



AI Pulse

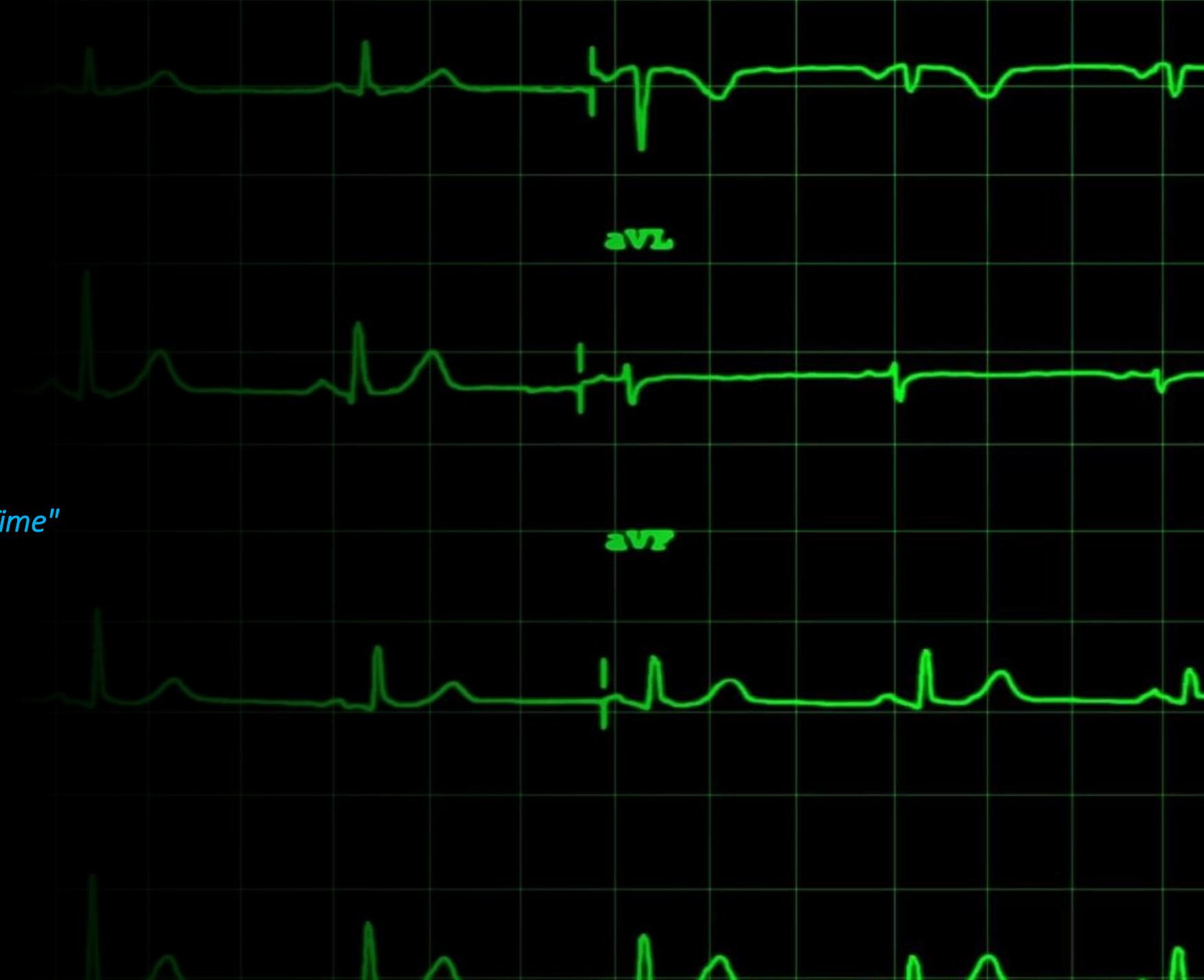
October 2025

"Demystifying AI, One Update at a Time"

AI Pulse is brought to you with the best compliments of

Er. Prof. Adv. Rtn. G. Surender Reddy

National Convenor, Me@AI India Initiative



Editorial

As artificial intelligence (AI) seeps deeper into our everyday lives, October 2025 feels like a threshold month. Around the world and here in India, the fierce debates we once reserved for futurists are now arriving in boardrooms, courts, and kitchen tables. From fresh government proposals to curb misinformation, to the shifting job landscape in tech, to ambitious efforts to build India-centric AI that understands hundreds of languages — the action is accelerating.

