

Tata Communications Vayu AI Cloud offers pragmatic AI cloud solutions to Indian enterprises

In short

Tata Communications aims to drive AI adoption in India through its Vayu AI Cloud offering. Focusing on cost efficiency, reducing complexity, speed to market, and zero trust, Tata Communications Vayu AI Cloud can serve as a robust foundation for Indian firms to build advanced AI use cases while maintaining digital sovereignty.

Scaling AI is still a challenge

With a vibrant AI ecosystem, a large consumer market, and a leading AI engineering workforce, India presents the profile of a country with strong potential to become an AI leader. To accelerate the development of the country's AI ecosystem, the government announced the IndiaAI Mission, a \$1bn initiative to bolster the nation's compute capacity and foster the development of sovereign AI data sets, frontier models, and applications.

However, Indian firms are encountering significant challenges in scaling AI. In most cases, enterprises are facing high total cost of ownership. The cost of GPU and model access continues to increase due to global demand. Without strong internal AI skills, the cost of implementation and scaling skyrockets once egress, complexity, and failed projects are factored in. The complexity compounds when enterprises need to bridge the gap between cloud-based training and real-world operational AI at the edge. AI stacks are fragmented across compute, data, AI operations, security, and connectivity.

Successful AI implementation requires heavy reliance on data for training and fine-tuning, but such reliance can expose sensitive data. The Digital Personal Data Protection (DPDP) Act in 2023 and the India AI Governance Guidelines in 2026 were enacted to address this risk. Any firms operating in India

or handling Indian data must meet these requirements, especially in regulated sectors such as banking, financial services, and insurance (BFSI), telecommunications, the public sector, and manufacturing.

Tata Communications Vayu AI Cloud as the strategic partner in sovereign AI

Given the intense focus on local regulations and infrastructure, Indian firms are increasingly becoming aware that sole reliance on global AI cloud titans is no longer the default choice. Responding to such demands, Tata Communications launched Vayu AI Cloud in March 2025.

Tata Communications Vayu AI Cloud is designed to serve next-generation AI workloads through a unified, full-stack cloud fabric based on sovereign infrastructure. While Vayu AI Cloud GPUaaS provides the sovereign AI cloud infrastructure foundation, Vayu AI Studio provides the enterprise platform for building, deploying, governing, and scaling AI applications and agents across the organization. It is the first cloud to operate under an ISO/IEC 42001:2023-certified Artificial Intelligence Management System (AIMS), with explicit accreditations from the Ministry of Electronics and Information Technology of India (MeitY), the Reserve Bank of India (RBI), the Security and Exchange Board of India (SEBI), and the Insurance Regulatory and Development Authority of India (IRDAI) for India-sovereign workloads and public-sector readiness.

Pragmatism comes first

Tata Communications Vayu AI Cloud is designed for practicality and pragmatic AI development. This journey began in 2023, when Tata Communications announced its partnership with NVIDIA to develop an AI cloud in India, providing critical infrastructure for AI democratization. While the world of AI has changed significantly since then, the need for pragmatic AI solutions has never been more acute.

Through its lineup of H200, H100, and L40S GPUs, Tata Communications Vayu AI Cloud provides transparent hourly pricing to support enterprises with AI financial operations. The focus is on ease of use, rapid innovation, and faster time to market. By offering familiar and widely adopted NVIDIA hardware, enterprises can accelerate AI development without a steep learning curve—particularly in India, where the NVIDIA ecosystem is well established among developers.

For many enterprises, the challenge is no longer access to AI infrastructure, but managing the growing complexity associated with model selection, development workflows, governance, and deployment across multiple environments. AI Studio is intended to address this challenge by providing a unified environment for enterprise AI development and operations.

More importantly, enterprises still in the testing and experimentation stage are granted full access to Tata Communications Vayu AI Cloud for their AI trials. Testing costs can be optimized by using the 20+ open source models available in AI Studio. To support these models, AI Studio also provides vector databases, a data platform, guardrails-as-a-service, managed notebooks, and dedicated workspaces for AI applications. By offering a unified environment for model development, governance, and deployment, Tata Communications claims it can deliver model development and deployment twice as fast as the AI cloud offerings of global hyperscalers.

Also, as the first AI cloud provider in India to deploy direct-to-chip liquid cooling, Tata Communications Vayu AI Cloud can reduce its data center's power usage effectiveness (PUE) to 1.2,

making its solution highly desirable for enterprises with a strong sustainability mandate. Coupled with its high-performance storage, AI development can be quick, efficient, and sustainable.

Analyst comment

Focusing on ease of scaling, cost efficiency, and localization, Tata Communications Vayu AI Cloud provides on-demand NVIDIA GPUs, an integrated AI Studio, and zero-trust security. Its transparent pricing and full access for experimentation position Vayu AI Cloud as an ideal partner—either as a complementary platform or a diversification play—in a new AI landscape where hybrid and multi-cloud strategies are essential.

Moving forward, the combination of Tata Communications’ robust global network and its AI cloud will enable enterprises to move data across the platform at high speeds, effectively bringing the AI cloud to the doorstep of every business. This connectivity foundation allows Tata Communications Vayu AI Cloud to deliver more edge and on-premises AI solutions tailored to specific verticals and applications. Recognizing the rising demand for agentic AI, the company is also extending AI Studio to support the development and deployment of autonomous, governed agents.

Finally, by capitalizing on the importance of domestic control over key elements of the AI stack, Tata Communications Vayu AI Cloud plays a critical role in enhancing Indian AI assets to better support national needs and priorities, improve security, build local ecosystems, bolster innovation and competitiveness, create jobs, and reduce reliance on external AI resources and assets over which governments and enterprises do not have much influence or control.

Appendix

Further reading

[*Omdia Market Radar: Agentic AI Development Platform in Asia & Oceania, 2026*](#) (February 2026)

[*Artificial Intelligence Software Market Forecasts – Asia & Oceania – 2H25 Data*](#) (April 2026)

[*Omdia Market Radar: Agentic AI Cloud Titans in Asia & Oceania, 2026*](#) (May 2026)

[*The Omdia Sovereign AI Primer*](#) (February 2026)

Author

Lian Jye Su, Chief Analyst, AI

askananalyst@omdia.com

Citation policy

Request external citation and usage of Omdia research and data via citations@omdia.com.

Omdia consulting

We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Omdia's consulting team may be able to help you. For more information about Omdia's consulting capabilities, please contact us directly at consulting@omdia.com.

Copyright notice and disclaimer

The Omdia research, data and information referenced herein (the "Omdia Materials") are the copyrighted property of TechTarget, Inc. and its subsidiaries or affiliates (together "Informa TechTarget") or its third party data providers and represent data, research, opinions, or viewpoints published by Informa TechTarget, and are not representations of fact.

The Omdia Materials reflect information and opinions from the original publication date and not from the date of this document. The information and opinions expressed in the Omdia Materials are subject to change without notice and Informa TechTarget does not have any duty or responsibility to update the Omdia Materials or this publication as a result.

Omdia Materials are delivered on an "as-is" and "as-available" basis. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, or correctness of the information, opinions, and conclusions contained in Omdia Materials.

To the maximum extent permitted by law, Informa TechTarget and its affiliates, officers, directors, employees, agents, and third party data providers disclaim any liability (including, without limitation, any liability arising from fault or negligence) as to the accuracy or completeness or use of the Omdia Materials. Informa TechTarget will not, under any circumstance whatsoever, be liable for any trading, investment, commercial, or other decisions based on or made in reliance of the Omdia Materials.

CONTACT US

[omdia.com](https://www.omdia.com)

askananalyst@omdia.com