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AI and the Law: The Bridge Between Code and Justice

SUMANTA GHOSH¹ AND DR. RIYA BANERJEE²

ABSTRACT

This article isn't about claiming all the answers on Artificial Intelligence or law instead it's about exploring what happens when these two distinct worlds collide. With the tools like ChatGPT, Midjourney, and Gemini becoming part of daily life, AI is advancing rapidly, while India's legal system still relies on older laws. The IT Act 2000 built before the AI became mainstream which fails to address critical issues like accountability, bias, or ethical misuse. Later frameworks like the SPDI Rules and the Personal Data Protection Bill, 2023, introduce much-needed data privacy elements yet they barely scratch the surface of deeper AI concerns. Creatives face another challenge like AI systems are often learn from real human work art, music, writing without giving credit or consent. This isn't just a legal debate it's a question of meaning and ownership. As Hayao Miyazaki once said that AI-generated art can feel like an "insult to life itself." This article takes a middle path between law and tech to ask that Can our legal systems adapt fast enough or can human creativity and rights be protected in the AI era. I'll later suggest concrete steps like AI specific regulations and ethical review boards. This isn't the final word but a beginning point to help society choose awareness over silence.

I. INTRODUCTION

We are witnessing a time when Artificial Intelligence is no longer part of imagination but something we use daily. Platforms like ChatGPT, Grok, Copilot, Midjourney, and DeepSeek and more like these are now part of how people write, think, and create. For lawyers these tools offer shortcuts, support, and new possibilities but also raise concerns that got ignored. As we move forward there is a divide which is growing. New age legal minds are adapting to these tools while many traditional practitioners stay distant and back by fear that machines might replace human reasoning. But this fear often hides a deeper issue which is lack of understanding. This paper is an attempt to explore what lies ahead not just the White areas of AI but also the grey areas. Without proper discussion and exchange of thoughts we may lose control. And instead of shaping the future we may simply sit idly.

¹ Author is an LLB student at JIS University, JIS University, Kolkata, W.B, India.

² Author is an Assistant Professor of Law at JIS University, JIS University, Kolkata, W.B, India.

The purpose here is very simple which is to ask whether lawyers and AI can work together or not and how the law can evolve to support that companionship with balance and responsibility.

II. LEGAL BACKGROUND IN INDIA

Artificial Intelligence (AI) is everywhere now like from chatbots to face recognition also automated decisions to predictive systems. But the question is how does Indian law handle AI? Are there any specific rules for AI? Or we just stuck with old laws trying to cover new technology? Let me break down how the Information Technology Act 2000 (IT Act)³ and the SPDI Rules 2011⁴ the newer Personal Data Protection Bill (PDP Bill) 2023⁵ and still in the Process of making Digital India Act which talks about AI also where they miss.

The IT Act and SPDI Rules. Old laws new tech?

IT Act³ was made in 2000 which is way before then AI became what it is today. Its main focus was on cybercrime, digital signatures, and electronic transactions. The SPDI Rules⁴ came later to protect sensitive personal data like passwords, health info, and financial data.

But if we look closely then there is not mention of AI anywhere.

They talk about data and privacy in a very basic way. For example, the SPDI Rules⁴ say companies must protect sensitive info and get consent before collecting it. But nothing is said about AI systems like how they use data and how decisions are made by algorithms or how they affect people. Basically, the IT Act³ and SPDI Rules⁴ are too old and no proper mention of AI. They cover only few cybercrimes and some data protection but nothing about AI ethics, fairness or accountability. If an AI makes a wrong decision or harms someone then these laws don't have any point like the fingers towards someone who is responsible. There are no clear rules about transparency and AI.

While the SPDI⁴ rules aim to protect sensitive personal data such as passwords, health information, and financial data but they do not address the challenges posed by Artificial Intelligence. Specifically, there are no rules that regulate the use of AI and no established guidelines to ensure AI systems operate fairly also no legal requirement for explaining decisions made by AI algorithms. There is no liability framework to hold any party

³ IT act 2000, India, available at: https://www.indiacode.nic.in/bitstream/123456789/13116/1/it_act_2000_updated.pdf (Last visited August 8, 2025)

⁴ SPDP Rule, India, available at: <https://dispur.nic.in/itact/it-procedures-sensitive-personal-data-rules-2011.pdf> (Last visited August 8, 2025)

⁵Personal data protection Bill 2023, India, Available at: <https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=1947264> (Last visited August 8, 2025)

accountable if an AI system causes any harm or makes errors. Essentially these laws are focus on data protection but fail to provide the necessary groundwork to manage the ethical considerations introduced by modern AI technologies.

