

INTERNSHIP TRAINING

At

Jivi Health

Gurgaon

Project Title

Artificial Intelligence Regulations in India: A Review

By

Mr. Atishay Jain

PG/22/017

UNDER THE GUIDANCE OF

Dr. Sumant Swain

PGDM (Hospital and Health Management)

2022-2024



International Institute of Health Management Research New Delhi



Jivi Health Private Limited

+91-9818152187 | hello@jivi.ai
WeWork Forum, Cyber City,
Gurugram, Haryana, India 122002
GST 06AAGCJ1881K1ZB

June 28, 2024

To whomsoever it may concern

This is to certify that **Atishay Jain**, in partial fulfillment of the requirements for the award of the degree of MBA (Hospital and Health Management) from the IIHMR, Delhi has completed his dissertation at **Jivi Health Private Limited** as an **Intern - Clinical Affairs** during **February 5, 2024 to June 28, 2024**.

He has successfully carried out the study designed to him during internship training and his approach to the study has been sincere, scientific, and analytical.
We wish him all the best for future endeavors.

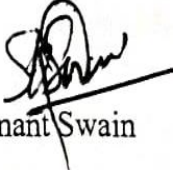
Sakshi Thapliyal
HR Manager
Jivi Health Private Limited

TO WHOMSOEVER IT MAY CONCERN

This is to certify that **Mr. Atishay Jain** student of **PGDM (Hospital & Health Management)** from the **International Institute of Health Management Research**, New Delhi has undergone internship training at “**Jivi Health**” from **Feb to June 2024**. The Candidate has successfully carried out the study designated to him during the internship training and her approach to the study has been sincere, scientific, and analytical. The Internship is in fulfilment of the course requirements.

I wish him all success in all his/her future endeavours.

Dr. Sumesh Kumar
Associate Dean, Academic, and Student Affairs
IIHMR, New Delhi



Dr. Sumant Swain
Assistant Professor
IIHMR, New Delhi

Certificate of Approval

The following dissertation titled "Artificial Intelligence Regulation" at "Jivi. AI" is hereby approved as a certified study in management carried out and presented in a manner satisfactorily to warrant its acceptance as a prerequisite for the award of **PGDM (Hospital & Health Management)** for which it has been submitted. It is understood that by this approval the undersigned do not necessarily endorse or approve any statement made, opinion expressed, or conclusion drawn therein but approve the dissertation only for the purpose it is submitted.

Dissertation Examination Committee for evaluation of dissertation.

Name

NAVEEN VASHIST

VINAY

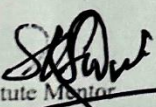
Dr. Piyush Kanti Khan.

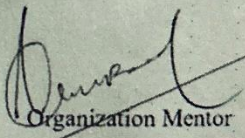
Signature

[Signature]
[Signature]
[Signature]

Certificate from Dissertation Advisory Committee

This is to certify that **Mr. Atishay Jain**, a graduate student of the PGDM (Hospital & Health Management) has worked under our guidance and supervision. She is submitting this dissertation titled "**Artificial Intelligence Regulations in India: A review**" in partial fulfilment of the requirements for the award of the PGDM (Hospital & Health Management). This Dissertation has the requisite standard and to the best of our knowledge, no part of it has been reproduced from any other dissertation, monograph, report or book.

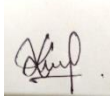

Institute Mentor
Dr Sumant Swain
Assistant Professor
IJHMR Delhi


Organization Mentor
Dr Gurukiran Babu Tumma
VP Clinical Services
Jivi Health

**INTERNATIONAL INSTITUTE OF HEALTH MANAGEMENT RESEARCH,
NEW DELHI**

CERTIFICATE BY SCHOLAR

This is to certify that the dissertation titled **Reliability of generative AI (Chat GPT Vs Gemini) in Emergency using AIIMS Triaging Protocol** and submitted by **Ms. Neha Rana** Enrolment No. **PG/22/058** under the supervision of **Dr. Sumant Swain** for the award of PGDM (Hospital & Health Management) of the Institute carried out during the period from **Feb 2024 to June 2024** embodies my original work and has not formed the basis for the award of any degree, diploma associate ship, fellowship, titles in this or any other Institute or other similar institution of higher learning.



Signature



INTERNATIONAL INSTITUTE OF HEALTH MANAGEMENT RESEARCH (IIHMR)
Plot No. 3, Sector 18A, Phase- II, Dwarka, New Delhi- 110075
Ph. +91-11-30418900, www.iihmrdelhi.edu.in

CERTIFICATE ON PLAGIARISM CHECK

Name of Student (in block letter)	Dr/Mr./Ms.: ATISHAY JAIN		
Enrolment/Roll No.	PG/22/017	Batch Year	2022-2024
Course Specialization (Choose one)	Hospital Management	Health Management	Healthcare IT
Name of Guide/Supervisor	Dr/ Prof.: SUMANT SWAIN		
Title of the Dissertation/Summer Assignment	Artificial Intelligence Regulations in India : A Review		
Plagiarism detects software used	"TURNITIN"		
Similar contents acceptable (%)	Up to 15 Percent as per policy		
Total words and % of similar contents Identified	10 %		
Date of validation (DD/MM/YYYY)	29 June, 2024		

Guide/Supervisor

Name:

Signature:

Report checked by

Institute Librarian

Signature:

Date:

Library Seal

Student

Name: **Atishay Jain**

Signature:

Dean (Academics and Student Affairs)

Signature:

Date:

(Seal)

FEEDBACK FORM
(Organization Supervisor)

Name of the Student: Atishay Jain

Name of the organisation: Jivi Health Pvt. Ltd.

