

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

UNSTARRED QUESTION NO:510

ANSWERED ON:23.11.2009

PROPOSALS FROM TELECOM COMPANIES

Majhi Shri Pradeep Kumar;Patel Shri Kishanbhai Vestabhai

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

- (a) whether the Government has received proposals for security clearance from some foreign telecom companies;
- (b) if so, the details of the salient features of the proposal submitted to the Union Government; and
- (c) the action taken/being taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT)

(a) to (c) In term of Press Note 3/2007 of Department of Industrial Policy & Promotion (DIPP) applicable for telecom sector, the foreign telecom companies proposing to invest in Indian Telecom companies resulting in more than 49% composite Foreign Direct Investment in equity have to get prior approval of Foreign Investment Promotion Board (FIPB). FIPB gets comments of Ministry of Home Affairs (MHA) for security vetting of foreign as well as Indian investors.

In terms of Press Note 3/2007 security conditions, if the positions of Chairman, Managing Director, Chief Executive Officer and/or Chief Financial Officer, if held by foreign nationals in Indian telecom licensee companies security vetting shall be required periodically on yearly basis by MHA. Presently, no proposal for security clearance is pending in Department of Telecommunications.