

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 585**  
TO BE ANSWERED ON: 23.07.2025

**IMPACT OF US RESTRICTION ON AI HARDWARE EXPORTS**

**585. SHRI ASADUDDIN OWAISI:**

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government is aware of the recent US export regulations on Artificial Intelligence (AI) hardware that categorize India under Tier 2, restricting the import of high performance computing GPUs;
- (b) if so, the details thereof including the expected impact of these restrictions on India's AI development and related industries;
- (c) whether the Government has engaged with the United States to seek reclassification of India or a waiver from these restrictions, if so, the details thereof; and
- (d) the steps being taken by the Government to ensure that these regulations do not hinder India's AI initiatives, including the India AI Mission and other high-tech development programmes?

**ANSWER**

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY  
(SHRI JITIN PRASADA)

(a) to (d): On 15<sup>th</sup> January 2025, United States Department of Commerce issued AI Diffusion Rule which provided for export control and licensing regulations. On 13<sup>th</sup> May, 2025 the rule was rescinded.

India's AI strategy is based on the Hon'ble Prime Minister's vision to democratize the use of technology. It aims to address India centric challenges, create economic and employment opportunities for all Indians.

**AI ecosystem in India at present:**

India has a strong information technology ecosystem. It generates annual revenues of more than 250 billion dollars and provides employment to more than 6 million people.

Global rankings such as Stanford AI rankings place India among the top countries in AI skills, capabilities, and policies to use AI. India is also the second-largest contributor to GitHub AI projects, showcasing its vibrant developer community.

**India's AI strategy:**

India's AI strategy aims to position India as a global leader in artificial intelligence. Government launched IndiaAI mission in March 2024. It is a strategic initiative to establish a robust and inclusive AI ecosystem aligned with India's development goals.

The IndiaAI Mission comprises of the following 7 key pillars:

- **IndiaAI Compute Capacity:** It aims to provide high-end compute power (GPUs) to all, including MSMEs and startups, at an affordable cost.
- **IndiaAI Foundation Models:** To develop India's own Large Multimodal Models (LMMs) trained on Indian datasets and languages. This is to ensure sovereign capability and global competitiveness in generative AI.
- **AIKosh:** To develop large datasets for training AI models. AIKosh is a unified data platform integrating datasets from government and non-government sources.
- **IndiaAI Application Development Initiative:** This pillar aims to develop AI applications for India specific challenges in sectors such as climate change and disaster management, healthcare, agriculture, governance, and assistive technologies for learning disabilities.
- **IndiaAIFutureSkills:** To develop AI skilled professionals in India by increasing the number of graduates, post-graduate and PhDs in AI domain. It also envisions setting up Data and AI Labs in Tier 2 and Tier 3 cities across India.
- **IndiaAI Startup Financing:** To provide financial assistance to AI start-ups.
- **Safe & Trusted AI:** To balance innovation with strong governance frameworks to ensure responsible AI adoption.

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