Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion
SIA (FC Division)

PRESS NOTE NO. 1 (2007 SERIES)

Subject: Enhancement of Foreign Direct Investment ceiling from 49% to 74% in Telecom Sector – Amendment to Press Note 5 (2005 Series)

The Government, vide Press Note 5 (2005 Series) dated 3.11.2005, had notified the enhancement of Foreign Direct Investment (FDI) limits in the Telecom Sector subject to specified conditions. In terms of para 4 of the said Press Note, an initial correction time of 4 months from the date of issue of the Press Note was allowed to the existing licensee companies for adherence of the conditions. The correction time was extended from time to time and the last extension was allowed up to 2nd January 2007 vide Press Note 7 (2006 Series) dated 3.10.2006.

It is notified for the benefit of investors that the Government has decided to further extend the time period for the telecom service provider companies to comply with the conditions set out in Press Note 5 (2005 Series) by three months w.e.f 3.1.2007 up to 2nd April 2007.

Press Note 5 (2005 Series) dated 3.11.2005 stands modified to the above extent.

(Gopal Krishna)
Joint Secretary to the Government of India

F. No. 9(1)/2002-FC dated 2nd January 2007

Copy forwarded to Press Information Officer, Press Information Bureau, for giving wide publicity to the above Press Note.