In this issue, we look at three dimensions: **Global Trends** — how power, regulation and models are shaping the landscape; **India Spotlight** — what's stirring locally and how India is positioning itself; and **Ethics & Policy** — perhaps the tightrope that will determine whether AI becomes a trusted servant or an uneasy master.

As always, our goal with *AI Pulse* is not prophecy but clarity. We hope you'll read, reflect (with a hint of skepticism), and share.

Let's dive in.

Warmly,

Dr. D. Samarender Reddy

Editor

A stylized globe with a network overlay. The globe is rendered in a dark red color with a grid of latitude and longitude lines. Overlaid on the globe is a complex network of glowing yellow and white nodes connected by thin lines, representing global connectivity or data flow. The text "Global Trends" is centered in a bold, yellow font.

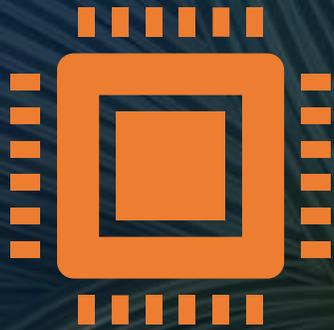
Global Trends

AI Sovereignty & Regional Strategies

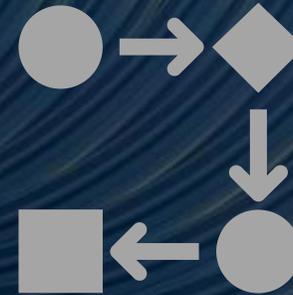
- The European Union is preparing a new **“Apply AI” strategy** aimed at reducing dependence on U.S. and Chinese AI platforms — promoting European-made AI systems in public administration, defense and industrial applications.
- Meanwhile, in the AI startup ecosystem, **Anthropic** has announced a massive hiring and expansion push outside the U.S., with **India becoming its second-largest usage market** (~7 % share).
- At a macro level, research shows that **China’s AI publication share has surged** over 25 years, pushing the balance of power in AI research and development. India, too, has been steadily rising in share and influence.

Takeaway: The AI field is no longer just about “who builds the best model” — it's about **who builds the ecosystem**: chips, talent, regulation, infrastructure, trust.

Model Use, Specialization & Emerging Capabilities



In India, a striking pattern: over half of AI usage still centers on coding and developer tasks, while globally that proportion is falling — as adoption matures, use diversifies into education, business operations, governance, and creative domains.



On the model front, progress continues in “multilingual foundation models.” The **Krutrim LLM** is a notable example: a model tailored for India’s linguistic diversity, with competitive performance on Indic benchmarks despite a more modest scale.



Infrastructure, Compute & Investment Pressures

- OpenAI CEO Sam Altman has embarked on a global tour to secure chip and memory capacity, meeting with semiconductor giants across Asia. **The demand for compute** is becoming a make-or-break factor for the next wave of AI models.
- However, on the investment side, **global funding into Indian startups** is showing signs of cooling: Indian startups raised about **\$8.6B across 926 deals** in the first nine months of 2025 — an 18 % drop year-over-year.
- Still, consolidation is underway: the SaaS + AI sector has seen fewer but larger deals, with acquisitions becoming more common as **firms aim to integrate AI capabilities swiftly**.



