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# India AI Impact Summit 2026: Rewiring Global AI Capital Flows

Insights Engine | Artificial Intelligence



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# Executive Summary

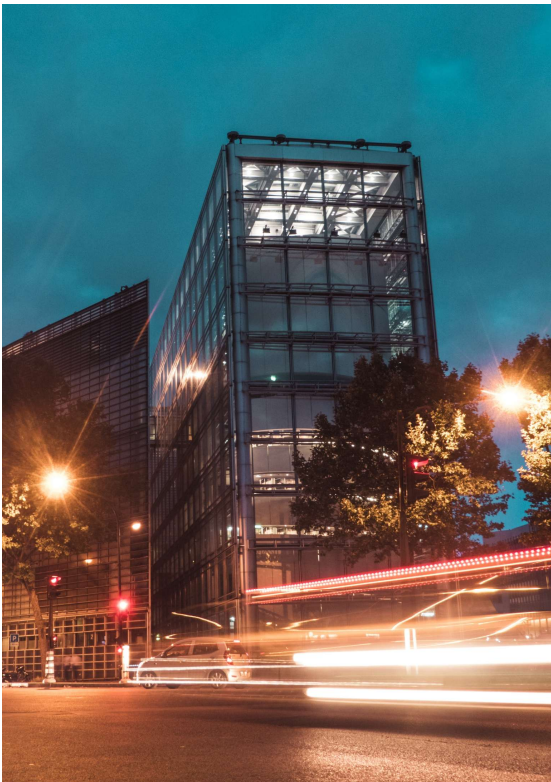
India is now a Tier-1 AI market for US capital backed by \$200B+ in infrastructure signals, Pax Silica alignment, 100M+ ChatGPT users, and policy-driven compute expansion amid disruption of its \$250B IT sector.

*“This will be one of the biggest markets for AI in the world, and I think India will have a huge amount of influence”*

**Sam Altman**  
CEO, OpenAI

The India AI Impact Summit 2026 stands as the year’s most consequential AI event for US capital markets. Bringing together 20+ heads of state, 60+ ministers, and CEOs from OpenAI, Anthropic, Google, and Microsoft, the summit generated USD 200 billion+ in AI investment signals across infrastructure, cloud, semiconductors, and enterprise AI. India formally joined Pax Silica, aligning with the US on semiconductor supply chains, critical minerals, and AI governance.

OpenAI confirmed 100M weekly users, making India its second-largest market; Anthropic reported revenue doubling since October 2025. Yet AI threatens 20–30% erosion in legacy IT services revenue within 18 months. Counterbalancing this, a USD 1.1 billion VC fund, 2047 cloud tax holiday, and 58,000-GPU national compute pool signal sustained state backing. For US investors, India is now a Tier-1 AI allocation priority.



**200B+**

AI investment Pipeline

**\$50B**

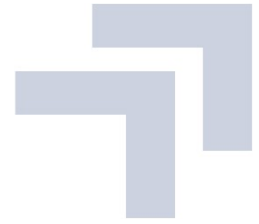
Amazon & Microsoft AI Infra Commitments

**100M+**

Weekly ChatGPT Users in India, 2<sup>nd</sup> Largest User Base

**\$1.1B**

India’s AI & advanced manufacturing VC fund



# Pax Silica: India Joins the US-Led AI Supply Chain Bloc

*India joins Pax Silica, opening strategic AI and semiconductor channels while sidelining China-linked players*

India's accession to Pax Silica embeds it within a US-aligned AI and semiconductor supply chain, materially lowering geopolitical capital risk and diluting China-centric dependencies.

Launched in Washington in December 2025, the coalition integrates critical minerals, advanced semiconductors, and AI infrastructure across trusted partners to structurally reduce reliance on Chinese inputs. India strengthens the bloc with scale, a 1.4 billion consumer market, deep engineering talent, and policy execution

under Semiconductor Mission 2.0. The planned production ramp by Micron Technology in Gujarat marks a shift from design and assembly toward upstream fabrication.

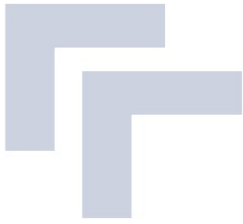
Strategically, alignment with US AI governance standards and export-control regimes narrows regulatory divergence and anchors India within a US-centric technology architecture signaling a move from strategic balancing to structured technological alignment.

## Theme of Global Co-operation

The Seven Chakras translate the guiding Sutras into concrete areas of multilateral action. These themes: spanning human capital, inclusion, trust, resilience, science, resources, and social good channel global collaboration towards measurable outcomes.



