Ministry of Finance

Azadi Ka Amrit Mahotsav

A Federated Industry Platform Will Benefit Indian Tech Sector, Giving It a Collective International Voice: Smt. Nirmala Sitharaman

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Mumbai, September 11, 2026:

Addressing the valedictory session of the Global Fintech Fest (GFF) 2026 today, Smt. Nirmala Sitharaman, Union Minister of Finance and Corporate Affairs, highlighted the merit of considering a federated industry platform for the Indian technology ecosystem. She noted that such a platform would give the sector a credible, collective voice internationally, helping firms navigate global licensing and cybersecurity regimes through early engagement with foreign regulators.

"AI, fintech, and digital platforms are, by their very nature, borderless," Smt. Sitharaman said, emphasizing that early-stage startups cannot navigate complex foreign regulatory systems alone.

Addressing AI safety risks, the Union Finance Minister cautioned that frontier labs are "racing straight to self-improving superintelligence." She urged the sector to build systems that are "fast yet accountable, autonomous yet reversible, and innovative without diluting consumer trust."
Highlighting real-world applications, she cited the Rural Electrification Corporation (REC) Limited's tokenized bond pilot under SEBI's sandbox, where bond settlement and payment occurred simultaneously using the RBI's Central Bank Digital Currency (CBDC).

During the event, Smt. Sitharaman released the flagship report, 'Balance: Thriving in the Age of AI,' presented by Boston Consulting Group (BCG), the thought leadership partner for GFF 2026. The report outlines a blueprint for AI-native financial institutions, projecting a 30–40% reduction in cost-to-serve and making over 400 million additional customers economically viable to serve through broader financial inclusion.

Discussing the dual nature of emerging technologies, the Minister raised a key question: How do we balance breakthrough efficiency against emerging systemic risk?

* Tokenization removes unnecessary intermediaries, enabling instantaneous asset transfers.
* Agentic AI moves beyond recommendations to autonomous action, compressing multi-day processes into seconds.
* Quantum Computing offers unprecedented processing power and security capabilities.

However, she cautioned that speed works both ways. Rapid transactions can cause software errors, fraud, and market shocks to spread just as quickly. While AI helps detect fraud faster, it also enables bad actors to launch sophisticated cyberattacks. Furthermore, quantum computing will soon require complete upgrades to traditional encryption standards.

"Our goal should be neither to block innovation out of fear nor to let speed compromise safety," she remarked. "Instead, we must separate wasteful operational friction from essential safeguards—such as human oversight and circuit breakers that protect the system."

Concluding her address, Smt. Sitharaman reiterated the five priorities outlined by Prime Minister Shri Narendra Modi in his inaugural speech:

1. Developing curated financial products for those underserved by traditional credit models.
2. Building cybersecurity systems of the highest standard.
3. Evolving industry-led ethical standards for data protection.
4. Strengthening engagement between regulators and innovators.
5. Developing a 'Fintech Consumer Protection Index' to evaluate companies through transparent ratings.

Smt. Sitharaman concluded by stating that India possesses both the experience to deploy technology at scale and the capacity to turn ideas into grounded solutions, emphasizing that innovation must always retain human oversight, accountability, and responsibility.

> Watch: Smt @nsitharaman's full address at the Global Fintech Fest 2026 in Mumbai, Maharashtra. @PIB_India @PIBMumbai @MIB_India @FinMinIndia @GffFintechfest #GFF2026 #GlobalFintechFest https://t.co/FoA4crrbXs
>
> — Nirmala Sitharaman Office (@nsitharamanoffc) September 11, 2026

> At Global Fintech Fest 2026, Smt @nsitharaman visited the exhibition by @NPCI_NPCI. The exhibition showcased: - FiMI: a purpose-built open-source 4-billion parameter Small Language Model (SLM) engineered specifically for enterprise banking workflows. Built to bridge the reliability gap left by LLMs, it delivers regulatory compliance, domain-accurate reasoning and operational efficiency directly on private infrastructure. - AiNxt: NPCI's enterprise-focused open-source Agentic AI platform, designed to enable banks, fintechs, and developers to build, test and deploy customized AI agents. @GffFintechfest #GFF2026 #GlobalFintechFest
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