India Spotlight

Regulatory & Institutional Moves



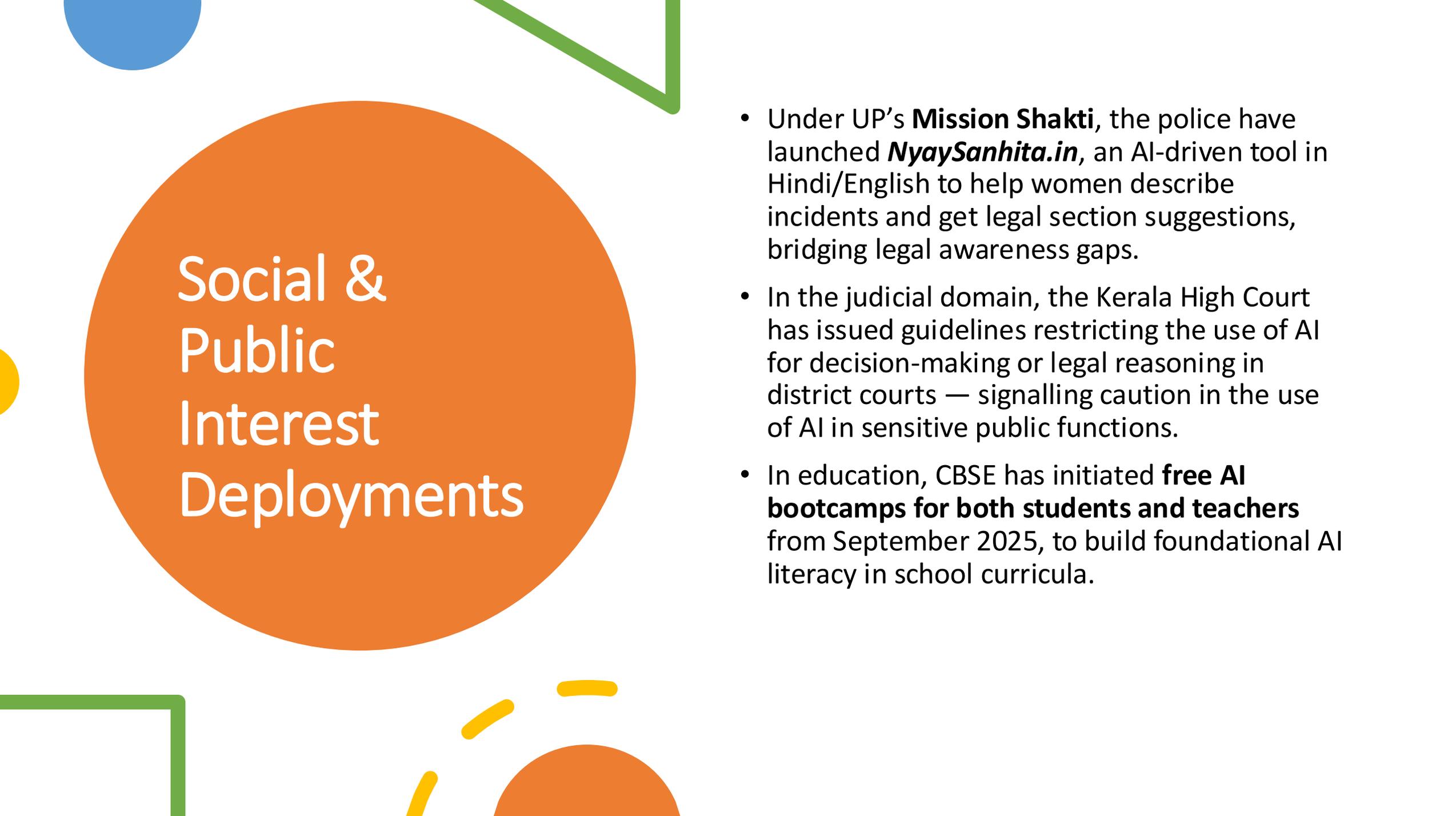
A RESERVE BANK OF INDIA (RBI) COMMITTEE HAS PROPOSED THE **FREEAI** FRAMEWORK (FRAMEWORK FOR RESPONSIBLE AND ETHICAL ENABLEMENT OF AI) FOR THE FINANCIAL SECTOR. THE REPORT OFFERS 26 RECOMMENDATIONS ACROSS INFRASTRUCTURE, GOVERNANCE, RISK, AUDIT, AND MORE.