Source: AI Impact Summit



# \$200B AI Infrastructure Supercycle in India

*India's \$200B+ AI buildout is drawing direct US capital, led by Blackstone's \$600M Neysa bet*

The India AI Impact Summit 2026 has catalysed one of the most concentrated capital formation cycles in emerging-market technology history. With over USD 200 billion+ in projected AI investments signalled by policymakers and industry leaders, India has decisively positioned itself as the leading AI infrastructure destination outside the US and China shifting from services arbitrage to compute-scale sovereignty.

Mukesh Ambani committed approximately USD 110 billion over seven years to AI-ready data center infrastructure, beginning with 3GW of capacity in Jamnagar scheduled for 2H26 an energy-intensive scale comparable to hyperscale global clusters. The Adani Group reinforced the signal with USD 100 billion earmarked for renewable-powered AI data centers by 2035 and an additional USD 150 billion across transmission, server manufacturing, and sovereign cloud architecture.

Collectively, these pledges create a durable demand curve across power generation, advanced cooling, fiber backbones, and semiconductor capital equipment. US capital is aligning structurally. Blackstone led a USD 600 million equity raise in Neysa, paired with planned debt financing reflecting confidence in near-term AI cloud monetization.

AMD expanded collaboration with Tata Consultancy Services to scale AI compute deployment. Larsen & Toubro advanced sovereign AI factory ambitions alongside NVIDIA, while Google deepened subsea connectivity through new strategic routes. Qualcomm launched a USD 150 million India-focused AI venture fund. For global investors, India's AI expansion now represents a sovereign-backed, multi-decade infrastructure supercycle spanning data centers, semicap, renewable power, and cross-border digital connectivity underpinned by policy alignment and scale economics.

# India at 1.4B Scale: A Core AI Revenue Engine for US

*India is OpenAI's second-largest market, giving US AI firms a clear first-mover edge.*



The summit delivered a decisive commercial verdict: India is no longer a frontier market for AI products it is a core revenue market. OpenAI CEO Sam Altman disclosed that India commands 100 million weekly active ChatGPT users, making it the company's second-largest global market after the United States. Anthropic confirmed an equally striking trajectory, with India identified as Claude's second-largest user base and run-rate revenue doubling since October 2025.

Google reported that India ranks among its top three countries for both the Gemini App and AI Mode in Search a penetration depth that most emerging markets require years to achieve. The commercial implication for US investment banking and private equity professionals is direct: India is not a speculative user acquisition story.

Microsoft's USD 17.5 billion, four-year India investment reaffirmed at the summit reflects conviction that India's enterprise AI adoption will be broad-based and structurally permanent. Critically, India's domestic AI model landscape remains nascent: no Indian-built frontier model currently challenges GPT or Claude at commercial scale, meaning US firms operate with a structural competitive moat in the market today.

AI hiring in India is projected to grow 32% in 2026 to nearly 380,000 positions, with AI requirements now appearing in 74% of all new IT contracts a data point illustrating both the pace of enterprise adoption and the downstream opportunity for US firms establishing Global Capability Centers in India. With over 60% of GCCs established in the last two years focused on AI, data, or digital engineering, the talent and revenue flywheel is already in motion.

# IT Services Reckoning: Disruption US Investors Must Price In

*AI-driven returns in 2026 are increasingly concentrated among capital-intensive infrastructure and adoption leaders rather than broad technology exposure*

The summit's sharpest signal was disruption, not capital inflows. Vinod Khosla warned that India's IT services and BPO sector representing hundreds of billions in annual revenue could face near-total AI displacement within five years. Vineet Nayyar signaled a pivot from headcount-led growth to profit prioritization.

Tata Consultancy Services has already cut 11,000 jobs, while analysts see 20–30% revenue erosion in traditional IT services within 18 months. Indian equity markets are down ~2% YTD, with IT-heavy portfolios under pressure.

Demis Hassabis projected AGI within 5–8 years, implying deeper structural risk ahead. Simultaneously, policy is underwriting a new AI cycle: a USD 1.1 billion state-backed VC fund, tax holidays through 2047 for foreign cloud operators, the USD 1.2 billion India AI Mission expanding compute to 58,000 GPUs, and a National AI Research Grid.

Incumbent pivots including TCS's USD 600 million OpenAI compute partnership and Infosys's Anthropic collaboration highlight a sector-wide restructuring, while AI-native startups across compute, agents, and multilingual models form the next investable frontier.

The India AI Impact Summit 2026 cements India as a front-rank AI economy with USD 200 billion+ in investment signals, Pax Silica alignment, and second-largest global market status for leading AI platforms shifting it from opportunity to active deployment zone. For US investors, the mandate is clear: scale into AI infrastructure and enterprise software while stress-testing legacy IT exposure, as the next decade of India's growth story is being set now.

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