

# AI ADOPTION IN THE INDIAN SOCIAL SECTOR

Emerging Themes from the  
Pacta x Ooloi Labs Convening

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# INTRODUCTION

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Pacta, in collaboration with Ooloi Labs, hosted a convening on AI Adoption in the Indian Social on **Thursday, 29 May 2025.**

Anchored in insights from the report, ***'AI Adoption in Indian Social Sector Programmes: Early Insights, Emerging Stakeholders and Future Directions'***, the discussion explored the motivations, models, risks, and practical realities of deploying AI in non-profit programmes in India.

The session was curated to spark conversations around:

- How AI is currently being explored and integrated into social sector programmes
- Key drivers influencing adoption
- Approaches needed to democratise AI as a resource



## 20 participants

including non-profit leaders, tech enablers, researchers and others who actively work at the intersection of AI and the social sector.

# Key Themes from the Convening

## 1. Data: The Bedrock of AI, Still a Work in Progress



### Fragmented and immature datasets

Many grassroots non-profits struggle with collecting, understanding, and using data. Data maturity remains uneven.



### Gaps in behavioural data

Most data collection focuses on demographics. There is limited collection of behavioural, attitudinal, or contextual data needed to train relevant and responsive AI models.



### Fear and hesitation

A common hesitation towards data persists, often stemming from a lack of understanding or skills.



### AI as a simplifier

AI holds promise in translating raw data into usable insights, especially for low-tech environments (e.g., auto-generated reports).



### Call for context-aware AI

Current tools are often built on Western datasets. India needs locally trained, diverse datasets to create meaningful AI applications.



### Voice and neutrality

Research must consciously include varied stakeholder voices and ensure neutrality in analysis to avoid reinforcing dominant narratives.



### Data as both training input and insight

Participants emphasised that datasets must be treated not only as fodder for AI but also as strategic assets in themselves.



## 2. Adoption and Capacity: Bridging the Exposure Gap



### Capacity as a barrier

Smaller non-profits lack internal tech expertise, and funders often overlook the cost of building AI-readiness.



### Friction in user adoption

Simplified UI/UX (e.g., WhatsApp-like interfaces), local language and voice support, and seamless onboarding can reduce cognitive load and increase use.



### Use AI for small wins first

Prioritise low-stakes, high-utility applications (e.g., editing reports, automating documentation) before jumping into complex models.



### Exposure gap and awareness

Indian non-profits are less familiar with both the promises and risks of AI compared to their Western counterparts.



### Need for internal documentation

There is a strong call to demystify AI for non-profits by producing internal how-to resources and process guides.



### Do's and Don'ts in AI development

Non-profits need basic frameworks to understand ethical and practical considerations in building and deploying AI tools.



### Customisation and control

Off-the-shelf models are often misaligned with non-profit needs. There's a need to customise open-source models for contextual relevance.

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AI Adoption can be increased by reducing friction and creating familiarity, both for NPO users and the end-users

### 3. Ecosystem and Collaboration: Bridging the Non-Profit–Tech Divide



#### Mismatch in expectations

Smaller non-profits lack internal tech expertise, and funders often overlook the cost of building AI-readiness.



#### Tech capacity as a precondition

The tech ecosystem expects non-profits to come prepared with in-house capacity; this often stretches non-profits beyond their programmatic mandates.



#### Low-code/no-code as a bridge

For low-tech non-profits, accessible build platforms can democratise tech development.



#### Funding tensions

Tech developers expect non-profits to co-fund tool development, which adds strain to already resource-constrained organisations.



#### Collaborative knowledge sharing

There is a need for a stronger culture of sharing lessons between non-profits to reduce duplication and encourage experimentation.



#### Non-profits as trendsetters

Beyond adoption, non-profits can shape the direction of ethical, inclusive AI if they are empowered as co-creators.



**It's too early to defy or celebrate AI technology. It is more important to be grounded and to collaborate.**

## 4. Government: Partner, Enabler, and User



### Top-down AI implementation

Government AI efforts are often initiated at senior levels, but real adoption challenges lie at the grassroots and frontline service level.



### Multiple roles

The government appears in three roles—as a user (for efficiency), a developer (infrastructure and tools), and a partner (via MOUs and collaborations).



### Democratising AI infrastructure

For broader adoption, there is a call to invest in open, accessible AI infrastructure that non-profits and government bodies can both leverage.



### Pathways to public resources

Non-profits require clear access pathways to government datasets, APIs, and funding for AI innovation.



# Closing Remarks

The convening underscored both the interest in and the complexity of adopting AI within India's social sector landscape. While adoption of AI is beginning to take shape in parts of the social sector, it remains uneven. Key considerations remain around what is needed to support more effective and responsible use in practice.

The following questions were raised as areas that need further attention:

- What use cases can and should AI solve first?
- How can we equip funders to understand the true cost of AI adoption?
- How do we democratise access to AI tools and infrastructure?
- Can a shared sandbox or AI framework be built specifically for NPOs?
- What are responsible practices for NPOs developing or deploying AI?
- How do we ensure that AI development includes the voices of the most marginalised?

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**What kind of use cases are we envisioning for AI? Are we looking for AI to bring in radical changes within NPOs?**








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