Because if we don't know that total thing properly then how are we going to ask question

Personal Data Protection Bill 2023⁵?

India's PDP Bill⁵ is the India's first law which focuses on data protection. It's inspired by the laws from Europe's GDPR⁶ and tries to control how personal data is shared. Although the Bill does not mention AI directly but it slightly touching AI.

The Personal Data Protection Bill of 2023 takes a step toward regulating that how modern technologies including AI handle personal data. It requires companies to be open about their data processing methods and to obtain proper consent from users. The right has also been given to people that to erase their data if an AI system makes a decision that negatively affects them. The Bill recognizes the role of automated decision making and ensures that individuals have the right to know that how decisions about them are made and also question those decisions. Organizations must conduct Data Protection Impact Assessments to identify and reduce risks related to AI usage. It also has given special rules for sensitive personal data such as health, biometric and personal information which AI systems commonly process. This is good because it means AI developers must be careful with what they are handling but

Despite some progress in data protection there is still significant gaps remain when it comes to AI governance. Currently there are no clear rules on how companies should explain the decisions which are made by AI systems which leaving users uncertain about automated outcomes. Specific guidelines on AI ethics are also absent which creates a grey area around fairness and accountability. Similarly, there is no law defining who is liable if an AI system causes harm also no certifications exist to validate the safety or reliability of AI tools. Finally, there are no concrete rules on how AI systems should be tested or monitored which makes ensuring responsible AI deployment extremely challenging.

So, the PDP Bill⁵ is actually great for data protection which is important for AI but it doesn't fully handle unique challenges.

The Digital India Act⁷What's coming next?

The Digital India Act is still being drafted so details are not final. But from what is known that

⁶ General Data Protection Regulation, May 18, 2018, European Union, Available at: <https://gdpr-info.eu> (Last visited August 8, 2025)

⁷ Digital India Act 2023, India, Available at: <https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=1926443> (Last visited August 8, 2025)

the government wants to update and combine several digital laws to better control online platforms, data, and digital governance.

It seems this Act might start dealing with AI a bit more seriously by:

The upcoming Digital India Act⁷ which aims to address some of the challenges posed by AI and digital platforms. It proposes making platforms more accountable for how their algorithms operate like the ways content is displayed or moderated. Transparency in automated decisions is expected to become a requirement so the users can understand how outcomes are determined. The Act also aims on establishing grievance mechanisms to address issues caused by AI systems. Companies may be asked to conduct AI impact assessments to evaluate possible risks while a strong digital regulator could be empowered to detect the AI tools and digital services more effectively. These measures indicate a move toward a more structured approach to AI governance in India although the details are yet to be finalized. Penalizing misuse of AI like deepfakes or misinformation spread through automated tools.

Sounds promising, but since the Act isn't out yet so we don't know exactly how strong or clear the rules will be also there could be overlaps or confusion between this Act and the PDP Bill since both deal with data and digital tech

What's the overall picture?

If we look at the broader landscape then it becomes clear that India's current legal framework is struggling to keep the pace with AI. The IT Act³ and SPDI Rules⁴ are outdated offering little guidance on AI related issues. The Personal Data Protection Bill (2023)⁵ does provide some protection for personal data which are used by AI systems but it falls short on establishing a clear and AI specific regulations. Meanwhile the Digital India Act⁷ promises stronger rules for AI but still the details remain uncertain and the law is still in the drafting stage. Overall, there is a gap between rapid advancement of AI and the legal mechanisms. India currently lacks a dedicated clear legal system for AI like some other countries have started working on.

What are India's laws missing for AI?

When it comes to AI challenges like fairness, transparency and accountability Indian laws still fall short. For example, if an AI system wrongly denies someone a loan or recommends a poor medical treatment then there is no clear legal guidance on who should be held responsible. There are no requirements compelling AI companies to explain how their algorithms work or is there a mandate to regularly check AI systems for errors. Legal protections against AI driven discrimination are also missing and there are no established ethical standards for

building fair and safe AI systems. In short while AI is influencing important aspects of daily life the legal safeguards to ensure accountability and fairness are absent.

Why does this matter?

AI systems are increasingly shaping everyday life they influence who gets a loan, a job or critical medical care also directly affecting privacy, security and individual freedom. Without clear laws there's a real risk that people could be treated unfairly by AI, personal data could be misused, and companies may escape accountability when AI systems make mistakes.

