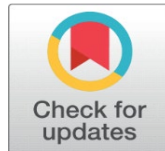


# TRANSFORMING GOVERNANCE: THE IMPACT OF ARTIFICIAL INTELLIGENCE ON INDIAN PUBLIC ADMINISTRATION

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## ABSTRACT

The emergence of Artificial Intelligence (AI) has brought metamorphic changes across spectrum of sectors globally, and public administration also has not remained untouched. As the nation continues to digitize its governance mechanisms under initiatives like Digital India, India Stack, and the National Strategy for Artificial Intelligence, AI has emerged as a key enabler in redefining public service delivery, administrative efficiency, and policy formulation (NITI Aayog, 2018). This paper explores the multi-dimensional effects of AI on the functioning of public administration in India, such as enforcement of law, healthcare, policy and decision making, education, environment monitoring. This paper discusses various case studies like FASTag (National Highways Authority of India, 2021), AI-powered chatbots like MyGov Helpdesk, and Aarogya Setu (Ministry of Electronics and IT, 2020), through which this paper tries to highlight on how the AI helps the public administration in better execution of the policies of the government, in connecting with people and take their valuable feedback for the services. At the same time, the research examines the challenges including the algorithmic bias, data privacy concerns (OECD, 2021), the digital divide (World Bank, 2022) and the institutional resistance, all of which could hinder the adoption of AI if not addressed. This study explores the motivations of Government of India towards ethical and inclusive development of AI through public private partnerships, policy arbitration, and heavy investments in AI research (NITI Aayog, 2021). This study concludes by emphasizing that the Adoption of AI into the public administration, it must be implemented with a citizen centric approach, by reducing opacity in the processes and increasing accountability. This requires not just innovation in technology but also a shift in perspective towards functioning of bureaucracy of India.

## Keywords:

## 1. INTRODUCTION

Artificial Intelligence (AI) has quickly become one of the most impactful innovations of the 21st century, revolutionizing how operations in governments happen, how they provide services, and engage with their citizens. In a vast and diverse country like India—with over 1.4 billion people and a complicated framework of administration—the adoption of AI in governance presents tremendous opportunities. As India grapples with issues such as demographic diversity, hurdles in bureaucracy, corruption, unequal access to services across urban and rural areas, and systemic inefficiencies, AI offers powerful, data-driven tools to boost effectiveness, ensure transparency, increase accountability, and make public services more responsive.

The Indian government has acknowledged the significant potential of Artificial Intelligence (AI) to transform governance through various national initiatives and policy frameworks. Among these, the National Strategy for Artificial

Intelligence introduced by NITI Aayog in 2018 stands out. It focuses on leveraging AI for societal benefit across five priority sectors: healthcare, agriculture, education, smart mobility, and smart cities (NITI Aayog, 2018).

In alignment with this strategic vision, major programs such as Digital India, IndiaStack, and the National AI Portal (IndiaAI.gov.in) have established essential digital infrastructure to support AI-driven innovations at multiple levels of government. AI is increasingly making its mark in public administration; for example, the use of intelligent systems like chatbots and virtual assistants—including the MyGov Corona Helpdesk and IRCTC's AskDISHA—has revolutionized how services are delivered to citizens. These platforms provide round-the-clock support and information, significantly easing the administrative burden while enhancing public interaction, particularly during emergencies like the COVID-19 pandemic.

Another prominent instance of AI implementation is the Aarogya Setu mobile app, developed by the Ministry of Electronics and Information Technology (MeitY). This application utilized AI-powered contact tracing and risk assessment to effectively manage public health responses during the COVID-19 pandemic (MeitY, 2020). In the field of law enforcement, several police departments—including the Delhi Police—have integrated facial recognition technologies to identify individuals from dense crowds and surveillance footage, aiding in the search for suspects and missing persons. Moreover, predictive policing systems are being tested to forecast potential crime zones and improve the strategic deployment of police resources. In a similar vein, the National Highways Authority of India (NHAI) has incorporated AI and machine learning into the FASTag system, facilitating seamless toll collection and real-time traffic monitoring—significantly easing congestion at toll booths (NHAI, 2021).

