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# Boardroom considerations for India's AI ascent



## Board Leadership Center (India)

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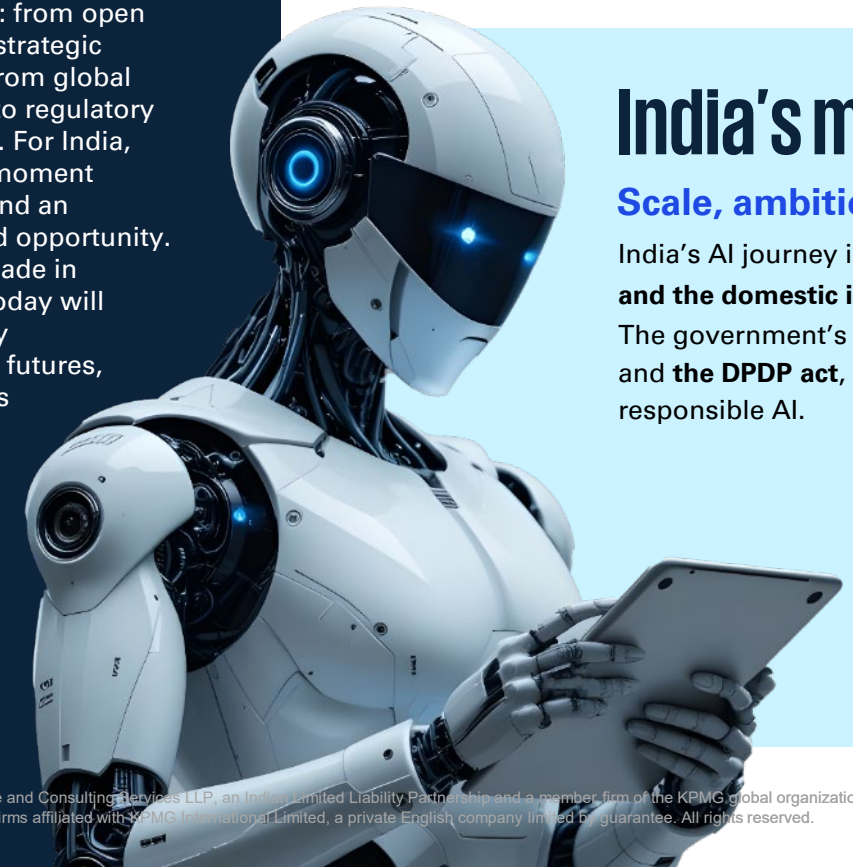
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# Introduction

## AI at the crossroads of power and purpose

Artificial Intelligence(AI) is no longer just a technological marvel—it is the new currency of global influence. As nations jostle for supremacy in the AI race, the world is witnessing a profound shift: from open innovation to strategic competition, from global collaboration to regulatory fragmentation. For India, this is both a moment of reckoning and an unprecedented opportunity. The choices made in boardrooms today will define not only organisational futures, but also India's place in the emerging AI world order.



# The global chessboard

## Fragmentation, competition, and opportunity

The global AI landscape is being redrawn by the tectonic forces of geopolitics. Competing approaches to technological sovereignty are shaping the rules of engagement through industrial policy, export controls, and intensified competition for talent. In parallel, regulatory models are diverging, with some jurisdictions prioritising safety and accountability, even at the risk of moderating innovation velocity.

This regulatory patchwork is not merely a compliance challenge. It is a strategic reality. For Indian enterprises, the question is not whether to participate in this emerging order, but how to navigate it with agility and foresight. India's pro innovation stance, reflected in the **IndiaAI mission** and a steadily evolving governance framework, positions the country as a credible voice for the Global South. At the same time, exposure to global supply chains and shifting regulatory expectations means resilience and adaptability must remain central to every boardroom conversation.

# India's moment

## Scale, ambition, and the pursuit of AI sovereignty

India's AI journey is gathering momentum. With **87 per cent of enterprises already deploying AI solutions and the domestic industry projected to reach USD 28.8 billion by 2025**[1], the market signals are unambiguous. The government's **USD 1.2 billion**[1] **IndiaAI mission**, coupled with the **launch of the India AI governance guidelines** and **the DPDP act**, reflects a clear ambition: not just to lead in adoption, but to shape the global narrative on trusted, responsible AI.

But ambition alone is not enough. The real test lies in execution—building indigenous compute capacity, fostering public-private partnerships, and nurturing a talent pipeline that can sustain India's AI aspirations. **The push for 10,000+ Graphics Processing Units (GPUs)[1], the creation of platforms like AIKosha, and the integration of AI education at all levels** are steps in the right direction. Yet, boards must ask: Are we moving fast enough to produce domestic data residents? Are we investing in the right infrastructure to withstand geopolitical shocks?

