

# Space sector eyes \$5 billion inflow on Cabinet move

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India's space industry on Thursday welcomed the Union Cabinet's decision to liberalise the sector, asserting the move would attract investments to the tune of up to \$5 billion across sub-sectors like satellite manufacturing, launch vehicles, ground segment solutions, and associated services over the next five years.

The policy cleared by the Union Cabinet ensures 100 per cent foreign direct investment (FDI) in the manufacturing of components and systems or sub-systems for satellites, ground segments, and user segments. On the other hand, 74 per cent FDI has been permitted for

satellite manufacturing and operation, satellite data products, and ground segments and user segments. Beyond 74 per cent, these activities fall under the government route. In addition, for the development of launch vehicles and associated systems, and the creation of spaceports for launching and receiving spacecraft, FDI under the automatic route has been fixed at 49 per cent. According to the companies involved in the Indian space sector, the move could also open the doors for the

**The action may also open the doors for the launch of vehicle businesses of SpaceX and Virgin Galactic**

launch of vehicle businesses such as SpaceX, Virgin Galactic, Starlink, Amazon: Blue Origin, Airbus Defence and Space, RocketLab, Maxar Technologies, and Eutelsat-OneWeb, among others.