Area of Dissertation: Artificial Intelligence Regulation in India
: A Review

Attendance: Good attendance.

Objectives met: Successfully met all the objectives. He has shown a strong ability to support his coworkers and provide valuable insights to the team.

Deliverables: All tasks were completed on time. His contribution have been consistently reliable and insightful.

Strengths: → He is always supportive and helps out his coworkers wherever he can.

→ He has a strong analytical skills and provides valuable insights to the team.

Suggestions for Improvement:

→ He should learn how to manage his time better to get more done in a day.


Signature of the Officer-in-Charge

(Internship)

Date: 03/07/2024

Place: Gurgaon

ACKNOWLEDGEMENT

While we look back on the past three months, which have been incredibly busy and eventful, I want to express our gratitude to everyone who has provided us with invaluable counsel and direction. This report would not have been possible without the support of those named below.

Firstly, we would like to thank IIHMR DELHI for giving us the chance to team up with Jivi.ai. I am extremely thankful to **Dr. Gurukiran Tumma** for believing in me and giving me the chance to work at Jivi.ai, as well as to my mentor, **Dr Sumant Swain**, for all her hard work and diligent insights through these two years of IIHMR journey.

I want to sincerely thank everyone for their support, with special thanks to **Mr. Ankur Jain**, the CEO, for his invaluable insights and counsel. I want to thank our technical team members and lead, **Ms. Ritu Saini**, for providing me with the amazing chance to learn technical skills and be involved in the project itself. Both personally and professionally, this has been an amazing experience.

The Clinical Team has worked hard to implement this new knowledge and information in the most efficient way possible and to enhance it even more to meet the career goals that have been set for us. Additionally, I want to express my gratitude to my clinical teammates for joining me on this wonderful trip.

Table of Contents

About The Organization	11
Abstract	12
Background	13
Objectives	14
Rationale for the Study	Error! Bookmark not defined.
Approach and Methodology	15
Key Findings / Results	17
I. Issues Driving Discussions in AI Regulations	17
II. Artificial Intelligence Regulations Across the Globe:	18
III. Analysis of the Regulations / Insights	23
IV. Recommendations for AI regulations in India, compared with the approaches taken by the U.S. and EU	25
V. Sectoral Challenges	26
VI. Gaps in current AI Policies in India	30
CONCLUSION	32
REFERENCES	33

About The Organization



Jivi.ai is a healthcare startup company founded by Mr. Ankur Jain, the former Chief Product Officer of BharatPe. The main objective of the organization is to revolutionize primary healthcare through the utilization of artificial intelligence. Jivi AI uses massive language models, machine learning, generative AI, and digital health technologies to enhance healthcare accessibility and efficacy.

Since it was established in December 2023, the company has assembled an interdisciplinary team of experts and scholars from esteemed universities including Stanford, MIT, Harvard, and Yale. With intentions to expand its operations to the US, Jivi AI has already worked with more than 100 doctors, physicians, and hospitals, mostly in India.

The ultimate objective of Jivi AI is to enhance global healthcare outcomes for billions of people. To support its growth and development, the firm has acquired its first initial funding and is currently negotiating additional finance rounds.

Jivi's Large Language Model (LLM), Jivi MedX, achieves an average score of 91.65 across the nine benchmark categories on the leaderboard, surpassing well-known LLMs like OpenAI's GPT-4 and Google's Med-PaLM 2. Leading AI platform Hugging Face hosts the leaderboard, which rates LLMs with a focus on medicine based on how well they respond to questions about medicine from tests and studies.

Abstract

In the past decade, Artificial Intelligence (AI) has significantly impacted both industry and societal norms. This rapid advancement has also introduced a complex array of ethical, legal, and societal challenges, highlighting the necessity for a robust regulatory framework. This article explores the developments, obstacles, and regulations associated with AI over the last decade. It outlines a multifaceted journey underscoring the need for regulation in the age of AI.

By examining the regulatory landscapes in the United States, the European Union, and India, the study identifies key areas requiring oversight and offers a global perspective on AI regulation. Additional insights come from analysing different regulatory approaches, factors driving AI regulation discussions, and the roles of various stakeholders including law enforcement, businesses, and individuals in shaping AI governance.

