Artificial Intelligence in Banks

As Indian government is struggling to restore the economy which is dwindling partially due to long term Banking sector mismanagement, the time today is most appropriate to adopt AI in Banks.

Indian Banks are facing problems for a long time. rising tide of NPA's, bad consumer experience, low financial inclusion and lack of professionalism etc advocate an urgent need to adopt AI for following reasons :-

(i) Rising Frauds - White collar crimes for example Niral modi case and RBI reported 73% surge of cyber crimes in banking sector are due to lack of data management and poor decisions.

AI intelligence provides a data driven quick decision mechanism which help to read project defaults and consumer's history

(ii) Financial inclusion - Even after Digital India mission & Jan Dhan campaigning, consumers specially in

village are vulnerable for poor service by ~~sum~~
law insurance penetration, & problem like digital,
illiteracy

AI provides chat Box like SIA of SBI and
EYA of HDFC for personalised & customize service.
Historical crop failure record's, medical & vehicle history
help in insurance penetration. Villagers specially petty
shopkeepers & women will get extra benefits.

(iii) Digitization - As the mobile penetration is on its peak
& data is cheappest in the country, AI adoption will
easily link with them.

(iv) [concerns]

(i) In the absence of Data protection law. & faulty data
AI is prone to hackers, cybercrime and wrong results

(ii) Digital literacy and lack of specialisation in banks related
to AI can result various disfunctions of AI.

However, the Block chain Revolution has
made it inevitable to adopt fintech solutions like AI
at earliest possible way. India should ripe the opportunity
of ~~having~~ being an IT giant to benefit from AI in solving
banking problems.