What Can India Do Next?

To address the challenges of AI India could take several steps like first it could create a dedicated AI law or policy that clearly sets rules on accountability and transparency. AI systems should regularly be audited to detect errors and prevent harm. Liability must be clearly defined so it's obvious who is responsible if AI causes damage. At the same time AI must have boundaries that the actions respect human rights and fairness to ensure that no one is unfairly treated. A regulatory body focused on AI technologies could oversee compliance and guide development. Aligning AI rules with existing data protection laws like the PDP Bill would ensure consistency. Promoting public awareness about both the benefits and risks of AI which can help the society to adapt responsibly.

III. THE CREATIVE CRISIS: ARTISTS AND AI

Previously I have mentioned the problems and the issues that we need to focus but we also need to keep in mind the most important part Like the issues That artists are facing There are a lot of Platforms available to generate music generated art and text we already know. Some of the platforms are Midjourney, DALL-E, Ideogram, Leonardo AI and many more.

Recently Google has also launched A video generator which is Voe3. Many artists losing creative credit due to AI generated work trained on their content.

The recent trend which Went viral The Ghibli Art filter. During an NHK documentary ⁸in 2016 Hayao Miyazaki⁹ The cofounder of Studio Ghibli¹⁰ and the legendary director of classics like “**Spirited away**”, “**Princess Mononoke**” and “**My neighbour Totoro**” Was shown AI generated animation and after watching it Miyazaki said

⁸ HK Documentary, 2016, Japan, Available here: <https://www3.nhk.or.jp/nhkworld/en/shows/documentary/> (Last visited August 8, 2025)

⁹ Hayao Miyazaki, Japan, Available here: <https://www.oscars.org/collection-highlights/hayao-miyazaki> (Last visited August 8, 2025)

¹⁰ Studio Ghibli, Japan, Available here: <https://www.ghibli.jp> (Last visited August 8, 2025)

“I strongly feel this is an insult to life itself. I am utterly disgusted. If you truly believe that thing you’re doing is interesting, you are a very, very sad person. Who is going to be happy about this? Who’s going to be impressed?”, “I feel like we are nearing the end of time”

Miyazaki believes that animation and storytelling is a deep emotion and not something that AI can generate. AI can’t have empathy an emotional memory which drives the artist. Without a human touch, emotions and mistakes we can’t understand the feeling and which a machine can’t copy because machines can’t feel despair or the burden of memories and it is like a mockery of human emotion.

There is a particular scene from the movie *Princess Mononoke*¹¹ (1997) where the demon infected boar god covered in writhing black worms. That particular scene has taken over a year to fully complete because every single worm was hand drawn frame by frame. They believe if they use CGI, it will reduce the organic horror of the scene. That particular scene represents the curse of hatred and destruction so they had to usually express pain decay and chaos with precision.

IV. REAL STORIES THAT MAKE IT CLEAR

Case Study 1: The Algorithm That Denied a Job¹² (Amazon AI Recruitment Bias)

Between 2014 and 2018 a big global company Amazon tried to make the hiring process easier using AI. The idea was simple like feed the machine a lot of data about past 10 years of employees and let the algorithm decide who’s a good candidate. But what actually happened was shocking. The AI system started rejecting female applicants more often than men. Because the data it was trained on the data which only had profiles of male candidates. So, the machine learned that “male” equals “better,” and silently started filtering people based on gender without anyone realizing it at first.

This case hit me hard because it shows how machines can silently carry our past mistakes into the future. No one told the AI to be unfair it just reflected the data. But here's the problem like who do you blame? The developer? The company? Or just the data? This is exactly the kind of grey area Indian laws don’t talk about yet. If something like this happens here then how do we fix it? Who answers for the person who never even knew they were rejected silently?

¹¹ *Princess Mononoke*, Japan, Available here: <https://www.bbc.com/culture/article/20220713-princess-mononoke-the-masterpiece-that-flummoxed-the-us> (Last visited August 8, 2025)

¹² Amazon AI Recruitment Bias, 2014-2018, United states, Available here: <https://www.aclu.org/news/womens-rights/why-amazons-automated-hiring-tool-discriminated-against> (Last visited August 8, 2025)

Case Study 2: A Wrong Diagnosis from a Machine¹³ (IBM Watson for Oncology)

In another example where also a well-known hospital tried to use an AI system called Watson for Oncology to help doctors treat cancer patients. It was supposed to suggest treatment plans based on global medical knowledge but things didn't go as it was planned.