Background

The last decade has witnessed a remarkable surge in AI development, with significant progress across numerous subfields and applications. While the 1990s marked a transition from early rule-based systems to data-driven learning, propelled by advances in computing power and the availability of digital data, the recent AI revolution has been driven by breakthroughs in computer vision, robotics, and natural language processing (NLP) since the 2000s. Nevertheless, the significant advancement of AI can largely be attributed to the advent of deep learning and expansive neural networks. A notable milestone was the introduction of Generative Pre-trained Transformers (GPT), with GPT-3 in 2020, featuring 175 billion parameters and demonstrating remarkable capabilities in text generation and natural language understanding. This success, along with subsequent models like GPT-4, continues to push the limits of AI. Over the past decade, there has been an era marked by extraordinary innovations and breakthroughs in AI technology. Machine learning, particularly deep learning, has propelled AI applications to unprecedented levels, enabling machines to perform tasks once thought to be solely within the human domain. AI's transformative potential spans natural language processing, computer vision, autonomous vehicles, personalised recommendation systems, and medical diagnostics. These advancements have enhanced efficiency across various sectors and integrated into daily life.

Given these significant advancements, the necessity for robust regulatory frameworks of commensurate sophistication becomes evident. Such frameworks are vital for ensuring ethical progress, mitigating risks, and maximising the societal benefits of AI technology. As AI becomes increasingly embedded in daily life, regulation is essential to balance innovation with ethical considerations. The latest advancements, exemplified by GPT-4, underscore the urgent need for comprehensive regulations to guide the responsible development and deployment of AI technologies

Objectives

The primary objectives of this study are:

- To analyse the current state of AI regulations in India, including existing laws, policies, and guidelines.
- To identify the key challenges and gaps in the current regulatory framework.
- To compare AI regulation in India with that of the US and EU.
- To propose recommendations for the development of comprehensive and future-proof AI regulatory frameworks in India.

Rationale for the Study

The past decade's rapid advancements in Artificial Intelligence (AI) have revolutionised industries and societal norms, while also presenting complex ethical, legal, and societal challenges. This study aims to address the urgent need for a robust regulatory framework to manage these challenges.

By examining the regulatory landscapes of the United States, the European Union, and India, this research provides a comparative analysis of AI governance. These regions are selected for their significant influence and varied approaches to AI regulation. The study identifies key areas requiring oversight and explores different regulatory approaches and the factors driving these discussions.

This research is motivated by the necessity to bridge the regulatory gaps in AI to ensure responsible development and deployment. It aims to highlight the roles of law enforcement, businesses, and individuals in shaping effective AI governance. Ultimately, this study seeks to contribute to the creation of robust regulatory mechanisms that balance innovation with societal protection.

Approach and Methodology

Study Design: Narrative Review

Data Type: Secondary

Inclusion Criteria: English only articles, full –text articles, published, peer-review, review articles

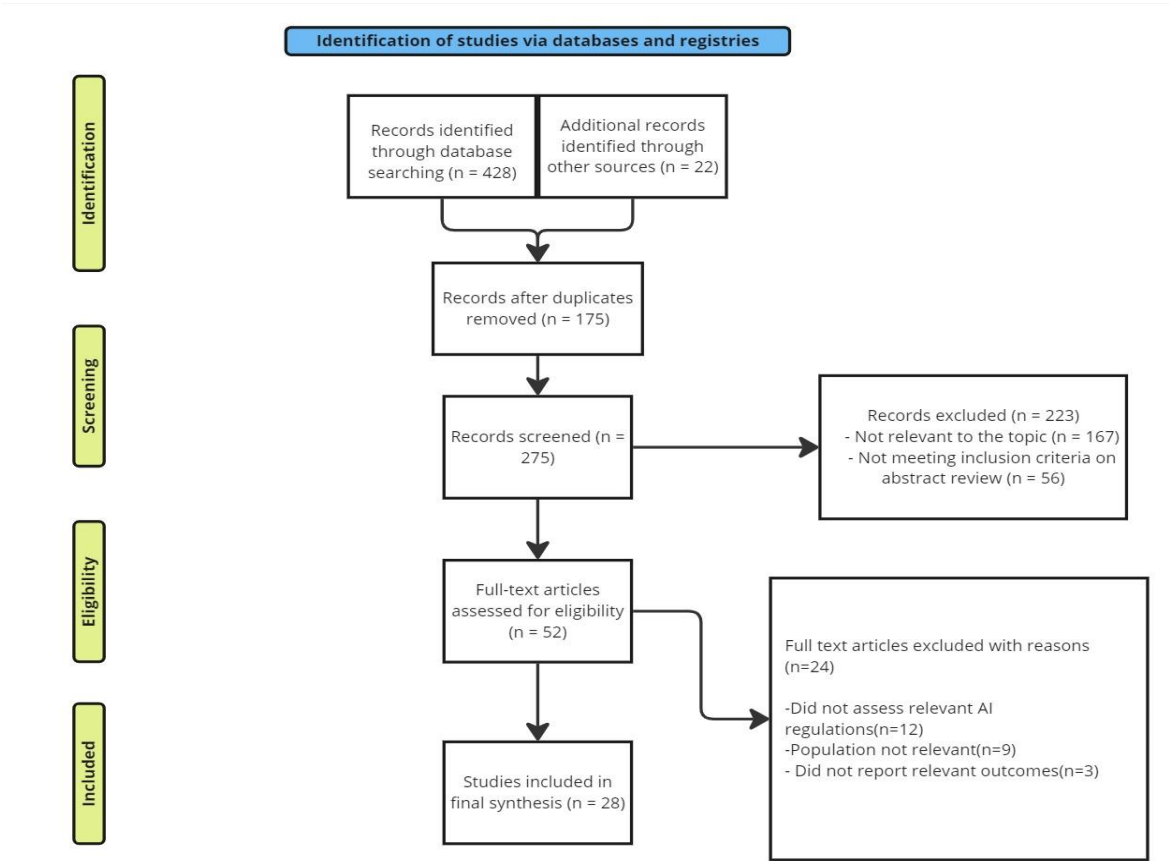
Exclusion Criteria: Newspaper reports, news, blogs, websites

