

IndiaAI – a MeitY initiative



In collaboration with the Office of the Principal Scientific Adviser to the Government of India and BCG X

Shaping the AI Sandbox Ecosystem for the Intelligent Age

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Foreword



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Artificial intelligence is advancing at a remarkable pace, shaped by breakthroughs in open-source generative AI models, autonomous systems and intelligent agents. These shifts are redefining the boundaries of technology and altering how societies, economies and institutions function. As AI capabilities continue to evolve, the question for countries is not whether to embrace them, but how to do so responsibly, swiftly and at scale.

For India, this moment presents a significant opportunity. With a unique combination of world-class digital public infrastructure (DPI), a vibrant start-up ecosystem, a rich base of technical talent and demographic scale, India is poised to lead globally in building AI solutions that are not only globally competitive but also socially impactful. Yet this promise can be realized only if we address the systemic challenges that hinder AI innovation.

The need of the hour is to build secure and controlled environments that enable agile experimentation while maintaining trust, safety and public interest. AI sandboxes provide such a pathway – allowing innovators to test and validate solutions in real-world settings with access to critical data, compute and regulatory guidance.

This white paper, *Shaping the AI Sandbox Ecosystem for the Intelligent Age*, provides a practical roadmap to design and establish AI sandboxes in ways that reflect India's unique needs and sectoral priorities, while ensuring that all the necessary safeguards are in place. Drawing on global benchmarking and deep stakeholder engagement, it lays the foundation for an AI ecosystem that accelerates innovation, strengthens public trust and supports India's journey towards socioeconomic prosperity.