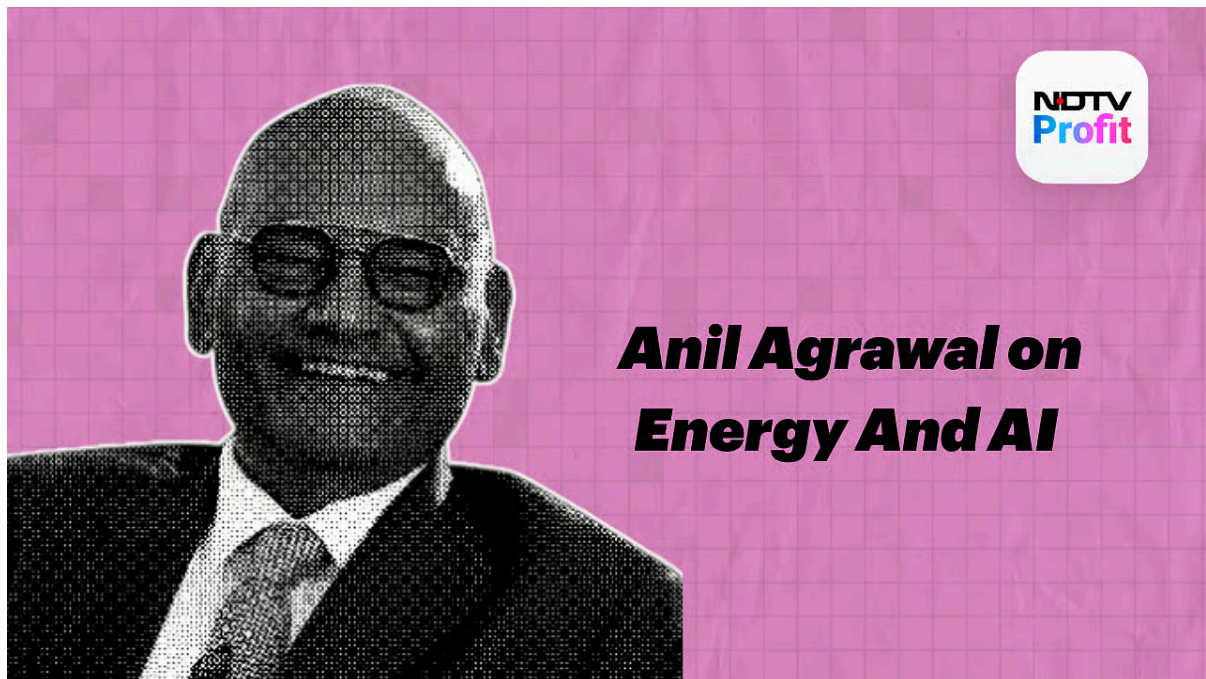


The AI-Energy Link: Anil Agarwal On Why China Is Winning And How India Can Catch Up



US control over Venezuela's oil reserves has brought to the forefront the importance of energy as a foundation for scaling up an economy in the era of artificial intelligence.

China, though a much smaller economy than the US, has double the power capacity of the US, Vedanta Resources Ltd Chairperson Anil Agarwal in a post on X. "China thinks long-term. This power capacity is going to be a big advantage in the AI-age."

He added that affordable and secure power is key to future economies, which will be built on AI and other applications that use critical minerals. Affordable power, therefore, is necessary to process these critical minerals.

The billionaire also pointed out that the US was having a hard time balancing the two. "AI is consuming so much power that what is left for other industrial activities is limited and expensive," he remarked.

Expanding on how India can fast-track its growth in the power segment, Agarwal highlighted that New Delhi has a huge opportunity in power generation and transmission. The opportunity, he underlined, lies in both conventional and renewable energy.

"We have to supply homes, factories and data centres at affordable prices," the Vedanta Resources founder said.

According to Agarwal, initiatives to streamline and simplify policies should be taken. Under this, generation transmission and distribution will become part of one policy.

"Make it simple by making generation, transmission and distribution part of one policy. Companies should execute end-to-end. That's how we will become future-ready in the present," he emphasised in the post.

The AI-Energy Link

Mere months before Washington struck Venezuela, Jensen Huang, CEO of Silicon Valley-based Nvidia, had highlighted in an interview with *CNBC* how the AI industry needs more energy to advance.

"We need more energy, we need more chips, we need better models and more models, and we need a lot more applications", the CEO said in the interview.

He added that AI spreads across a variety of things, it is energy, chips, the models, and applications and, therefore, emphasised on the need for more energy.

Huang had also made a comparison with China in terms of energy and said that it is way ahead of the United States.

Not even three months later, the US launched attacks on Venezuela, captured its President Nicolas Maduro and assumed control of the oil reserves.

The intent is broader than it appears with a boom for AI-led US based companies like Nvidia, Microsoft, Oracle on the horizon.

Opinion

Why Trump's Seizing Of Power In Venezuela May Spell Boom For Nvidia, Other AI Majors