Sample size: 28

Sampling method: A total of 52 articles, records, journals, documents were studied from various sources such as PubMed central, Google Search, Government websites, Google Scholar, etc. Among these, 28 articles were relevant to the study and matched with the keywords; therefore, these articles have been included in the study. As per exclusion of records is concerned, a total of 24 articles / records / journals / documents were excluded. The exclusion was based on mismatching of title, irrelevance of the context, keyword mismatching, absence of required parameters for the study. The search terms will include variations of "Artificial Intelligence," "Regulations," and "India," ensuring the inclusion of relevant articles, reports, policy documents, and grey literature.

Data Analysis: The data analysis involved thematic analysis of literature, policy documents, and relevant reports to identify common themes, key issues, and gaps in AI regulations. Comparative analysis was conducted to evaluate the alignment of Indian regulations with international standards and best practices. A modified PRISMA methodology is used to select & extract relevant article.

Study Selection Criteria



Key Findings / Results

1. Issues Driving Discussions in AI Regulations

The ethical AI regulations debate is driven by numerous critical issues and scenarios, each reflecting the challenges associated with AI's rapid growth. These include:

A. Bias:

1. **Algorithmic Bias:** AI systems can harbour latent biases, resulting in discriminatory and unjust outcomes. A recent incident highlighted AI's misinterpretation of black people's facial recognition, leading to incorrect results. Researchers have identified various types of bias, including those in online recruiting tools, word associations, online ads, facial recognition technology, and criminal justice algorithms.
2. **Discrimination in AI Systems:** AI can inadvertently introduce or worsen existing inequities, leading to biased outcomes. Reports, such as those from Scientific American, illustrate the severe impact of discrimination within AI systems.

B. Privacy:

1. **Protection of Personal Data:** The privacy discourse in AI revolves around the collection, storage, and use of personal data. Emphasis is placed on implementing effective privacy protection mechanisms and ensuring ethical and responsible data controls, in line with applicable data protection regulations.
2. **Prevention of Unauthorised Access or Misuse:** Efforts focus on preventing unauthorised access to personal data and reducing the risk of misuse. This involves setting up protocols to prevent data breaches and protect individuals from harm due to unauthorised access.

C. Safety:

Safety concerns centre on ensuring the reliability of AI systems across critical sectors like healthcare, transportation, military, public services, and government operations. Discussions aim to develop standards and protocols to secure AI applications in these areas, minimising the risk of errors or malfunctions with severe consequences.

D. Accountability:

The accountability conversation emphasises creating systems to ensure developers and deployers of AI systems act responsibly. This includes defining roles and legal liabilities to ensure adherence to ethical guidelines and norms.

E. Transparency:

Transparency is crucial, requiring AI algorithms and decision-making processes to be clear and understandable. This involves providing users and stakeholders with insights into how AI systems function, the factors influencing their decisions, and their outcomes. Transparent AI builds user confidence and raises awareness about the opaque nature of some advanced AI systems.

Overall, these discussions reflect a collective desire to address the intricate issues of AI regulation. Stakeholders are challenged with ensuring that AI technologies are developed and implemented responsibly, in alignment with societal values and ethical principles.

2. Artificial Intelligence Regulations Across the Globe

A. Regulations in the United States

In the US, the Federal Aviation Administration (FAA) and the Food and Drug Administration (FDA) are two examples of sector-specific organizations involved in AI oversight. The FAA plays a similar function in the aviation business to the FDA's regulation of healthcare AI through standards, recommendations, and norms. Because every industry uses AI in a distinct way, sector-specific legislation can be created to meet their specific requirements.

There is an increasing need for comprehensive federal law that tackles the broader ethical and societal consequences of AI as the technology develops and finds more uses. The necessity for inclusive regulatory frameworks that harmonize standards across different industries has spurred initiatives in this direction. The need for federal legislation reflects a desire for more efficient management of the cross-sectoral and multidisciplinary character of AI applications.

Proposed laws like the American AI Initiative Act and the Algorithmic Accountability Act (H.R. 6580) seek to create a more extensive regulatory framework. Federal legislative attempts are gathering steam. These programs are a big step in the right direction toward harmonizing standards and guaranteeing ethical AI development and application in all industries.

B. Regulations in the European Union

Artificial Intelligence Regulation (AI) has been actively pursued in the European Union (EU) to guarantee data privacy and moral decision-making. The General Data Protection Regulation (GDPR) is a fundamental framework that offers detailed instructions on privacy and data protection in the context of artificial intelligence. The EU's commitment to protecting human rights and ethical AI activities is emphasized by this rule.