In some cases, the AI gave wrong or unsafe suggestions. Like one shocking example involved recommending a medicine to a patient who was allergic to it. But thankfully the doctors caught the mistake before it reached the patient So it raises a big question like what if they hadn't?

This case made me think deeply about the role of machines in healthcare. We trust doctors with our lives because they understand not just reports but also emotions, history and pain. Can we say the same for AI? If something goes wrong the is the hospital to blame? The software developer? Or is it just a "technical glitch"? In India, if an AI assisted diagnosis harms someone then there's no specific law that defines accountability yet. And without that, people may suffer without ever knowing who to question.

Case Study 3: The Artist Who Sued the Machine¹⁴ (Getty Images vs. Stability AI)

In January 17, 2023 the Getty Images, a huge stock photo company filed a lawsuit against an AI company called Stability AI. They claimed that their copyrighted images were used to train an AI model without their permission. This means the machine was learning from thousands of real human photos which has taken with effort, experience and emotions and then creating new images that looked similar without giving credit or payment to the original artists or the owner of that work.

This case shook the creative world because It's not just about photos or ownership instead it's about the heart behind the work. Think of someone who spent years learning how to tell stories through images. Now a machine trained on their work is generating images in seconds. But it doesn't carry the journey, the doubt, the nights spent fixing details. This case shows how AI is not just copying data but it's copying human expression and in India, there's still no proper legal mechanism to protect creators when their style or art is borrowed by a machine without their permission.

¹³ IBM Watson, 2017, Texas, Available here: <https://sites.psu.edu/leapforpit/artificial-intelligence/ibm-watson-in-oncology/> (Last visited August 8, 2025)

¹⁴ Getty Images (US) Inc and others v Stability AI Ltd., January 2025, US, Available here: <https://www.hsfkramer.com/notes/ip/2025-01/navigating-representative-actions-takeaways-from-getty-images-v-stability-ai> (Last visited August 8, 2025)

V. THE WAY FORWARD: MIRROR TO HOW IT'S HANDLED

We are not asking anyone to stop using AI. That would be like saying stop using the internet it's not possible, and honestly, it's not even necessary. AI is powerful, helpful, and sometimes even magical. But let's not pretend everything is perfect when it is not and we are aware of that.

What's unfair is how companies handle it. They say, "We've already mentioned in the terms and conditions that data might be used," or "We're not liable for wrong results," or "The tool is still learning." But the truth is they bury these warnings in a place no one reads. Meanwhile, their marketing shows only the best side: "Get results fast," "Be creative," "Save time," etc. But they don't talk about the grey where the data comes from, who is affected, or what can go wrong. That's where the problem lies. So instead of panic or blame, here are 10 things we need to start doing seriously, urgently, and honestly before this tool we built to help us starts acting on its own terms.

1. Create a Dedicated, Robust AI Law

India needs a law focused entirely on AI and not just a small clause buried in the old IT Act. Inspired by Europe's GDPR⁶ and the EU AI Act¹⁵ this law should clearly define what companies can and cannot do with AI. It must address bias, accountability, and explain ability ensuring that AI decisions can be understood and challenged. Major AI projects should not be allowed to run without proper testing and disclosure. It's time to stop treating AI as just another "app" and recognize it as it can put far reaching impact on society.

2. Terms & Conditions Should Speak Human

Users don't ignore terms and conditions because they don't care they ignore them because they're written like legal puzzles meant to be skipped. Companies should be legally required to present key risks in plain language. Pop-ups or summaries should clearly state, for example, "This tool may use your content for training," or "This decision was made by AI, not a human." The language should be simple enough for a school student to understand, and if ads show the shiny side of AI, the real risks must be transparent in the fine print.

3. Big AI Tools Must Let Us Verify Their Work

Every major AI system like OpenAI, Midjourney or others should be legally required to offer a free open tool that lets anyone check whether a piece of text, image, or music was created by

¹⁵ EU AI Act 2024, European union, Available at: <https://www.europarl.europa.eu/topics/en/article/2023/06/01STO93804/eu-ai-act-first-regulation-on-artificial-intelligence> (Last visited August 8, 2025)

their AI. or not This is crucial to prevent the circulation of misinformation, stop AI-driven frauds and give artists and writers a way to track if their style or work has been copied without permission.

