



A Legal and Regulatory Review of AI and Emerging Tech in India

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Abstract

Artificial intelligence and emerging technologies are reshaping societies, economics and governance through novel methods of problem solving automation and decision making. Although AI has mainly acted as a tool for increasing productivity, assisting individuals and organizations in making more efficient choices but on the other hand, it has also raised significant concerns, including breaches of privacy, the reinforcement of inherent biases in data, and the creation of AI systems that are not easily understandable.

Keywords: Artificial intelligence, Privacy, Transparency, cyber security.

Introduction

“AI is already reshaping our polity, our economy, our security and even our society. AI is writing the code for humanity in this century.” “During our G20 Presidency, we built a consensus on Harnessing AI Responsibly, for Good, and for All. Today, India leads in AI adoption, and techno-legal solutions on data privacy.”

Hon'ble Prime Minister Narendra Modi during AI Action Summit in Paris, Feb 11, 2025

Artificial intelligence (AI) has profoundly impacted nearly every aspect of modern life, reshaping economies, organizations, and daily activities. Although artificial intelligence (AI) has been an area of focus for computer scientists since at least the 1950s, it has undergone a rapid transformation in recent years, driven by technological advances, market demand, and competitive pressures. Early AI systems were limited to pattern recognition (predictive AI) due to constraints in data and computing power. Today, generative AI (Gen AI) can create new content (text, images, code) rather than classify existing data. The public launch of ChatGPT in late 2022 dramatically increased awareness of Gen AI's potential. Companies in nearly every sector are now using Gen AI for tasks like content creation, customer service, and data analysis. PwC reported in 2024 that 73% of U.S. companies had adopted AI in at least some areas of their business and, one year after ChatGPT's launch, 54% had implemented Gen AI in some areas.²

What is AI?

Defining and understanding AI is crucial for specifying the scope of legislation concerning its use. The well-known definition of AI, proposed by John McCarthy, one of the founders of the discipline and the person who originally coined the term, describes AI as “the science and engineering of making intelligent machines,

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² Available on <https://www.globallegalinsights.com/practice-areas/ai-machine-learning-and-big-data-laws-and-regulations/ai-m-and-a-current-trends-and-unique-legal-and-regulatory-considerations/> assessed on 28 September 2026.

especially intelligent computer programs” (McCarthy, 2007). This definition hinges on the concept of intelligence, which McCarthy defines as “the ability to achieve goals in the world”. Another common approach to defining AI is based on our current understanding of computational systems. In this context, we may consider a definition such as: “AI is the study of how to make computers do things at which, at the moment, people are better” (Rich, 1983). Martinez (2018) adds the important element of autonomy to the definition of AI: “artificial intelligence is a system, program, software, or algorithm that acts autonomously to think rationally, think humanely, act rationally, act humanely, make decisions, or provide outputs”. The challenge in incorporating this new element lies in defining what constitutes an autonomous system. The concept of autonomy can vary depending on the level of independence a system exhibits. For example, we can consider an air conditioning system autonomous because it automatically increases cold air output as the room it aims to cool warms up. On the other hand, AlphaGo Zero teaches itself entirely and even outperforms the original AlphaGo, which famously defeated the world champion of Go.³

Definition of AI

“AI system,’ namely ‘a machine-based system designed to operate with varying level levels of autonomy and that may exhibit adaptiveness after deployment and that, for explicit or implicit objectives, infers, from the input it receives, that, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments.”⁴

The Foundation: India AI Governance Guidelines (MeitY, November 2025)

In November 2025, MeitY released the **India AI Governance Guidelines** under the India AI Mission. These are not enforceable law but serve as a foundational reference for responsible AI adoption. They emphasize a "light-touch" model that prioritizes innovation while mitigating harms through existing laws and voluntary measures. The guidelines rest on **seven core principles** (often called "sutras"):⁵

- Trust as the foundation
- People-first (human-centric) approach
- Responsible innovation (innovation over restraint)
- Fairness, equity, and non-discrimination
- Accountability
- Transparency and understandability by design
- Safety, security, and sustainability

They propose institutional mechanisms such as an AI Governance Group (inter-ministerial), a Technology & Policy Expert Committee, and the India AI Safety Institute for monitoring and capacity building. A January 2026

³ Daniel Oliveira Cajueiro & Victor Rafael Rezende Celestino, A comprehensive review of Artificial Intelligence regulation: Weighing ethical principles and innovation, *Journal of Economy and Technology* 4 (2026) 77–91.