Furthermore, the upcoming AI Act is a significant step toward creating a uniform regulatory framework for AI across the EU. The regulation of high-risk AI applications is given priority under this legislation, which takes a risk-based approach. To guarantee that AI systems follow accepted norms and moral precepts, it integrates conformity evaluation procedures at every stage of the AI lifecycle. This strategy reaffirms the EU's commitment to encouraging the responsible and accountable use of AI.

C. AI Regulations in India

India is currently developing and putting into effect legislative frameworks to supervise the regulation of AI. While full rules pertaining to AI are still in the process of being formulated, there are several efforts and recommendations that support the proper development and application of AI technology within the nation.

National Artificial Intelligence Strategy

India unveiled #AIFORALL, an inclusive AI project, in 2018 as a component of its initial national AI plan. This approach concentrated on important industries for AI invention and implementation, including healthcare, education, agriculture, smart cities, and transportation. Since its inception, India has taken a number of actions, such as developing high-quality datasets to facilitate research and innovation and putting in place legal frameworks for cybersecurity and data protection.

Principles for Responsible AI

The Principles for Responsible AI, a basic document that follows the national plan, was published in February 2021 by NITI Aayog. This paper presents India's plan for creating a responsible and ethical AI ecosystem spanning multiple industries. It covers systemic issues, with an emphasis on accountability and decision-making principles, as well as societal issues, with a focus on the effects of automation on employment. The article outlines seven overarching guidelines for ethical AI management, including transparency, accountability, equality, privacy and security, safety and dependability, inclusion and nondiscrimination, and the defense and upholding of moral standards.

Operationalizing Principles for Responsible AI

A follow-up document on applying the values established from ethical AI governance considerations was published by NITI Aayog in August 2021. This paper emphasizes the necessity of government cooperation with the business community and academic institutions to support the responsible use of AI in social areas. It demands skills building, legal and legislative changes, and private sector incentives for moral AI design.

Draft Digital India Act

The Information Technology Act of 2000 is to be replaced by the proposed Digital India Act 2023, which was announced in June 2022. The goal of this proposed legislation is to create a comprehensive legislative framework that addresses cybercrime, data protection, online safety, and intermediary regulation to support India's digital economy.

In order to safeguard users from potential harm, it also advocates setting up a new government agency to regulate the digital sphere and suggesting harsh fines for infractions in designated "no-go areas" for AI applications.

Draft National Data Governance Framework Policy

The draft National Data Governance Framework Policy (NDGFP) was made public by the Ministry of Electronics and Information Technology (MeitY) on May 26, 2022. By building a vast dataset repository, this program seeks to improve government data collecting and management while supporting an ecosystem for AI and data-driven research and businesses. Establishing the India Data Management Office, creating the India datasets platform, granting request-based access to datasets, and promoting donations of anonymized and non-personal data from the private sector are important components.

Draft Indian Standard: Information Technology – AI – Guidance on Risk Management

Draft Indian Standards for AI, which are comparable to ISO Standards, are being proposed by the Bureau of Indian Standards (BIS). A public consultation is now underway for three draft standards, which correspond to ISO/IEC 24668, ISO/IEC TR 24372, and ISO/IEC 38507, respectively. By establishing an interoperable framework that supports the legal and regulatory framework and makes policy making based on AI technology architecture easier, these standards seek to hasten the implementation of AI technologies.

Recommendations on Leveraging Artificial Intelligence and Big Data in the Telecommunication Sector

The Telecom Regulatory Authority of India (TRAI) released suggestions on July 20, 2023, for utilizing AI and big data in the telecommunications industry, following consultations in late 2022. According to the recommendations, there should be a multistakeholder advisory board and an independent statutory authority for AI regulations affecting all industries. Applications of AI will be grouped according to risk, with high-risk applications being governed by legally enforceable requirements. AI governance rules and ethical codes for lower-risk applications will be developed by the statutory authorities.

Roadmap for AI Ecosystem

MeitY introduced IndiaAI, a nationwide initiative that encompasses all advancements and research in AI, in March 2023. MeitY formed a task force to draft a roadmap for IndiaAI's development, organization, and operation using a multistakeholder approach. The roadmap was supposed to be finished by April 2023, however no changes have been released. It is anticipated that the IndiaAI framework will have a major impact on the country's AI ecosystem.

Global Partnership on Artificial Intelligence and International Collaboration

The Global Partnership on Artificial Intelligence (GPAI) has India among its members. Experts discussing their work on responsible AI, data governance, and the future of work, innovation, and commercialization were on display at the 2023 GPAI Summit, which was held recently in New Delhi. The GPAI website states that the organization's specialists provide deliverables that can be included into national plans to guarantee the equitable and long-term advancement of AI. Experts worked to guarantee AI is utilized responsibly to address global difficulties in 2023, concentrating on issues including climate change, global health, and societal resilience.

The 2023 Ministerial Declaration was approved by GPAI members at the summit, reinforcing their dedication to the responsible stewardship of AI in accordance with the OECD AI Principles. They highlighted efforts to close the knowledge gap between theory and practice, creating AI that is responsible, sustainable, and inclusive for all, and emphasized their commitment to putting these ideas into reality through the creation of rules, policies, standards, and other activities.

