India’s Youth Dividend in the AI Era

Mains: *GS-III – Science & Technology*

Why in News?

The India-AI Impact Summit 2026 commenced with a powerful vision, placing India's youth at the heart of the nation's Artificial Intelligence (AI) journey, far from a futuristic dream, the Summit spotlights AI as a transformative force already reshaping jobs and livelihoods.

What about India-AI Impact Summit 2026?

- **About the Summit** – It is a five-day global event held in New Delhi.
- As the *first global AI summit* *hosted in the Global South*, it focuses on transitioning from theoretical dialogue to measurable, real-world impact through the theme ***Welfare for all, Happiness of all***.
- **3 foundational pillars/Sutras** - People, Planet, and Progress.
- **7 Chakras (working groups)**
  - Human Capital
  - Inclusion for Social Empowerment
  - Safe & Trusted AI
  - Science
  - Resilience, Innovation and Efficiency
  - Democratising AI Resources
  - AI for Economic Growth & Social Good
- The Summit marks a shift from passive learning to active participation, linking education with industry needs.
- **Focus –** Boosting employability, enhancing productivity, and bridging classrooms to AI-driven careers.
- **Platforms –** Innovation challenges, startup pitches, live demos → connect youth skills with market demand.
- **Impact –** Catalyst for job creation in Animation, VFX, Gaming, Comics, projected to generate ~2 million jobs by 2030.
- **Big Picture –** By blending global insights, youth skilling, and job creation, India is turning its demographic dividend into a future-ready AI workforce.

Why is AI considered a major opportunity for India’s talent pool in the global economy?

- **India’s status** – India has the largest youth population in the world, with *over 65% of its population under the age of 35*, positioning this demographic powerhouse as an

engine of economic momentum.

- **AI Pathway to job, skill –** AI is reshaping jobs, boosting productivity, and driving inclusive growth. For India's youth, it is a pathway to future-ready skills and employment, combining innovation with nationwide opportunities.
- **Rising Demand for AI Skills and Jobs** – Between January 2023 and March 2025, AI-related job postings in South Asia *increased from 2.9% to 6.5%* of all vacancies, with demand for AI skills *growing 75% faster* than for non-AI roles.
- **Labour Market Transformation** – India's labour market is shifting to reward digital fluency, advanced technical skills, and interdisciplinary expertise.
- **Policy Push for AI-Ready Youth Skills** – Recognising AI as a strategic employment driver, the Union Budget 2026–27 reinforced
    - Focus on *Orange Economy* (Animation, Gaming, Digital content, Immersive media).
    - Support for IICT, Mumbai, to establish AI Content Creator Labs in 15,000 schools & 500 colleges.
    - Projected 20 lakh new jobs in creative & AI-driven sectors.
    - *Education to Employment and Enterprise Standing Committee* to assess how AI and related tech affect jobs and skill requirements, aiming to bridge education, work and enterprise demand.
- **Democratising Access to AI Infrastructure** – India is making AI resources—compute, datasets, and models—available nationwide, ensuring opportunities reach talent beyond metropolitan hubs.
- Plans to expand over 58,000 GPUs reinforce a national commitment to inclusion, responsible innovation, and broad-based participation in the AI economy. Example: IndiaAI Mission.

What about the National Efforts to Build a Skilled AI-Ready Talent Pool?

- **Building India's AI Talent Pipeline** – India is creating a multi-tiered AI talent system across schools, vocational training, higher education, and professional upskilling.
- This structure ensures broad access, regional equity, and industry alignment, empowering youth with foundational to advanced AI skills for ethical innovation and active participation in the AI economy.
- **Foundational AI Literacy in Schools**
- **National Education Policy (NEP) 2020** – Prioritises digital and AI literacy, embedding computational thinking and AI concepts across all educational levels.
- **AI & Computational Thinking (AI & CT)** – Starts from Grade 3, focuses on problem solving, algorithms, and ethical AI.
- **YUVAi** (Youth for Unnati with AI) – Empowers Classes 8-12 students to design practical AI solutions across thematic sectors.
- **YUVA AI for All** – Offers a free national AI literacy course in 11 languages, *targeting 1 crore citizens* for foundational AI proficiency.
- **Vocational and Industry-Aligned Training**
- **Skill India Mission & SOAR** (Skilling for AI Readiness) Initiative – AI integrated into vocational training; 1.34 lakh enrolled with Microsoft, HCL, NASSCOM partnerships.
- **FutureSkills Prime Initiative** – Upskilling professionals in AI, big data, cloud, etc.;

aligned with national standards; 25.3 lakh learners, 3,000+ courses.
- **Skill India Digital Hub (SIDH)** – Single platform for AI/ML courses, from beginner to advanced, accessible to diverse learners nationwide.
- **Advanced AI Talent & Research Ecosystem**
- **IndiaAI FutureSkills** – Fellowships for 500 PhDs, 5,000 postgraduates, 8,000 undergraduates, plus specialised courses to build elite AI expertise.
- **IndiaAI Data & AI Labs** – 27 labs in Tier 2/3 cities, 174 approved in ITIs/Polytechnics, decentralising resources, enabling hands-on training, and spreading AI capabilities beyond metros.

What are the Global Indicators of India's Talent-Pool Leadership in AI?

- **Innovation Beyond Metros** – Over 50% of India's startups now emerge outside metropolitan cities, proving that innovation is spreading nationwide and is not limited to metros & India, on the path of the vision - Viksit Bharat by 2047.
- **High penetration of AI skills** – India's AI skills are 2.5 times higher than the global average (Stanford Global AI Index Report 2025).
- **Widespread enterprise adoption** – 87% of enterprises in India are actively using AI solutions (NASSCOM AI Adoption Index)
- **Demographic advantage** – India possesses one of the world's largest pools of digitally adaptable youth, driving participation in AI learning and innovation.
- **Guinness World Record** – India set a Guinness World Record with 2.5 lakh AI Responsibility Pledges in 24 hours.
- Led by IndiaAI Mission & Intel India, the campaign mobilised students and citizens.
- Promoted ethical, transparent, and accountable AI use (privacy, misinformation, accountability) & positioned youth as stewards of trustworthy AI.

What lies ahead?

- India's youth dividend is emerging as a defining strength in the age of Artificial Intelligence.
- Through sustained policy support, large-scale skilling initiatives & democratised digital infrastructure are turning demographic advantage into a globally competitive talent pool.
- The India AI Impact Summit 2026 showcased youth-led innovation, responsible AI adoption, and industry alignment, driving inclusive growth.
- As India advances towards a Viksit Bharat, empowering its young population with AI capabilities will remain central to long-term productivity, resilience, and global leadership.

Reference

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