IN PARLIAMENT, A PANEL HAS PROPOSED LICENSING AND MANDATORY LABELLING FOR AI-GENERATED CONTENT (VIDEOS, ARTICLES) TO COMBAT MISINFORMATION AND INCREASE TRANSPARENCY.



CONSUMER AFFAIRS SECRETARY NIDHI KHARE AFFIRMED THAT INDIA IS ACTIVELY PARTICIPATING IN GLOBAL AI ETHICS/STANDARDS COMMITTEES: 39 STANDARDS ALREADY EXIST, WITH 45 MORE UNDER DEVELOPMENT. ONCE FINALIZED, INDIA INTENDS TO ADOPT THEM.



Social & Public Interest Deployments

- Under UP's **Mission Shakti**, the police have launched ***NyaySanhita.in***, an AI-driven tool in Hindi/English to help women describe incidents and get legal section suggestions, bridging legal awareness gaps.
- In the judicial domain, the Kerala High Court has issued guidelines restricting the use of AI for decision-making or legal reasoning in district courts — signalling caution in the use of AI in sensitive public functions.
- In education, CBSE has initiated **free AI bootcamps for both students and teachers** from September 2025, to build foundational AI literacy in school curricula.

Industry, Employment & Talent Shifts

01

The Indian tech industry is facing turbulence: major firms have slashed thousands of roles in September 2025 as they reposition toward AI-first strategies (e.g. HCLTech, Oracle India).

02

On the bright side, India is leading global growth in AI hiring — with a year-over-year growth rate of 33.4%.

03

In the startup space, **Blinkit-AI** recently raised \$1.2 million to accelerate its AI integration across sectors.



Ethics & Policy

Global & Domestic Ethics Movements

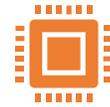
- **India is pushing to be more than a bystander:** crafting standards, participating in international AI ethics forums, and preparing to adopt them domestically.
- In telecom and infrastructure, a recent academic proposal argues for **AI incident reporting** (for failures, bias, malfunctions) to be integrated into existing telecom law frameworks — an effort to fill gaps in regulatory oversight.
- Universities and colleges are still struggling: a recent syllabus study found that **out of 3,395 computing syllabi, only 2.2 % included any standalone AI ethics content**, and often just a session or two.



Key Ethical Tensions Ahead

Issue	Why It Matters	Possible Mitigations / Risks
Content manipulation & deepfakes	AI-generated misinformation can mislead, defame, incite. The recent takedown of AI-generated Bollywood videos is a reminder.	Mandated watermarking, traceability, labelling, legal redress against misuse
Bias, fairness & exclusion	AI systems trained on global data can marginalize local dialects, social groups	Can be addressed through better datasets, fairness audits, participatory design
Transparency & accountability	People affected by AI (credit, hiring, policing) need recourse	Explainable AI, right to audit, regulatory oversight, contestability
Regulatory mismatch & fragmentation	Without coordination, innovation may be stifled or abused	Balanced regulation, sectoral frameworks (e.g., AI in finance, telecom), standards harmonisation
Job displacement & inequality	Automation may deepen divides even as new AI jobs emerge	Reskilling programs, social safety nets, inclusive growth strategies

Closing Thoughts & Looking Ahead



October 2025 feels like a hinge moment: AI is no longer just a novelty but a public infrastructure challenge. India is playing many roles simultaneously — consumer, innovator, regulator, ecosystem builder.



The scale and direction of compute and infrastructure investments in India (chips, data centres, localized models).



Going forward, some key things to watch:



The emergence of “ethical AI hubs,” incident reporting systems, and how India weaves ethics into education and regulation rather than bolting them on.



How the parliamentary proposals on licensing & labelling AI content evolve — will they be practical or overreaching?



As always, we welcome your suggestions, case studies or feedback. Let's keep the conversation going — in newsletters, workshops, classrooms, and communities.



Whether the RBI's FREEAI framework becomes binding, and how it shapes fintech & banking AI deployment.

