

December 2024

## Annual India NewSpace Roundup 2024

### Government Initiatives and Regulatory Updates

#### Foreign Direct Investment (“FDI”) Policy:

The Cabinet approved amendment in the FDI policy on space sector on 21<sup>st</sup> February 2024. In line with the vision and strategy under the Indian Space Policy 2023, the Cabinet eased the FDI policy in the space sector by prescribing liberalized FDI thresholds for various sub-sectors/activities:

- Upto 74% under automatic route: Satellites-Manufacturing & Operation, Satellite Data Products and Ground Segment & User Segment.
- Upto 49% under Automatic route: Launch Vehicles and associated systems or subsystems, Creation of Spaceports for launching and receiving Spacecraft.
- Upto 100% under Automatic route: Manufacturing of components and systems/ sub-systems for satellites, ground segment and user segment.

#### Norms, Guidelines and Procedures for implementation of Indian Space Policy- 2023 in respect of Authorization of Space Activities (“NGP”)

Indian National Space Promotion and Authorization Centre (“IN-SPACE”) released the NGP on 3<sup>rd</sup> May 2024. The NGP lists out, *inter alia*, the methodology for procurement of approvals and authorizations for various sub-sectors/activities in the space industry. Additionally, further to the release of the NGP, Ministry of Information and Broadcasting released an advisory on 10<sup>th</sup> July 2024, directing private satellite television channel broadcasters and teleport operators using non-Indian satellites to provide communication and/or broadcast services to seek fresh authorization from IN-SPACE.

#### LVM3: Public Private Partnership

NewSpace India Limited (“NSIL”) released a Request for Qualification (RFQ) for the production of Indian Space Research Organization’s (“ISRO”) Heavy Lift Launcher – LVM3 under Public Private Partnership model on 10<sup>th</sup> May 2024.

#### Earth Observation: Public Private Partnership

IN-SPACE issued an Expression of Interest (EOI) for Public Private Partnership in space-based Earth observation in July 2024.

#### Venture Capital Fund

The Union Finance Minister Nirmala Sitharaman proposed the establishment of a dedicated venture capital fund of ₹1,000 crore to support the growth of the space economy in July 2024. In accordance with the same, IN-SPACE released the “Guidelines for IN-SPACE Seed Fund Scheme for Indian Space Start Ups and Micro and Small Enterprises (MSE)” on 15<sup>th</sup> July 2024.

#### Draft rules under the Telecommunications Act, 2023

The Department of Telecommunications released new draft rules under the Telecommunications Act, 2023 in August 2024:

- The Telecommunications (Telecom Cyber Security) Rules, 2024;
- The Telecommunications (Procedures and Safeguards for Lawful Interception of Messages) Rules, 2024;
- The Telecommunications (Critical Telecommunication Infrastructure) Rules, 2024;
- The Temporary Suspension of Telecommunication Services Rules, 2024;
- The Telecommunications (Digital Bharat Nidhi) Rules, 2024;
- The Telecommunications (Right of Way) Rules, 2024.

#### The Standards of Quality of Service of Access (Wireline and Wireless) and Broadband (Wireline and Wireless) Service regulations, 2024

The Telecom Regulatory Authority of India (“TRAI”) released the Standards of Quality of Service of Access (Wireline and Wireless) and Broadband (Wireline and Wireless) Service regulations, 2024, on 2<sup>nd</sup> August 2024. These are applicable to all service providers having:

- Unified Access Service License,
- Unified License with Authorization for Access Service;
- Internet Service Authorization under any License; and
- Authorization under the Telecommunications Act, 2023, for providing access or Broadband Service



## Karnataka Space Technology Policy

The government of Karnataka introduced the draft Karnataka Space Technology Policy (2024-2029) at the Bengaluru Tech Summit. The policy is aligned with the Indian Space Policy, 2023 and aims to integrate private sector participation in space activities.

## Space Debris

India intends to commit to Debris Free Space Missions (DFSM), the initiative was announced by ISRO during the 42<sup>nd</sup> Annual Meet of Inter-Agency Space Debris Co-ordination Committee (IADC) held at Bengaluru on 16<sup>th</sup> April 2024.

## Spectrum Assignment

The TRAI released a consultation paper on “*Terms and Conditions for the Assignment of Spectrum for Certain Satellite-Based Commercial Communication Services*” to seek comments from

stakeholders on 27<sup>th</sup> September 2024, in relation to, *inter alia*, the auction of spectrum for space-based communication services. Accordingly, the government may finalize rules related to spectrum allocation (including administrative / auction based assignment) by 15<sup>th</sup> December 2024.

## Satellite Earth Station Gateway (“SESG”) License / Authorization

TRAI released a consultation paper on network authorizations on 22<sup>nd</sup> October 2024, seeking industry input on whether a separate authorization is needed for satellite communication services, particularly for SESG. TRAI had previously proposed a new “*Satellite-based Telecommunication Service Authorisation*” to consolidate VSAT-CUG and GMPCS licenses. In the latest paper, TRAI also seeks feedback on reviewing the extant eligibility conditions for SESG authorization introduced in 2022.

Please feel free to address any further questions or request for advice to:

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