3. Analysis of the Regulations / Insights

Regulating Artificial Intelligence (AI) is a complex and evolving challenge, with varied approaches adopted worldwide. To develop a cohesive global strategy, it is crucial to understand the current regulatory landscape, extract insights, and pinpoint areas for improvement. Major AI-influencing nations utilise different regulatory frameworks: the United States employs sector-specific regulations, the European Union is moving forward with a risk-based approach through the proposed AI Act, and India is focusing on early-stage development with a strong emphasis on ethics.

Key regulatory concerns in these regions include privacy, data collection, data processing, and accountability for AI models. However, the lack of harmonisation among these regulations leads to confusion and uncertainty, particularly affecting developers and users in regions with limited resources and implementation capacity. Hence, international collaboration is essential to create an effective regulatory framework.

A global AI regulation strategy requires cooperation among governments, international organisations, industry leaders, and civil society. Global leaders should work to align national regulations while respecting regional differences. Establishing international standards for data privacy, bias mitigation, and ethical principles is critical, as AI systems often operate across borders, requiring coordinated regulations to prevent gaps and inconsistencies.

Region	Rationale	Approach	Benefits	Challenges
U. S	Sector-specific	Industry-specific	Preserves existing regulatory frameworks, leverages industry-specific expertise	Risk of inconsistency, overlap, and absence
EU	Risk-based	Centralised	Offers a holistic view of AI regulation, sets clear and unified standards	Lack of adaptability and efficiency
India	Development and ethics	Emerging	Focuses on development with ethical considerations	Lack of mature regulatory framework, potential implementation issues

Table 1. Summary of AI regulations Proposals

4. Recommendations for AI regulations in India, compared with the approaches taken by the U.S. and EU

India should consider implementing a risk-based framework for AI regulation, mirroring the European Union's AI Act, which classifies AI applications based on their potential impact on safety, privacy, and fundamental rights. This strategy will help prioritise regulatory efforts where they are most essential. Moreover, India should enhance its data privacy and protection laws to closely align with the EU's General Data Protection Regulation (GDPR), ensuring stringent measures for data privacy, consent, and protection. Such alignment will build trust and guarantee ethical handling of data in AI systems.

Creating sector-specific AI regulations, similar to the U.S. approach, would enable tailored oversight in various industries such as healthcare, finance, and transportation, leveraging domain-specific expertise to effectively address specific risks. Additionally, formulating and enforcing ethical guidelines that promote transparency, accountability, and fairness in AI systems, as emphasised by the EU's guidelines for trustworthy AI, is crucial. These guidelines should include measures to mitigate bias, ensure explainability, and uphold human rights.

India should actively engage in international AI forums and work towards harmonising its AI regulations with global standards, as both the U.S. and EU participate in international dialogues and collaborations to shape global AI policies. Collaboration with international bodies will help India stay updated with best practices and emerging regulatory trends. Establishing a centralised regulatory authority dedicated to AI oversight in India, akin to the EU's centralised approach through the AI Act, would ensure a cohesive regulatory framework across various sectors, promoting consistency and comprehensive governance.

Encouraging collaborations between government, industry, and academia to drive AI innovation while ensuring regulatory and ethical standards are met is also recommended. This public-private partnership approach, as fostered by the U.S., leverages private sector innovation while ensuring regulatory compliance. Furthermore, investing in education and training programs to build a skilled workforce capable of developing, regulating, and ethically deploying AI technologies is essential. Both the U.S. and EU invest in such

programs to build AI expertise, and strengthening India's talent pool will ensure effective management and innovation in the AI space.

By adopting a combination of risk-based and sector-specific regulations, enhancing data protection, establishing ethical guidelines, fostering international collaboration, and building regulatory capacity, India can develop a robust and forward-looking AI regulatory framework. Drawing on the approaches of the U.S. and EU, India can ensure that its AI ecosystem is both innovative and responsible, addressing the unique challenges and opportunities presented by AI.

5. Sectoral Challenges

The rapid integration of artificial intelligence (AI) across various sectors in India presents a complex landscape for regulatory frameworks. While AI holds immense potential for transforming industries, it also introduces significant challenges that need to be addressed through sector-specific regulations. In the financial sector, healthcare, transportation, and manufacturing, the deployment of AI technologies necessitates careful consideration of issues such as transparency, accountability, safety, ethical use, and data security.

Addressing these challenges requires a nuanced approach that balances innovation with the protection of public interests and ethical standards. This section explores the sectoral challenges posed by AI regulations in India, highlighting the need for comprehensive and adaptive regulatory measures to ensure the responsible and beneficial use of AI technologies.

