



DAILY EDITORIAL ANALYSIS

TOPIC

**ARTIFICIAL INTELLIGENCE: INDIA'S
EMERGING FOUNDATIONAL PUBLIC
UTILITY**

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In Context

- Digital technologies have evolved as a critical infrastructure in India, and Artificial Intelligence (AI) is set to become the next foundational public utility.

Background

- India has built the world's most comprehensive Digital Public Infrastructure (DPI) by integrating Aadhaar (digital identity), UPI (digital payments) and DEPA/Account Aggregator (data sharing) into a single interoperable ecosystem.
 - ♦ Estonia, Brazil, Singapore and European countries have each developed elements, but no country has put all three together at the scale that India has.
- From about \$4 per GB in 2016, India reduced mobile data prices to less than \$0.30, bringing almost 500 million people online.
- Now, India is looking at AI as Digital Public Infrastructure (DPI) to democratise compute power, open datasets and indigenous AI models, so that citizens, businesses and public institutions can have affordable and inclusive access to AI.

AI as a foundational public utility

- It means making computing power, base algorithms, data repositories and intelligence inference affordable, accessible and interoperable for all citizens, startups and public institutions
- This vision is the foundation of India's philosophy of "AI for All" and is in line with the strategic goal of Viksit Bharat @ 2047.

Importance of AI as Foundational Public Utility

- **Economic Growth Engine:** AI drives productivity and innovation in agriculture, healthcare, education, manufacturing, MSMEs and digital economy
 - ♦ Artificial Intelligence (AI) has the potential to contribute over \$500 billion (about Rs 47.81 lakh crore) to India's economy by 2030, according to a new joint study by IBM and IndiaAI, a MeitY initiative.
- **Governance:** AI enables data-driven, evidence-based policymaking and facilitates efficient delivery of welfare, grievance redressal, tax administration and judicial processes.
- **National Sovereignty:** Building indigenous foundational models minimises India's dependence on foreign tech ecosystems and guarantees data sovereignty and cultural context in the outputs of AI systems.
- **Social Inclusion:** AI-powered tools can help bridge language and literacy gaps, enabling non-tech citizens in rural areas to access banking, healthcare, and government schemes using voice commands in local dialects.
- **Better Service Delivery:** AI-enabled diagnostics help the PHCs in far-flung districts to identify conditions such as diabetic retinopathy and tuberculosis at an early stage.
 - ♦ AI models offer real-time **crop advisory**, weather forecasts, and soil health diagnostics to smallholder farmers.
 - ♦ Adaptive learning tools provide personalised education in multilingual classrooms, reducing the impact of teacher-to-student ratio deficits.

Progress

- India is entering a new phase of development driven by Artificial Intelligence (AI), moving beyond research labs and large corporations to benefit citizens across sectors.
- AI is leading to smarter, faster, data-driven solutions that are enhancing access to healthcare, agriculture, education, urban management and public services.
- India's approach is focused on open, affordable and inclusive AI so that the technology is broadly beneficial for society.
- The NITI Aayog report, "AI for Inclusive Societal Development" (October 2025) highlights the potential of AI to enable some 490 million informal workers by improving access to healthcare, education, skill development and financial services.
 - ♦ It highlights the role of AI in boosting productivity, enhancing resilience, and reducing social and economic inequalities by ensuring that technological progress is inclusive and reaches all segments of society.

AI Ecosystem in India at Present

- India's technology sector is expanding rapidly, with annual revenues projected to cross USD 280 billion this year.
- Over 6 million people are employed in the tech and AI ecosystem.
- The country hosts 1,800+ Global Capability Centres, including more than 500 focused on AI.
- India has around 1.8 lakh startups, and nearly 89% of new startups launched last year used AI in their products or services.
- India has secured the 3rd position globally in Artificial Intelligence competitiveness, according to a report by Stanford University's 2025 Global AI Vibrancy Tool.

