

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1397
ANSWERED ON:02.03.2001
FDI IN TELECOMMUNICATION SECTOR
ANANTA NAYAK

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) Whether the Government have a proposal to invite 100 per cent Foreign Direct Investment in the Telecommunication Sector;
- (b) If so, the steps taken by the Government in this regard;
- (c) Whether the Department of Telecommunication has been opposing the above proposal;
- (d) If so, the reasons therefore; and
- (e) The reaction of his Ministry thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR RAMAN SINGH)

(a) to (e) : Government has already permitted 100% Foreign Direct Investment (FDI) in telecommunication activities such as International Service Providers (ISPs) not providing gateways (Both for satellite and submarine cables), Infrastructure Providers providing dark fibre (IP Category), Electronic Mail and Voice Mail, subject to licensing and other conditions, Cent percent FDI is also permitted in manufacture of telecommunication equipment.

In case of basic, cellular mobile, paging and value added telecommunication service and global mobile personal communications by satellite, FDI is limited upto 49% subject to grant of license from Department of Telecommunications.