IMGC
Defining Tomorrow

THE TECH TALK

Contents:

Responsible AI

Responsible AI entails the development and deployment of artificial intelligence in a manner that is equitable, secure, and beneficial for all. It emphasizes the importance of AI systems that uphold human rights, mitigate harm, and operate with transparency and accountability.

Additionally, it encompasses the protection of personal data, the inclusion of diverse groups, and the assurance of AI systems' reliability and trustworthiness.
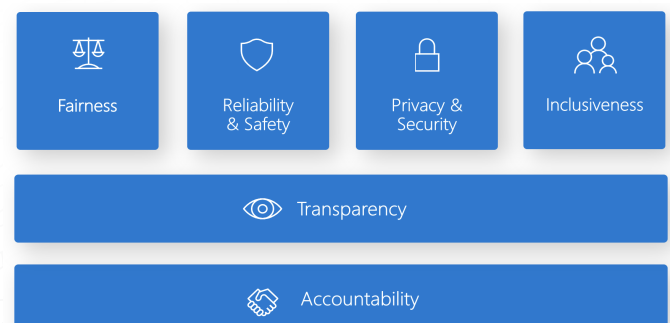
3 R's of Responsible AI

- **Robustness:** Ensuring that AI systems are resilient and can operate safely under a variety of conditions. This includes protecting against adversarial attacks, unexpected inputs, and other potential vulnerabilities.

- **Reliability:** Developing AI systems that perform consistently and accurately. This involves thorough testing, validation, and monitoring to ensure that AI systems deliver dependable results over time.

- **Responsibility:** Implementing ethical principles and guidelines to govern the use of AI. This encompasses transparency, accountability, and fairness, ensuring that AI technologies are used in ways that respect human rights and societal values.

Responsible AI Framework

A Responsible AI framework is a meticulously structured approach to the ethical and safe development and deployment of AI systems. It encompasses several key components:

- **Fairness:** Fair AI systems treat everyone equally, avoiding discrimination based on race, gender, age, or other traits.

- **Reliability & Safety:** Ensuring AI reliability means ensuring systems work accurately and consistently in different situations. Safety involves reducing risks, adding fail-safes, and keeping human oversight to prevent harm.

- **Privacy and Security:** Protecting data privacy and ensuring robust security measures are paramount.

- **Inclusiveness:** Inclusiveness in AI means using diverse data, involving people from various backgrounds, designing for accessibility, and ensuring benefits for all groups, especially those historically marginalized.

- **Transparency:** It is crucial to provide clear and comprehensible explanations of AI decision-making processes.

- **Accountability:** These mechanisms hold developers and users responsible for the ethical use of AI technologies.

By integrating these components, a Responsible AI framework ensures that AI technologies are developed and deployed in a manner that aligns with ethical standards and societal values. This approach not only enhances the trustworthiness of AI systems but also maximizes their positive impact on society.

Fairness	Reliability & Safety	Privacy & Security	Inclusiveness
Transparency			
Accountability			

Law and Regulations Overseeing AI Development and Usage

Even though there's no dedicated AI-specific legislation yet, India has several laws and regulations that indirectly govern AI:

- ✅ **Information Technology Act, 2000 (IT Act):** Governs electronic transactions and digital governance, including provisions like Section 43A for data privacy breaches.
- ✅ **Digital Personal Data Protection Act, 2023:** Focuses on personal data protection, data processing, user consent, and data processor obligations.
- ✅ **Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (IT Rules 2021):** Provides guidelines for digital media and intermediaries, applicable to AI systems handling user data.
- ✅ **Draft National Data Governance Framework Policy (NDGFP):** Aims to create a data governance framework for AI systems relying on large datasets.
- ✅ **National Strategy for Artificial Intelligence (2018):** Outlines the government's vision and approach to AI development and deployment.
- ✅ **Principles for Responsible AI (2021):** Emphasizes ethical AI development, including fairness, transparency, accountability, and respect for privacy and human rights.

These laws and initiatives ensure that AI development and deployment in India align with ethical standards and societal values.

Framework for Responsible and Ethical Enablement of AI (FREE-AI)

RBI SETS UP PANEL FOR ETHICAL AI USE

RBI has formed a committee to develop a Framework for Responsible and Ethical Enablement of AI (FREE-AI) which shall aim to ensure the ethical and responsible adoption of AI technologies and underscores the growing need to balance AI innovation with ethical considerations and risk mitigation in the financial domain.

Key Objectives of the Committee:

- ✅ Evaluate current global and Indian AI use in financial services, noting trends, opportunities, challenges, etc.
- ✅ Study international AI regulations in finance, identifying best practices for India
- ✅ Identify risks like bias, data security, and instability, recommending ways to mitigate and monitor them
- ✅ Propose a governance structure emphasizing accountability, fairness, and transparency
- ✅ Ensure financial institutions follow ethical AI principles
- ✅ Addressing other aspects of AI's role in India's financial ecosystem

Way Forward:

The RBI's initiative is both timely and forward-thinking, aligning with global efforts like the EU's AI Act and the OECD AI Principles to create ethical AI guidelines. The FREE-AI framework takes a proactive approach, making India a leader in ethical AI governance in financial services.

This committee aims to build a strong, inclusive, and transparent financial ecosystem by combining technology with ethical principles. As it begins its work, the financial sector and AI community are excited to see its recommendations, which could shape the future of responsible AI use in India and beyond.

The FREE-AI initiative shows India's commitment to using AI's power for good, promoting growth, fairness, and trust in the nation's financial system by creating a resilient, inclusive, and transparent financial ecosystem.

Our Vision:

"Act as a catalyst to make housing affordable in India by enabling risk optimization through data technology leverage"

Our Mision:

- Partner with the housing finance industry to drive financial inclusion goals and promote responsible lending
- Maximise shareholder value while maintaining prudent risk discipline

PROVIDED GUARANTEES IN OVER 400 LOCATIONS
to customers across India

HELPED OVER 1,30,000 FAMILIES
realise their dream of owning a home

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