1. Transforming India with AI, Press information bureau, October 2025

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# Regulatory divergence

## Navigating a shifting landscape

The regulatory environment for AI is evolving at breakneck speed, with jurisdictions adopting different pathways shaped by their institutional contexts and policy priorities. While some regimes emphasise detailed, prescriptive requirements and others reflect more decentralised approaches, the common thread is a clear rise in expectations around accountability, data stewardship, and governance.

For boards, compliance is no longer a box-ticking exercise. Emerging data protection frameworks, sector-specific regulations, and increasing scrutiny of cross-border data flows demand a proactive, anticipatory stance. The challenge lies in harmonising domestic compliance with global best practices, ensuring that organisations remain competitive, trusted, and resilient as regulatory expectations continue to rise worldwide.

# Infrastructure, data, and sustainability

## Building for the future

India's greatest asset in the AI era may well be its scale and diversity of data, anchored in robust digital public infrastructure. The ability to harness this data—securely, ethically, and at scale—will be a key differentiator. At the same time, the expansion of data centers and compute capacity brings new challenges: energy consumption, sustainability, and the need for resilient, sovereign infrastructure.

Boards must look beyond immediate ROI and consider the long-term implications of their AI strategies. Are we quantifying and disclosing our AI-related energy footprint? Are renewable energy commitments integrated into our infrastructure planning? As the world moves toward trusted-partner frameworks for data flows, are we proactively governing data lineage and storage architectures?



# Talent and workforce

## The human capital imperative

The rapid adoption of AI is reshaping how organisations think about capability, scale, and leadership. Even as investment in AI accelerates, access to the right technology talent remains uneven and increasingly competitive. Initiatives such as the *IndiaAI FutureSkills* programme are a meaningful step, but boards must ensure that workforce design evolves in step with technological ambition.

The questions are urgent: Are we attracting and retaining the right talent? Is upskilling embedded in our adoption frameworks? Are diversity and inclusion more than just buzzwords in our AI talent strategy? The answers will determine not just organisational success, but India's ability to lead in the global AI economy.

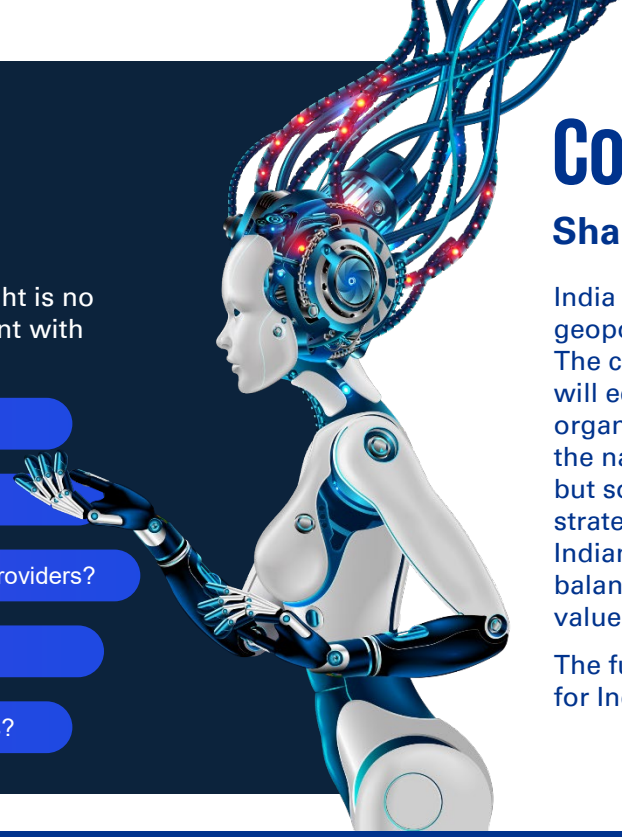
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# The boardroom agenda

## From oversight to stewardship

In this era of AI-driven disruption, the role of the board is being redefined. Passive oversight is no longer sufficient. Boards must become stewards of AI readiness—challenging management with the right questions and demanding accountability at every turn:

- How resilient are our AI operations against supply chain shocks and geopolitical disruptions?
- Are we aligned with evolving domestic and international regulations?
- Do we have robust frameworks for third-party risk management, especially with AI vendors and model providers?
- Is our approach to ESG and sustainability keeping pace with stakeholder expectations?
- Are we investing in indigenous solutions and multi-cloud strategies to safeguard against external shocks?



# Conclusion

## Shaping India's AI destiny

India stands at a defining intersection of geopolitics, technology, and governance. The choices made in boardrooms today will echo for decades—shaping not just organisational fortunes, but the trajectory of the nation itself. The opportunity is immense, but so are the risks. By embracing a proactive, strategic, and values-driven approach to AI, Indian boards can ensure that innovation is balanced with trust, resilience, and long-term value creation.

The future of AI is being written now. It is time for India's boards to pick up the pen.

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