Sector	Data	Model	Application
Manufacturing	<p>Training: Ensuring data is representative and applicable in different contexts.</p> <p>Processing: Handling personal data, especially in autonomous vehicles.</p> <p>Data Parity: Addressing the imbalance of data availability between large and small entities.</p>	<p>Safety: Levels of accuracy and precaution in AI systems.</p> <p>Testing: Procedures for pre-deployment testing.</p> <p>Assessment: Ongoing impact assessments of AI models.</p>	<p>Transition Costs: Potential worker displacement and skill shifts.</p> <p>Competition: Impact of AI on competition within the sector.</p> <p>Human Liability: Balancing automation with human oversight to avoid moral crumple zones.</p>
Fintech	<p>Diverse Financial Footprints: Training models considering varied financial capabilities.</p> <p>Bias: Addressing systemic and historical biases.</p> <p>Unequal Collection: Balancing data collection across</p>	<p>Granularity: Providing detailed levels for decision-making subjects.</p> <p>Scrutability: Clear division of responsibility between human and automated decisions.</p>	<p>Impact Assessment: Ongoing monitoring and assessment of AI applications.</p> <p>Privacy: Protecting user privacy and data.</p> <p>Appeal: Establishing effective appeal mechanisms.</p>

	<p>different demographics.</p> <p>Data Margins: Inclusion of digitally or physically excluded populations.</p> <p>Consent: Ensuring informed consent for data collection.</p> <p>Proxies: Addressing proxies for protected characteristics.</p> <p>Security: Safeguarding users' financial data.</p>		
Agriculture	<p>Collection: Accurately representing small and marginal farmers in data.</p> <p>Historical Complications: Reflecting political and systemic issues in data.</p>	<p>Limits to Benefits: Assessing the actual value and risks of AI in agriculture.</p> <p>Impact Assessment: Defining and measuring model success.</p>	<p>Resilience: Safeguards against adverse effects of AI.</p> <p>Liability: Establishing redressal mechanisms.</p> <p>Equality: Bridging socio-economic divides.</p>

			Accessibility: Ensuring AI technologies are financially accessible to farmers.
Healthcare	Contextual Data: Obtaining reliable, accurate, and relevant health data. Security: Ensuring the security of sensitive health data. Consent: Maintaining informed consent for data use.	Applicability: Ensuring models are relevant to local socio-economic conditions. Impact Assessment: Ongoing assessment of AI models.	Trust: Building patient trust and ensuring data security. Liability: Defining responsibility in decision-making processes.

6. Gaps in current AI Policies in India

1. Fragmented Policy Process

- **Lack of a Single Regulatory Body:** AI policy development in India lacks coordination, with no single ministry or department overseeing AI implications and opportunities. Efforts are ad hoc and lack coherence.
- **Economic Development Focus:** Current initiatives prioritize economic growth, often overlooking the broader societal, ethical, and legal implications of AI.

2. Ethical Considerations

- **Innovation vs. Ethics:** There's a prevalent but false dichotomy between innovation and ethics. Ethical choices should be integral to AI development, not an afterthought.
- **Impact on Everyday Life:** The irreversible and often undetectable impacts of AI on society require equal consideration alongside economic opportunities.

3. Inclusivity in AI Development

- **Limited Stakeholder Engagement:** Current initiatives involve primarily government, industry, and occasionally academia, but lack civil society engagement. This exclusion risks marginalizing ethical and social considerations.
- **Need for Collaborative Approach:** AI policy should involve a broader range of stakeholders, including civil society, to ensure a sustainable and effective AI ecosystem.

4. Limitations of Data-Driven Decisions

- **Over-Reliance on Technology:** There's an overemphasis on technological solutions for systemic societal problems, often ignoring the limitations and potential risks of automated, data-driven decision-making.
- **Fairness and Justice:** Just because a decision is data-driven doesn't guarantee it is fair, just, accurate, or appropriate.

5. State Use of AI

- Law Enforcement and National Security: Increased use of AI by the state in these areas lacks clear policy guidelines and limitations.
- Transparency and Rights: There is a need for more transparency and critical debate on how AI affects individual rights and the relationship between individuals and the state.

CONCLUSION

The past decade has seen extraordinary advancements in Artificial Intelligence (AI), transforming industries and societal norms. As AI technologies continue to evolve, the importance of robust regulatory frameworks becomes increasingly evident. This article provides a comprehensive analysis of the AI regulatory landscapes in the United States, the European Union, and India, highlighting the key areas requiring oversight and offering a global perspective on AI governance. However, the absence of a unified framework presents challenges in managing the cross-sectoral nature of AI applications

In conclusion, as AI becomes increasingly integrated into daily life, the need for comprehensive and adaptive regulatory frameworks is paramount. By learning from the regulatory approaches of the U.S. and EU, and addressing the unique challenges faced by emerging AI ecosystems like India, a balanced approach can be developed. This will ensure that AI technologies are deployed responsibly, maximising societal benefits while mitigating risks. The journey towards robust AI governance requires a collaborative effort involving governments, industry leaders, and civil society, ensuring that AI advancements align with ethical principles and societal values.

