

# Telecom Hotline

February 02, 2005

## GOVT CLEARS 74% FDI IN TELECOM

The Government, today, cleared the proposal to raise the Foreign Direct Investment (FDI) limit in the telecom sector in India from the earlier 49% to 74%, subject to certain conditions. Some of the conditions that have been made public are that 50% of the directors must be resident Indians; the CEO, CFO and the CTO must also be resident Indians; there must be one Indian promoter with 10% stake at all times. Further, there are certain other conditions with respect to routing of calls and reporting of traffic to regulatory authorities.

*The Government has been toying with raising the FDI allowed in the telecom sector for a while. Today's decision is a welcome move for the advancement of the telecom sector in India, which is a rapidly growing sector and urgently requires substantial investment to upgrade telecom infrastructure and services. This decision would also lead to more consolidation in the sector.*

Vivek Kathpalia

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## Research Articles

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January 15, 2025

### Key changes to Model Concession Agreements in the Road Sector

January 03, 2025

### The Revolution Realized: Bitcoin's Triumph

December 05, 2024

## Audio

### Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

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November 19, 2024

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on Simplification of registration for  
FPIs

September 26, 2024

Scope of judicial interference and  
inquiry in an application for  
appointment of arbitrator under the  
(Indian) Arbitration and Conciliation  
Act, 1996

September 22, 2024