Initiatives

- **IndiaAI Mission:** The Union Cabinet approved the IndiaAI Mission with a budget of 10,371.92 crore over a period of five years in March 2024 to realise the vision of "Making AI in India and Making AI Work for India."
 - ♦ It seeks to build upon its existing strengths and create an inclusive, responsible AI ecosystem through increased access to computing, fostering innovation, improved datasets, development of AI skills and safe AI adoption.
- **AI Centres of Excellence (CoEs):** Centres of Excellence in AI have been established in key areas like Healthcare, Agriculture and Sustainable Cities, with a fourth CoE for Education announced in Budget 2025.
 - ♦ The centres unite academia, industry and government to develop scalable AI solutions.
- **AI Skills Frameworks:** The framework provides structured AI training for government officials that allows them to use AI effectively in policymaking and governance.
 - ♦ It aims to build a public sector ready for AI and in line with global standards.
- **Sarvam AI: AI for Governance:** A Bengaluru-based startup, Sarvam AI, is using generative AI to improve public services.
 - ♦ It is working with the UIDAI to develop smarter and secure Aadhaar-related services.
 - ♦ It has also been approved to build India's Sovereign LLM Ecosystem, aiding open-source AI and digital trust.

- **Bhashini: Digital Inclusion for All:** Bhashini is an artificial intelligence-based language platform that provides translation and speech services in Indian languages, enabling citizens to access digital services without language barriers.
- **BharatGen AI: Indigenous Multilingual AI model:** In June 2025, BharatGen AI was launched — India's first government-funded indigenous multimodal large language model.
 - ♦ It supports 22 Indian languages and integrates text, speech, and image capabilities using Indian datasets to create AI solutions that meet the cultural and linguistic diversity of India.
- **India AI Impact Summit 2026':** The India AI Impact Summit 2026 (16-21 February 2026) showcased India's emerging global AI leadership with over 100 countries and 20 international organisations participating. The event saw nearly 6 lakh people attending in person and another 9 lakh watching online.
 - ♦ India also set a Guinness World Record for AI responsibility pledges, with over 2.5 lakh commitments. The Summit announced the expansion of India's sovereign AI computing capacity with another 20,000 GPUs in addition to the existing 38,000+ GPUs under the IndiaAI Mission.

Issues and Challenges

- **Infrastructure:** Limited access to high-performance GPUs, AI computing infrastructure, and reliance on imported semiconductor technologies.
 - ♦ Insufficient number of AI researchers, semiconductor professionals, data scientists, and skilled AI professionals.
- **Reliance on imported AI:** dependence on proprietary AI models and APIs created by global tech companies diminishes technological sovereignty.
- **Data Gaps:** Inadequate availability of high-quality datasets in Indian languages and local contexts limits the effectiveness of AI solutions.
- **Digital Divide:** Existing disparities in internet access, digital infrastructure, AI tools, and digital literacy, particularly among rural populations and MSEs, may exacerbate socio-economic inequalities.
- **Ethical and Cybersecurity Issues:** Deepfakes and AI-generated misinformation pose a threat to public trust, security, and social harmony.
- **Environmental sustainability:** AI data centers are energy-intensive, impacting energy security and environmental sustainability.

Suggestions

- **Affordable Compute:** Increase GPU capacity, provide for affordable compute, and include AI infrastructure in national planning with dedicated renewable and nuclear power.
- **Strengthen research** and innovation and encourage more collaboration between government, academia, startups, and industry.
- **Open-Source Foundation Models:** Support startups to develop open-weight Indic AI models with anonymised public datasets and government-supported compute, and eliminate the dependence on proprietary foreign AI platforms.
- **Unified Intelligence Interface (UII):** Develop a UPI-like interoperable AI platform that enables citizens, startups, educational institutions and government agencies to access multiple AI models through a common interface based on common standards for identity, consent, billing and safety.

- **AI tokens:** The government can provide free or subsidised AI tokens to students, researchers, startups, schools and public institutions to promote broader use of AI, with commercial users shifting to paid services over time.
 - ♦ Near-free AI can transform industries like healthcare, education, agriculture, governance and small business by bringing in AI-based services in Indian languages, boosting productivity, lowering costs and expanding access to knowledge.
- **Create frameworks** to ensure privacy, safety, transparency, accountability and ethical use of AI.

Conclusion

- Artificial Intelligence has the potential to become India's next foundational public utility in the lines of its Digital Public Infrastructure success.
- With affordable internet and digital identity enabling mass participation in the digital economy, accessible and low-cost AI can democratise knowledge, innovation and opportunities.
- But there is a need for investments in compute infrastructure, semiconductors, indigenous datasets, skilled talent and responsible governance.
- By making AI accessible, affordable, trustworthy and inclusive, India can unlock economic growth, improve public services, empower citizens and advance the vision of Viksit Bharat @2047.

Daily Mains Practice Question

[Q] Discuss the potential of an inclusive AI ecosystem in enhancing India's digital empowerment, accelerating economic growth, and realising the goals of Viksit Bharat @2047

Source: TH