AI is steadily expanding its footprint in rural India, particularly through initiatives like the Digital Village program, which deploys AI-enabled kiosks to bring essential government services to underserved regions. In the agricultural sector, platforms such as CropIn and KrishiRaksha leverage artificial intelligence to deliver real-time insights. AI is steadily expanding its footprint in rural India, particularly through initiatives like the Digital Village program, which deploys AI-enabled kiosks to bring essential government services to underserved regions. In the agricultural sector, platforms such as CropIn and KrishiRaksha leverage artificial intelligence to deliver real-time insights on weather patterns, soil conditions, and pest activity—empowering farmers to make informed, data-driven decisions (FAO, 2021).

These innovations not only boost agricultural productivity but also foster stronger ties between rural communities and the state. However, the integration of AI into public administration is accompanied by notable challenges. Concerns persist around algorithmic bias, data privacy, AI proficiency among bureaucrats, and a deepening digital divide that risks leaving marginalized populations behind. As per World Bank estimates (2022), more than 45% of rural India remains without reliable high-speed internet, posing a significant obstacle to the widespread implementation of AI-powered governance solutions. This digital gap restricts equitable access and undermines the scalability of such technologies. In addition, ethical and legal frameworks surrounding the use of citizen data in AI systems are still in development, leading to concerns over surveillance, informed consent, and potential misuse of public data (OECD, 2021). A further challenge lies in institutional inertia—many government bodies lack the necessary technical capabilities and change management strategies to effectively adopt and integrate AI into their operations.

Despite strong policy-level support, the implementation of AI in Indian public administration is often hindered by entrenched legacy systems, rigid hierarchies, and institutional resistance to change. This research paper seeks to investigate the scope and impact of AI adoption within India's governance framework by analyzing practical deployments, strategic policy initiatives, and public sentiment. It aims to critically assess the dual nature of AI—as both a catalyst for innovation and a source of potential disruption—in reshaping administrative structures, enhancing service delivery, and influencing citizen trust. By leveraging case studies, data analysis, and reflective discourse, the study endeavors to determine whether AI can truly serve as a vehicle for inclusive, efficient, and citizen-oriented governance in India.

## 2. LITERATURE REVIEW

### 1) NITI Aayog (2018). National Strategy for Artificial Intelligence – #AIForAll

This report lays out the foundation for India's vision to adopt AI across sectors of services for citizens like health, agriculture, education, urban development, transport and logistics. It primarily focuses on usage of AI systems to promote inclusive growth and solve social obstructions through innovation responsibly.

### 2) World Bank (2022). Digital Government Readiness Assessment – India Country Report

This assessment conducts evaluation on preparation of Indian government to use digital tools, including AI, in governance. It specifies key major difficulties such as unequal distribution of internet, infrastructure challenges, and the requirement of a better support from executive to ensure its proper implementation.

### **3) OECD (2021). AI in the Public Sector: Risk and Governance Approaches**

This article from the Organisation for Economic Co-operation and Development highlights how governments can mitigate through the risks of AI in public facilities. It emphasizes on the importance of transparent systems, faith of public in such systems, and ethical monitoring in AI implementations.

### **4) Gurumurthy, A. & Chami, N. (2021). AI and the Indian State: An Exploratory Study of Public Sector for Deployments**

This paper examines how Indian public establishments are utilizing the AI and prompts concerns about inherent biases, responsibility, and data management. It promotes citizen-centric AI systems that preserve democratic values.

### **5) Singh, A. & Dey, B. (2020). AI-based Service Delivery in India: Trends, Challenges, and Ethical Dilemmas**

Published in the journal Government Information Quarterly, this study inspects the merits and ethical apprehensions revolving AI use in Indian administration. It uses case studies such as AI tools to demonstrate both progress and restrictions.

### **6) MeitY (2021). IndiaAI Portal – Reports and Initiatives**

This portal, developed by the Ministry of Electronics and Information Technology, provides updates on Government of India-led AI enterprises. It includes live examples like Aarogya Setu, MyGov chatbot, and FASTag that illustrate on how AI is being implemented in early stages.

### **7) CSTEP (2022). AI for Governance: Ethical Use of AI in Public Services**

The Centre for Study of Science, Technology and Policy (CSTEP) underscores principles for ethical use of AI in Government. It advocates practices that encourage fairness, clarity, and inclusivity when integrating AI into systems for India.

