleges and universities for skill development. It also includes investment in development of indigenous foundational models as well as focusing on indigenous tools for safe, trusted and ethical AI development, and deployment.

With sovereign AI and an AI compute infrastructure, the government is not looking to just compete with the generative AI type of model, but looking to focus on real-life use cases in healthcare, agriculture, governance, language translation, etc, to maximise economic development.