REFERENCES

1. Ogunkeye, Gbenga, A Literature Review on The Regulation of Artificial Intelligence (April 22, 2024). Available at SSRN: <https://ssrn.com/abstract=4803353> or <http://dx.doi.org/10.2139/ssrn.4803353>
2. Durga Chavali, Biju Baburajan, Ashokkumar Gurusamy, Vinod Kumar Dhiman, Siri Chandana Katari, Regulating Artificial Intelligence: Developments And Challenges, Int. J. of Pharm. Sci., 2024, Vol 2, Issue 3, 1250-1261. <https://doi.org/10.5281/zenodo.108984>
3. European Commission. Proposal for a Regulation laying down harmonized rules on Artificial Intelligence (Artificial Intelligence Act) and amending certain Union legislative acts. 2021. Available from: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021PC0206>
4. U.S. Government Accountability Office. Artificial Intelligence: An Accountability Framework for Federal Agencies and Other Entities. 2021. Available from: <https://www.gao.gov/products/gao-21-519sp>
5. National Institute of Standards and Technology. U.S. Leadership in AI: A Plan for Federal Engagement in Developing Technical Standards and Related Tools. 2019. Available from: https://www.nist.gov/system/files/documents/2019/08/10/ai_standards_fedengagement_plan_9aug2019.pdf
6. NITI Aayog. National Strategy for Artificial Intelligence #AIFORALL. 2018. Available from: <https://www.niti.gov.in/sites/default/files/2021-02/NationalStrategy-for-AI-Discussion-Paper.pdf>
7. NITI Aayog. Principles for Responsible AI. 2021. Available from: https://www.niti.gov.in/sites/default/files/2021-02/Principles_for_Responsible_AI_Feb2021.pdf
8. Ministry of Electronics and Information Technology (MeitY). National Data Governance Framework Policy. 2022. Available from: <https://www.meity.gov.in/writereaddata/files/Draft-National-Data-Governance-Framework-Policy.pdf>

9. Bureau of Indian Standards. Draft Indian Standard: Information Technology – AI – Guidance on Risk Management. 2022. Available from: <https://www.bis.gov.in/index.php/standards/it-standardization>
10. Telecom Regulatory Authority of India. Recommendations on Leveraging Artificial Intelligence and Big Data in the Telecommunication Sector. 2023. Available from: https://www.trai.gov.in/sites/default/files/20230720_Reco_AI_BigData.pdf
11. Global Partnership on Artificial Intelligence (GPAI). 2023 Ministerial Declaration. 2023. Available from: <https://www.gpai.org/projects/ministerial-declaration>
12. Organisation for Economic Co-operation and Development (OECD). OECD Principles on AI. 2019. Available from: <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0449>
13. World Health Organization. Ethics and Governance of Artificial Intelligence for Health: WHO Guidance. 2021. Available from: <https://www.who.int/publications/i/item/9789240029200>
14. The White House. National Artificial Intelligence Initiative Act of 2020. 2020. Available from: <https://www.congress.gov/bill/116th-congress/house-bill/6216/text>
15. European Commission. Ethics Guidelines for Trustworthy AI. 2019. Available from: <https://ec.europa.eu/futurium/en/ai-alliance-consultation/guidelines>
16. United Nations Educational, Scientific and Cultural Organization (UNESCO). Recommendation on the Ethics of Artificial Intelligence. 2021. Available from: <https://unesdoc.unesco.org/ark:/48223/pf0000379920>
17. Government of India. Digital India Act. 2023. Available from: <https://www.meity.gov.in/content/digital-india-act>
18. National Institute of Standards and Technology. Artificial Intelligence Risk Management Framework. 2022. Available from: <https://www.nist.gov/itl/ai-risk-management-framework>
19. European Commission. General Data Protection Regulation (GDPR). 2016. Available from: <https://gdpr-info.eu/>

20. NITI Aayog. Operationalising Principles for Responsible AI. 2021. Available from: [https://www.niti.gov.in/sites/default/files/2021-08/Operationalizing Principles for Responsible AI Aug2021.pdf](https://www.niti.gov.in/sites/default/files/2021-08/Operationalizing_Principles_for_Responsible_AI_Aug2021.pdf)
21. U.S. Department of Defense. AI Ethical Principles. 2020. Available from: <https://media.defense.gov/2020/Oct/30/2002525927/-1/-1/0/DOD-AI-ETHICS-PRINCIPLES.PDF>
22. 23 .Indian Council of Medical Research. National Ethical Guidelines for Biomedical and Health Research Involving Human Participants. 2017. Available from: https://www.icmr.nic.in/sites/default/files/guidelines/ICMR_Ethical_Guidelines_2017.pdf
23. European Union Agency for Fundamental Rights. Getting the Future Right – Artificial Intelligence and Fundamental Rights. 2020. Available from: <https://fra.europa.eu/en/publication/2020/artificial-intelligence-and-fundamental-rights>
24. U.S. Food and Drug Administration. Artificial Intelligence and Machine Learning in Software as a Medical Device. 2021. Available from: <https://www.fda.gov/medical-devices/software-medical-device-samd/artificial-intelligence-and-machine-learning-software-medical-device>
25. 26.Indian Ministry of Law and Justice. Information Technology Act. 2000. Available from: <https://www.meity.gov.in/writereaddata/files/itbill2000.pdf>
26. 27.Organisation for Economic Co-operation and Development (OECD). AI in Society. 2019. Available from: <https://www.oecd.org/going-digital/ai/principles/>
27. 28.European Parliament. The Impact of Artificial Intelligence on International Trade and Investment. 2021. Available from: [https://www.europarl.europa.eu/RegData/etudes/STUD/2021/653631/EPRS_STU\(2021\)653631_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2021/653631/EPRS_STU(2021)653631_EN.pdf)