⁴ Available on egal.economicstimes.indiatimes.com/news/opinions/artificial-intelligence-emerging-legal-regulatory-environment-and-board-of-directors-responsibility/109006908 assessed on 04 Oct. 2026

⁵ Available on <https://www.prashantmali.com/cyber-law-blog-india/ai-laws-and-regulations-in-india-as-of-2026> assessed on 28 September 2026.

white paper from the Office of the Principal Scientific Adviser further advances a "**techno-legal**" framework, advocating embedding compliance (legal safeguards + technical controls like watermarking and bias detection) directly into AI system design. Evolving laws around data protection, intellectual property, and AI governance directly shape how techno legal mechanisms are implemented.⁶

The Role of Artificial Intelligence in the Indian Legal System

The advancement of Artificial Intelligence (AI) represents one of the most significant technological developments of the twenty-first century. AI systems, characterized by their ability to mimic human intelligence through learning, reasoning, and decision-making, are transforming governance, business, healthcare, education, and law. The legal profession, traditionally grounded in human interpretation and reasoning, is increasingly embracing technological innovations to address challenges related to efficiency, accessibility, and case management⁷. Artificial Intelligence (AI) has emerged as a transformative force across various sectors, including the legal system. In India, the integration of AI into judicial administration, legal practice, dispute resolution, and legal education presents significant opportunities for improving efficiency, accessibility, and transparency in the administration of justice. AI-enabled technologies such as machine learning, natural language processing, predictive analytics, and legal chatbots are increasingly being utilized for legal research, case management, translation services, and digital court processes. The Supreme Court of India has introduced initiatives such as SUVAS, SUPACE, and e-Courts projects to modernize judicial functions and address the persistent problem of case pendency.⁸

Legal and Regulatory Pillars

- **Data Privacy and Protection:** Regulations like the Digital Personal Data Protection (DPDP) Act, 2023 mandate consent requirements, data fiduciary obligations, and hefty penalties for breaches. Globally, frameworks target behavioral profiling and automated processing of sensitive personal info.
- **Artificial Intelligence and Accountability:** Emerging rules (such as the EU AI Act) establish transparency standards, risk-based classification (prohibiting high-risk or unacceptable practices), and technical standards like **ISO 42001** for AI management systems.
- **Intellectual Property (IP):** Generative AI and automated creation test traditional copyright and patent boundaries—specifically whether non-human systems can be recognized as inventors or if AI-generated works receive standard protection.
- **Cyber security and Digital Acts:** Regulations govern data handling negligence and digital impersonation or deepfakes (e.g., Sections 43A, 66D, and 66E of IT Act).

Therefore, India currently lacks a single comprehensive AI law, instead managing risks through baseline cyber security, IT rules, and sector-specific regulators.

Artificial intelligence (AI) has significantly influenced virtually every dimension of contemporary life, transforming economies, institutions, and everyday activities. While AI has primarily served as a productivity-enhancing tool helping individuals and organizations make more efficient decisions it has also introduced critical risks, such as privacy violations, the amplification of existing biases in data, and the development of AI systems that are difficult to interpret.⁹

⁶ Ibid.

⁷ The Role of Artificial Intelligence in the Indian Legal System: Emerging Opportunities and Regulatory Challenges, P. 9-41 *International Journal of Law Management & Humanities*, VOL. 9 NO. IV (2026).

⁸ Ibid.

⁹ Supra note 2

Hence, Legal and Regulatory Developments The legal picture in 2026 shows three distinct paths. The European Union is rolling out a binding, comprehensive statute. The United States has shifted toward federal preemption and lighter rules. India is using guidelines built on existing laws, with a soft-law preference. The differences are significant for any company operating across borders. European Union The European Union AI Act, formally Regulation (EU) 2024/1689, entered into force on 1 August 2024. It is the first comprehensive AI statute in any major jurisdiction.

India does not yet have a standalone AI focused law. However, with the effect from 20 February 2026, India has its first set of binding AI-specific obligations. The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2026, introduce a dedicated due diligence regime for intermediaries in relation to synthetically generated information (i.e. deepfakes and other realistic AI – generated audio, visual or audio-visual content). These rules are subordinate legislation under the Information Technology Act, 2000.

Conclusion- Artificial Intelligence (AI) has become a transformative technological force influencing governance, economic development, and public administration across the world. While AI technologies promise efficiency and innovation, they also generate significant legal and ethical challenges involving transparency, accountability, algorithmic bias, privacy protection, and democratic oversight.