

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

UNSTARRED QUESTION NO:3325  
ANSWERED ON:16.03.2011  
FOREIGN COMPANIES IN TELECOM SECTOR  
Mutterwar Shri Vilas Baburao

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

- (a) whether the Government has permitted foreign telecom companies to operate in India;
- (b) if so, the names of the foreign telecom companies operating in the country and since when;
- (c) whether these companies are complying with the prescribed rules and regulations; and
- (d) if so, the details thereof and if not, the action taken by the Government against the erring companies?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT)

(a) No, Madam. Telecom Service License is granted only to eligible Indian companies which are registered in India under the Companies Act, 1956. No license has been granted to foreign telecom companies to operate in India for provision of telecom services. However, as per Foreign Direct Investment (FDI) policy of the country, 74% composite FDI (direct + indirect) is allowed for telecom services, subject to adherence of license and security conditions, out of which 49% is allowed under automatic route.

(b) to (d) Do not arise, in view of (a) above.