### **8) Bhardwaj, R. & Tripathi, P. (2022). AI in Indian Public Sector: Use Cases and Implementation Barriers**

This article explores real-world implementation like smart policing and automated toll collection. It also considers challenges such as lack of technical expertise, funding issues, and resistance to change within government departments.

### **9) UNESCO (2021). Ethical AI in Asia-Pacific: Indian Case Studies**

UNESCO's regional report explores how nations across the Asia-Pacific region, with a particular focus on India, are addressing the ethical challenges posed by artificial intelligence in public domains. The report features case studies that showcase initiatives aimed at promoting the fair and responsible use of AI systems

### **10) Sharma, V. (2023). Bringing AI into Indian Bureaucracy: Opportunities and Resistance**

Published in the Journal of Administrative Reform, this paper investigates how AI is modifying the rigid bureaucracy. It explores the challenges of obstructions from officials and encourages reforms to further integrate AI into workflows of bureaucracy.

## **3. PROBLEM STATEMENT**

Although Artificial Intelligence (AI) offers immense potential to revolutionize public administration in India, its deployment is fraught with significant obstacles. National programs such as Digital India and IndiaAI have laid the groundwork, yet persistent issues—including inadequate digital infrastructure, low public awareness, limited technical expertise, and bureaucratic inertia—continue to impede progress. Additionally, ethical concerns like data privacy, algorithmic bias, and a widening digital divide raise serious questions about fairness and inclusivity. The disconnect between policy ambitions and on-ground realities underscores the urgent need for a governance model that is more inclusive, transparent, and accountable. This research aims to critically examine these challenges and assess how AI can be strategically harnessed to foster a more responsive and citizen-centric administrative ecosystem in India.

### 3.1. OBJECTIVES OF THE STUDY

- 1) Analyze the current deployment of AI technologies within Indian public administration, with a focus on key sectors such as healthcare, education, and citizen services.
- 2) Evaluate the impact of AI-driven initiatives on enhancing efficiency, transparency, and accessibility in the delivery of government services.
- 3) Identify major challenges and barriers—including technological limitations, institutional inertia, and ethical concerns—that impede the widespread adoption of AI in governance.
- 4) Assess public awareness and perception of AI's role in governance through survey-based insights, highlighting societal attitudes and trust levels.
- 5) Propose policy recommendations and strategic interventions to ensure the ethical, inclusive, and citizen-centric integration of AI into India's public administrative framework.
- 6) Exploring the role of AI in filling the gap between the Digital India and the remote and under-represented India
- 7) Examining the effectiveness of AI in the enhancing the citizen partnership and trust in administration.

### 4. FINDINGS

- 1) AI has resulted in delivering essential services to rural areas through initiatives such as Digital Village and AI-enabled Kiosks.
- 2) However, the fact that 45% of rural India still lacks the facilities such as High-Speed internet (World Bank, 2022), are a big hinderance to large scale adoption.
- 3) Issues such as illiteracy, affordable internet and minimal supporting infrastructure remain key problems in promotion of AI.
- 4) MyGov Helpdesk and Aarogya Setu are few AI tools that have increased the engagement of government with the citizens during emergencies.
- 5) Data Privacy and the citizen surveillance (OECD, 2021) are primary areas of concern that becomes a matter of suspicion among citizens.
- 6) Transparent Algorithms and Frameworks of ethical usage are still work in progress.

### 5. SUGGESTIONS

- 1) Government should increase spending in rural connectivity such as fiber optics, 5G to enhance the reach of Digital services.
- 2) Literacy Programs for AI among citizens in both urban and rural India to increase adoption of those services.
- 3) Introduction of strong data protection laws and ethical AI frameworks to guard the privacy.
- 4) To make the decision making through AI transparent and understandable for building public trust.
- 5) Promotion of feedback systems on AI platforms for continuous improvement.

### 6. CONCLUSIONS

- 1) AI has the ability to transform public administration but its success depends upon including more citizens and building faith in these systems.
- 2) Rural adoption remains low due to limited infrastructure and gaps in awareness, while urban India reap benefits of AI services.
- 3) Transparent and Ethical implementation of AI driven services for faster deliveries, which will also build faith in these systems leading to sustainable AI governance.

## CONFLICT OF INTERESTS

None.

## ACKNOWLEDGMENTS

None.

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