According to G.O. M.S. No.409, Education dated 08-11-1995, and at the request of the late Sri Nandamuri Taraka Rama Rao Garu, the Government of Andhra Pradesh decided to establish a state-level university named 'Dakshina Bharata Visvavidyalayam' in Kuppam, Chittoor District, with the following objectives:

- To systematically, comparatively, and investigatively study literature, culture, art, etc., in the southern states.
- To promote Dravidian languages and culture in India and abroad.
- To develop all major languages of the Dravidian family as the medium for all spheres of teaching and research.

The Andhra Pradesh government accorded administrative sanction for an amount of Rs. 1.75 crores for the proposed "Dakshina Bharata Dravida Visvavidyalayam" as per G.O. Ms. No.411 dated 4/11/1995. A special officer, on par with a Vice-Chancellor, was appointed, and Prof. C. Subba Rao, Vice-Chairman of APSCHE, was appointed as the additional incharge of the post of Special Officer for Dakshina Bharata Dravida Viswavidyalayam. A committee was constituted to guide the establishment of the university, including members from Kerala, Tamil Nadu, Karnataka, and Andhra Pradesh.

On the recommendations of this committee, the Government of Andhra Pradesh established Dravidian University through a legislative act in 1997 at Kuppam. The university is located in a serene rural setting at the tri-lingual junction of Andhra Pradesh, Karnataka, and Tamil Nadu. The campus, spread over approximately 1000 acres and endowed with significant granite deposits, offers a peaceful environment suitable for dedicated studies and research. It is also free from pollution, with 97% oxygen levels, making it an ideal location for academic pursuits.

Prof. V.I. Subramoniam, a veteran Dravidian linguist, was appointed as the Pro-Chancellor for the period 1997-2000. During the formative years, the university appointed a Junior Steno, a Gardener, and an Assistant Registrar. Over the past 25 years, the university has been administered by nine Vice-Chancellors and nine Registrars. The statutory post of Rector has been filled by two members.

The university's journey, which began in 1997 in a small semi-permanent shed, has seen substantial growth over the years. Its noble goal of conducting advanced research in Dravidian studies has resulted in a prominent academic position. The university's early development was guided by the vision of the founding members, which included the design and construction of four key buildings—Vemana Bhavan, Tiruvalluvar Bhavan, Basava Bhavan, and Narayana Guru Bhavan—with an estimated budget of Rs. 3.20 crores in 2001. This effort was led by the first Vice-Chancellor, Prof. Arunachalam, and the then Registrar, Prof. B. Ramakrishna Reddy. The governments of Tamil Nadu, Karnataka, and Kerala contributed initial funding in honor of the great South Indian saints who immortalized the languages and cultures of the region.

The university has followed best practices in recruitment to identify strategic scholarly fields and recruit qualified faculty. Over time, Dravidian University has expanded to include eight schools, 17 departments, and five centers, offering approximately 23 courses. The introduction of a choice-based credit system marked a significant achievement, and the university has published around 42 books.

In October 2006, Dravidian University received UGC 12(B) recognition, and in 2007, it attracted Rs. 1.32 crores in funding from the UGC for the final phase of the X Plan. Additionally, the university's budget was significantly increased by the late Chief Minister Dr. Y.S. Rajasekhara Reddy, from Rs. 2.08 crores in 2005 to Rs. 6 crores in 2007. The funds were used to introduce IT Gurukulam and five-year integrated courses for the first time in the state.

In 2007, the university launched the Rajiv Gandhi Rural Resources Development Centre for Inclusive Education, aimed at providing free education to talented rural youth, especially those who dropped out after intermediate studies. The center provided free education, residential accommodations, and training for competitive exams. A request has been made to revive this system and establish a competitive examination coaching cell for rural students.

From 2015 to 2018, the university made notable progress, securing ninth place in the Swachh Campus National Ranking and receiving a B-grade accreditation from NAAC. During this period, the Government of Andhra Pradesh increased the university's annual budget to Rs. 22 crores, and the new auditorium, seminar hall, amphitheater, and academic building were established.

The university now offers 50 courses across UG, PG, and diploma programs, with an emphasis on employment-oriented courses such as journalism and academic writing. The university's publication division, Prasaranga, and Translation Bureau have published 298 books and five journals in the Dravidian languages—Telugu, Tamil, Kannada, and Malayalam—as well as English.

The multicultural nature of human development in South India is celebrated through the involvement of local communities and folk performers in events such as World Folklore Day. These events help develop communal solidarity and empower individuals and communities through networking for Dravidian cultural research.

Many faculty members have received honors and awards from the governments of the four southern states, as well as from central and state academic and cultural organizations. The university's research and knowledge dissemination efforts have contributed significantly to the fields of Dravidian languages, history, and culture. Many students have been mentored and guided toward better employment opportunities in neighboring cities like Bangalore and Chennai.