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SPACE INVESTMENTS IN INDIA: NEED FOR A LEGISLATIVE RESPONSE

Abstract

Traditionally, Indian space sector has been dominated by the State run Indian Space Research Organisation (ISRO). Though the Antrix Corporation Limited was established in 1992 to function as a commercial arm of ISRO, private sector investments in core space activities were not much incentivised. In the aftermath of the COVID-19 pandemic, the Government of India (GoI) has understood the pivotal role that can be played by the private space sector in making good the loss suffered by the Indian economy during the pandemic. This resulted in a complete shift in the governmental policy, triggering the concerted efforts to promote the private space sector in India by allowing private sector participation in all aspects of space activities. In order to license private space activities, Indian National Space Promotion and Authorization Centre (IN-SPACe) was established by the GoI. The Indian Space Policy 2023 was also released by the GoI in furtherance of IN-SPACe's establishment to extensively commercialise and privatise space activities in India.

Despite the above efforts, the private space sector in India is still facing the conundrum. Investors are sceptical about investing in the Indian space sector especially due to the absence of a legislative framework. Under Article VI of the Outer Space Treaty, responsibility for private space activities is imposed on States. This provision also requires the appropriate State to authorise and continuously supervise the activities of non-governmental entities in outer space. This is an onerous treaty obligation, and it needs to be enforced by the Legislature as per Article 253 of the Indian Constitution. In addition, there are issues relating to extent of liability, insurance coverage, rights over celestial resources, settlement of disputes, and protection of intellectual property rights, which need to be addressed by the Legislature. In the absence of a legislative response, legal uncertainties continue to haunt space investors in India. Therefore, the author will probe into various nuances of private space activities in India, which require a Parliament enacted law to build the confidence of private investors in the Indian space sector.