4. Explainable AI Should Be Non-Negotiable

Explainable AI must be non-negotiable. Whenever an AI system makes a decision that affects someone's life like rejecting a loan, filtering a resume, or predicting a health risk simply by saying "the machine decided it" is not enough. Users need to know which factors influenced the decision and whether the outcome was fair and how they can appeal or challenge it. Parts of the EU have already started implementing these standards and it is high time India takes similar steps to ensure AI systems remain transparent and accountable.

5. Make AI Risk & Bias Testing Mandatory Before Public Use

Before releasing any large-scale AI system in the public, it needs to be essential to conduct thorough pre-launch evaluations. This includes bias testing to ensure fairness across genders, languages, and socio-economic groups as well as safety assessments to identify and address potential misuse. Additionally, a transparency report should clearly outline the types of data was used in training. These results must not remain internal but instead be reviewed by an independent auditing body and must be made publicly accessible ensuring accountability and preventing companies from quietly burying critical findings.

6. Set Up a National AI Ethics Commission (Not Just a Tech Department)

There must be an independent National AI Ethics Commission, not just another sluggish government department lost in paperwork. This body should unite minds from every sphere lawyer to guard justice, psychologists to read the human cost, engineers to ensure technical soundness, artists to protect creativity, and social thinkers to foresee long-term impact. Their task would be to review major AI tools, raise urgent alarms when necessary, and craft rules that weave legal precision with human empathy. In essence, it should be a living conscience for the nation's AI future.

7. Give Creators & Artists the Right to Say NO to AI Training

In the age of AI, creators and artists should have the absolute right to refuse the use of their work for training purposes. Too often, paintings, writings, photographs, and even voices are fed into algorithms without consent, as if being online automatically meant they were free to take. India needs a clear law that protects against this. Artists must have the power to opt out of training datasets entirely, and if their work is used, it should come with both proper credit

and fair compensation. Tech companies should also be required to disclose exactly where their training data comes from, because art whether visual, written, or spoken is not just digital content; it is a piece of someone's soul, and it should never be treated as public property simply because it exists on the internet.

8. Hold AI Companies Responsible for Harm, Not Just Developers or Users

At present, when an AI system causes harm, companies often escape accountability by hiding behind disclaimers, claiming they “warned” users about possible inaccuracies. This is not enough. There should be clear liability laws stating that if an AI produces damaging outcomes—whether it's a deepfake scam, an unfair job rejection, or biased decisions—the platform behind it must be held accountable. Alongside this, there must be a proper mechanism for victims to file complaints and seek fair compensation. Without such responsibility, giving so much unchecked power to corporations becomes not only risky but dangerous.

9. Teach AI Awareness in Schools, Colleges & Public Workshops

If we want society to truly use AI with wisdom, awareness must start early right in schools, colleges, and even public workshops. This isn't about teaching everyone to code or build AI models but it's about giving people the tools to understand it. They should know what AI can actually do where is the limit and how to keep their personal data safe, and what immediate steps to take if something goes wrong. AI literacy should stand alongside digital literacy as a basic skill, so that interacting with AI becomes not just convenient, but safe, ethical, and informed.

10. Publish Quarterly AI Transparency Reports in Simple Language

Every major AI company should release the quarterly transparency reports just like financial statements but must be written in plain everyday language. These reports would outline what the AI tools have done in the past three months and how many mistakes or biases were identified also the steps taken to fix them and the number of user complaints received. The goal is to ensure that this information isn't buried under dozens of pages of technical jargon but instead remains clear concise and accessible to everyone.

VI. CONCLUSION

In this continuous changing world artificial intelligence is becoming part of our life. We don't need to be afraid of AI. But we do need to stop acting like it's a magic box. It's made by people, trained on people, and it affects people. So, we need rules, honesty, and understanding

not just warnings buried in fine print. We can't keep watching the future from the sidelines. It's time to step in, not to stop AI, but to shape it. The law stands at other side of the bridge our current legal system in India is struggling to match pace with this powerful technology which is challenging old rules and raises new questions of transparency and responsibility. There is also a risk of overshadowing the creativity of Human efforts and emotion which actually define us. Like an artist give their soul in every stroke and frame lawyers and lawmakers must give their heart and wisdom into crafting law which protect both innovation and empathy. Humanity without clear rules may lose control. This paper is a call to action for the lawmakers, lawyers and for the society to understand that AI is not an enemy but just a tool. It must be Handheld cautiously, responsibly If we fail to act then we may see ourself sitting idly and watching the future unfold without stepping in.

It is not an easy road. With the open mind and thoughtful law, we can walk together building a future where technology empowers human creativity, justice and dignity.

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