

# GenAI can add \$1.5 trn to GDP by 2030: EY

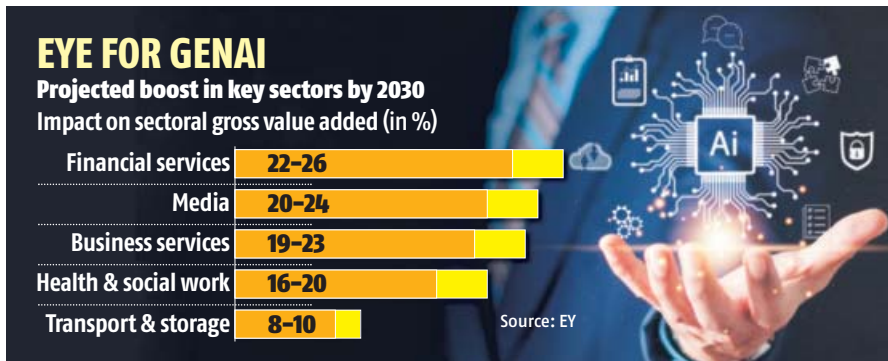
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Generative AI (GenAI) has the potential to add a cumulative \$1.2-1.5 trillion to India's GDP over the next seven years, according to a report by EY.

The report titled 'A Idea of India: Generative AI's potential to accelerate India's digital transformation' says that in 2029-30 alone, GenAI can contribute an additional \$359-438 billion to India's GDP.

The report said that around 69 per cent of the overall impact of GenAI on India's GDP is expected to be derived from sectors such as business services (including IT, legal, consulting, rental of machin-



ery and equipment, and others), financial services, education, retail, and healthcare.

"Organisations are swiftly adopting an AI-first approach to digital transformation, aiming to enhance customer

engagement, increase productivity, and achieve greater agility in delivering digital capabilities," said Mahesh Makhija, technology consulting leader, EY India. "Although in the early stages, there is a tremendous

sense of optimism in AI to realise its full potential, India must significantly elevate its efforts in terms of increased government role in its development and deployment," he added. The study highlights

that around 75 per cent of the businesses in India express a low to moderate level of readiness to harness the benefits of GenAI.

While 52 per cent organisations surveyed believe skills-gap as a challenge in harnessing the potential of GenAI for businesses, around 42 per cent found the availability of unclear use cases as another hurdle, the report said.

"Implementing measures like enabling access to training data and marketplaces, deployment of GenAI systems as Public Goods, securing critical digital infrastructure and access to talent and public funding of R&D will help foster Gen AI innovation," it said.