

**GOVERNMENT OF INDIA  
COMMUNICATIONS  
LOK SABHA**

UNSTARRED QUESTION NO:1275  
ANSWERED ON:31.07.2000  
FOREIGN INVESTMENT  
A. VENKATESH NAIK;ASHOK NAMDEORAO MOHOL

**Will the Minister of COMMUNICATIONS be pleased to state:**

- (a) whether foreign investors have been given less interest to invest in Telecom sector for the last two years;
- (b) if so, reasons therefor;
- (c) the total foreign investment made in this sector during the last three years; and
- (d) the measures being taken by the Government to create interest of foreign investors in this sector?

**Answer**

MINISTER OF STATE FOR COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) No, Sir. In fact, Government has taken a number of steps including permitting foreign direct investment through automatic route for increasing the foreign investment in the telecom sector.

(b) Does not arise in view of (a) above.

(c) The total inflow of FDI made in the Telecom Sector during the last three years is as under:-

Year	FDI inflow (Rs. in Crores)
1997	1245.19
1998	1775.64
1999	212.67

T O T A L 3233.50

(d) With the announcement of New Telecom Policy (NTP), the Telecom Sector in India offers enormous investment opportunities for the investors, including, foreign investors. FDI is permitted upto 49% in the companies offering Telecom Services. In the area of telecom equipment manufacturing, 100% foreign equity is allowed. It is hoped that when new investment opportunities are announced offers are invited, like, in National Long Distance, Basic, Cellular Mobile and other Value Added Services, there would be a good response from the foreign investors.