

**GOVERNMENT OF INDIA
SPACE
LOK SABHA**

UNSTARRED QUESTION NO:2005
ANSWERED ON:08.03.2000
FOREIGN DIRECT INVESTMENT IN SPACE SECTOR
ANANTRAO GUDHE

Will the Minister of SPACE be pleased to state:

- (a) whether the Government have proposed to allow Foreign Direct Investment upto 74% in establishment and operation of Indian Satellite system for companies registered in India and those with operating licence for specific services from administrative ministries ;
- (b) if so, the details thereof; alongwith its implication and modus operandi for clearance of such proposals;
- (c) the details of FDI proposals received by the Government and present status of each proposal; and
- (d) the action being taken for the implementation of the said proposals?

Answer

MINISTER OF STATE FOR PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND ADMINISTRATIVE REFC
PUBLIC GRIEVANCES

(SHRI ARUN SHOURIE):

- (a) Yes, Sir.
- (b) Details of the decision are as follows:
1. Only Indian registered Companies will be allowed to establish and operate an Indian Satellite System.
 2. Foreign Direct Investment (FDI) in such a company shall not exceed 74 percent.
 3. FDI in this sector would have to be approved by the Government. No Company would be eligible for automatic approval from RBI.
 4. A Committee of Secretaries, to be set up, called CAISS (Committee for Authorising the Establishment and operation of Indian Satellite Systems) will act as a window for clearing the Indian Satellite Systems.
- (c) There are presently four proposals cleared by the Government for FDI in setting up space segment capacity for the following categories of services:
- Multi-media system;
 - Global Mobile Personal Communication Satellite (GMPCS) system; and
 - Value added systems.
- (d) The Committee for authorising the Establishment and Operation of Indian Satellite Systems(CAISS) will consider the above proposals.