Q1. Has the bank started using the AI/ML in the bank?

Ans. Yes, the bank has started using AI/ML.

Q2. Since when the bank has been using the AI/ML?

Ans. The bank has started out the use of data Analytics since 2018 with a small team. Over time, both the size and skill level of the team have grown significantly, allowing the bank to scale up its AI/ML initiatives and enhance depth of its analytical capabilities.

Q3. Whether the bank has procured any dedicated analytical tool for AI/ML?

Ans. Yes, the bank has dedicated analytical tool for AI/ML

Q4. Whether the bank has kept security perspective in mind while implementing AI/ML?

Ans. The bank has deployed the AI/ML tool on in-house servers (on prem) to ensure security. Further, the bank IT security guidelines already in place are also adhered to. Regular IS Audit of the application /server is undertaken by IS auditor and necessary patching & updation of Application/servers is being done.

Q 5. How is AI/ML used in the banking industry?

Ans. In banking, AI/ML is used for:

- Customer service through chatbots
- Predictive analytics for loan approvals
- Personalizing customer experiences
- Credit scoring and risk management
- Automation of routine tasks
- Fraud detection

Q 6. What are the benefits of using AI/ML in banking?

Ans. AI/ML can:

- Improve decision-making by analyzing vast amounts of data.
- Increase operational efficiency through automation.
- Enhance customer experience with personalized services.
- Detect fraudulent activities in real-time.
- Reduce human error and improve risk management.

Q7. What are the types of products where bank has been using AI/ML?

Ans. The bank has been broadly using AI/ML under following categories

- Propensity modelling
- Customer Segmentation
- Customer Retention & Engagement Strategies
- Personalized Recommendations and Offers

- Process improvement.

Q8. Whether the bank has used AI/ML technique for process improvement/Optimisation?

Ans. Yes, the bank has used used AI/ML technique for process improvement/Optimisation. The bank has been used forecasting the Cash retention limit across various channels. The primary objective of this initiative is to effectively leverage machine learning algorithms to predict cash withdrawals or receipts pattern thereby optimizing cash retention limits. The process entails collecting historical data of withdrawal and receipt data to forecast the next month's limits, considering factors such as holidays and seasonal patterns.

Q9. Whether the bank has been using propensity modelling technique?

Ans. Yes, the bank has been using propensity modelling technique. Bank is using analytics algorithm to understand customer behaviour, preferences, and purchase patterns, transactional history to extract actionable insights from vast volumes of customer data. This insight has been used in facilitating precise targeting and segmentation for lead generation for customer having higher **product propensity** across different categories of product.

Q10. Whether the bank is using AI/ML for Customer Segmentation?

Ans. Yes, the bank is using AI/ML for Customer Segmentation. Bank has been using AI enabled analysis, which has helped to move beyond traditional demographic-based segmentation used previously to create customer segments. Currently, based on behaviour, preferences, demographic and engagement patterns customers are segmented into homogeneous groups. These homogeneous group identified using AI are easily targeted using tailor made marketing campaigns, communication strategies, and product offerings to resonate with each segment's specific needs and preferences.

Q11. Whether the bank is using AI for sentimental Analysis?

Ans. Yes, the bank is using AI for sentimental Analysis using NLP(natural language processing)technique.