

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

UNSTARRED QUESTION NO:2878  
ANSWERED ON:17.12.2004  
MANAGEMENT CONTROL OF ALLIES IN FDI  
Saradgi Shri Iqbal Ahmed

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

- (a) whether the Government has addressed the issue of management control amongst the allies before considering the proposal to hike in foreign direct investment limit in the telecom sector to 74% from 49%;
- (b) if not, current status thereof; and
- (c) by when hike in foreign direct investment limit to 74% in the telecom sector is likely to be taken?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a) to (c): The Government in the budget for 2004-05 had proposed to raise the sectoral cap on Foreign Direct Investment (FDI) in telecommunications from 49 per cent to 74 per cent. A decision on revising the FDI cap is subject to inter-Ministerial consultations for which no specific time frame has been fixed.