

FDI Policy In Telecom Sector Of India 2014

The Foreign Direct Investment (FDI) Policy for Telecom Sector of India for the year 2014 has been discussed by [Perry4Law](#) in this document.

As per the [Consolidated FDI Policy of India 2012](#), FDI in telecom services was allowed upto 74% where upto 49% FDI could have been made through automatic route and beyond 49% but upto 74%, FDI could have been made through government approval route.

However, the [Review of The Policy on Foreign Direct Investment \(FDI\)-Caps and Routes in Various Sectors 2013](#) (PDF) changed this position. Now FDI in Telecom Sector is allowed upto 100% where upto 49% FDI can be made through automatic route and beyond 49% FIPB can allow such FDI subject to the [License Agreement for Unified License](#) (PDF) and other terms and conditions as may be prescribed by the Department of Telecommunications (DOT) from time to time.

This is applicable to Telecom Services (including Telecom Infrastructure Providers Category – I). This include all telecom services including Telecom Infrastructure Providers Category-I, viz. Basic, Cellular, Unified Access Services, Unified license(Access services),Unified License, National/ International Long Distance, Commercial V-Sat, Public Mobile Radio Trunked Services (PMRTS), Global Mobile Personal Communications Services (GMPCS), All types of ISP licences, Voice Mail/Audiotex/UMS, Resale of IPLC, Mobile Number Portability services, Infrastructure Provider Category – I (providing dark fibre, right of way, duct space, tower) except Other Service Providers.

There are many more Regulatory and Compliance Requirements that FDI makers must keep in mind while making the FDI. We would discuss those regulatory and Compliance Issues in our subsequent Articles and Research Works.