



## Revised Procurement Norms for AI Computing

[Source: IE](#)

The **Ministry of Electronics and IT (MeitY)** has revised its procurement norms for **Artificial Intelligence(AI)** computing capacity under the [IndiaAI Mission](#) to encourage broader participation from various companies, including **start-ups**.

### ▪ Revised Procurement Norms:

- **Annual Turnover Requirements:** For **primary bidders**, it has been reduced from **Rs 100 crore to Rs 50 crore**, while **non-primary** consortium members now need **Rs 25 crore**, down from Rs 50 crore.
  - A **primary bidder** is an entity that is **solely responsible** for the **successful performance** of all subcontractors offered in response to a bid.
- **Graphic Processing Units (GPUs) Requirements:** The requirement of **1,000 GPUs** was changed from a performance threshold of **300 TFLOPS** (Tera Floating-point Operations Per Second) **for FP16** (Half Precision) **to 150 TFLOPS**.
  - The AI compute memory requirement was reduced from **40 GB to 24 GB**.
  - TFLOPS measures a system's computing power; for instance, **10 TFLOPS** means it can perform **10 trillion FP16 calculations per second**.
- **Local Sourcing:** Components for **AI cloud services** must be procured from **Class I (50% local content)** or **Class II (20-50% local content)** suppliers to comply with the [‘Make in India’](#) initiative.

Read More: [IndiaAI Mission](#)

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