

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

UNSTARRED QUESTION NO:3223

ANSWERED ON:23.08.2006

FDI IN TELECOM SECTOR .

Das Gupta Shri Gurudas;Prabhu Shri Suresh Prabhakar;Reddy Shri Suravaram Sudhakar

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

(a) Whether the Department of Telecommunications (DoT) has rejected the idea of automatic route for 74% Foreign Direct Investment in telecom sector in the larger interest of national security; and

(b) If so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) & (b) The Government has formulated the policy for Foreign Direct Investment (FDI) in telecom sector and issued the Press Note No.5 (2005 Series) dated 03.11.2005, according to which automatic route is available for FDI upto 49%. Approval of the Foreign Investment Promotion Board is required for FDI beyond 49% with a ceiling of 74%.