

WHITE PAPER

From Vision to Funding

What the IndiaAI Mission Means for India's AI Strategy, Four Years After Our First Look



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Executive Summary

Four years ago, Policy Monks asked whether India was ready to regulate artificial intelligence. The IndiaAI Mission's approval this March is the clearest sign yet that the government has decided the answer is: fund it first, regulate it later.

In November 2020, Policy Monks published a white paper examining the case for regulating artificial intelligence in India, at a time when the country's AI policy consisted mainly of NITI Aayog's 2018 vision document and a set of Responsible AI principles released the following year. On 7 March 2024, the Union Cabinet approved the IndiaAI Mission — a five-year, ₹10,371.92 crore programme that, for the first time, puts real money and institutional structure behind India's AI ambitions. This white paper revisits our 2020 questions in light of that approval, and asks what the Mission does, and does not, resolve about how India intends to govern the technology it is now funding at scale.

1. From Vision Document to Funded Mission

NITI Aayog's National Strategy for Artificial Intelligence, released in 2018 under the banner "AI For All," was always a vision document rather than a funded programme — it identified five priority sectors (healthcare, agriculture, education, smart cities and smart mobility) and articulated an ambition for inclusive AI development, but committed no dedicated budget of its own. NITI Aayog followed this with a Responsible AI framework, setting out principles including safety and reliability, equality and non-discrimination, inclusivity, and transparency and accountability — again, principles without an enforcement or funding mechanism attached.

In October 2023, a government-constituted Expert Group on AI presented a more operational blueprint, addressing skilling, research and development, data and compute platforms, and privacy, legal and ethical considerations. The IndiaAI Mission, approved five months later, is best read as the funded implementation of much of what that Expert Group recommended: it establishes compute infrastructure (targeting over 10,000 GPUs, delivered through a public-private partnership model), a startup financing mechanism, a national datasets platform, and a dedicated skilling pillar, all administered through a new IndiaAI Independent Business Division under the Digital India Corporation, with MeitY as the nodal ministry.

2. What the Mission Funds — and What It Doesn't Yet Govern

- **Compute infrastructure:** The Mission's single most capital-intensive commitment is subsidised, shared GPU compute access, intended to lower the cost of AI development for Indian startups, researchers and students who would otherwise lack access to this scale of infrastructure.
- **Safe and Trusted AI:** One of the Mission's seven pillars is explicitly framed around responsible AI — indigenous tools, self-assessment checklists for AI developers, and governance frameworks — though at the time of this white paper, this pillar remains considerably less developed in public documentation than the Mission's compute and startup-financing components.

- **No binding AI-specific statute yet exists.** The IndiaAI Mission is a funding and infrastructure programme, not a regulatory one. India's promised Digital India Act — expected, when eventually introduced, to update the outdated IT Act, 2000 and potentially address AI-specific regulation — has yet to be tabled in Parliament, leaving a gap between what the government is now funding at scale and what it has committed to regulate.

3. Revisiting Our 2020 Questions

Our 2020 white paper asked three questions that remain, in substance, unanswered by the Mission's approval: who bears liability when an AI system causes harm; how India will balance innovation incentives against the risks of algorithmic bias and discrimination the Responsible AI principles already named in 2020–21; and whether India would pursue a dedicated AI statute or fold AI governance into updates of existing law. The IndiaAI Mission answers none of these directly — it is, deliberately, an industrial and infrastructure policy instrument, not a liability or rights framework. That is not a criticism of the Mission on its own terms, but it does mean the regulatory questions we raised four years ago remain exactly as open as they were then, even as the capacity to build (and potentially cause harm with) AI systems is about to expand substantially.

Funding the infrastructure to build AI at scale, before resolving how its harms will be governed, is a coherent strategy — but it is a bet, not a solved problem.

4. Recommendations

1. The government should publish a concrete timeline for the Digital India Act,

specifically clarifying whether and how it will address AI-specific liability and harm questions, rather than leaving this open indefinitely alongside a now well-funded AI development programme.

2. The Safe and Trusted AI pillar should be resourced and specified in as much public detail as the Mission's compute and startup-financing pillars.

A pillar that exists mainly as a checklist commitment risks becoming the least developed part of the Mission precisely as AI development capacity accelerates fastest.

3. Government-funded compute access should carry baseline responsible-AI conditions from day one.

Since subsidised compute is the Mission's most direct lever over who builds AI systems and how, attaching baseline safety and transparency conditions to that access is a comparatively low-cost way to operationalise the Responsible AI principles the government has already endorsed in principle since 2020–21.

4. Civil society and academic researchers should be given a formal, ongoing consultative role in the Safe and Trusted AI pillar's development,

not only through the one-time Expert Group process that preceded the Mission's approval, given how quickly the underlying technology and its risk profile continue to evolve.

5. Conclusion

The IndiaAI Mission is a genuinely significant commitment — considerably larger and more concrete than anything India's AI policy has produced since our 2020 white paper first raised the question of how the country would govern this technology. But funding AI's development and governing its risks are two different undertakings, and as of this writing, India has moved decisively on only the first. The next several years — and, in particular, whatever the Digital India Act eventually contains — will determine whether that sequencing turns out to have been wise or simply convenient.

References

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