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Regulating Commercial Space in India:

Does India Need a
Comprehensive Space Law?



Introduction

For several decades, India's space programme was largely associated with the Indian Space Research Organisation and government led missions. Space activities were viewed primarily through the lens of national development, scientific research, communication, weather forecasting and national security. Private entities largely participated as suppliers and contractors rather than as independent space operators.

That position has changed considerably.

The reforms introduced from 2020 onwards have opened the Indian space sector to private participation across a much wider part of the space value chain. Private entities can now develop and operate satellites, manufacture launch vehicles, establish launch infrastructure, provide satellite based services, undertake remote sensing activities and develop space based applications. The Indian Space Policy 2023 has formally recognised this shift and seeks to create a larger commercial presence in space.

The commercial momentum is also becoming visible. According to the Government, private investment in the Indian space sector increased from approximately USD 100.5 million in financial year 2021 to 2022 to USD 618.5 million by March 2026. By the middle of 2026, 113 authorisations had been granted to 52 Non Government Entities, including start ups, for activities such as satellite operations, payload establishment and launch services. India has also witnessed a substantial increase in foreign satellite launches, with the number increasing from 35 before 2014 to 399 by January 2026.

The successful orbital launch of the Vikram 1 launch vehicle by Skyroot Aerospace in July 2026 is another important indication of the changing character of the industry.

The question therefore is no longer whether private entities should participate in India's space economy. That question has already been answered.

The more important question is whether India's existing regulatory framework is sufficient for an industry that is becoming increasingly commercial, international, capital intensive and technologically complex.

At present, India does not have a comprehensive legislation enacted by Parliament specifically governing commercial space activities. Instead, the regulatory framework consists of the Indian Space Policy 2023, the Norms, Guidelines and Procedures for Implementation of Indian Space Policy 2023, foreign investment rules, telecommunications regulation, geospatial regulations, international space treaties and several other sector specific laws and administrative arrangements. The

Parliamentary Committee on Science and Technology, Environment, Forests and Climate Change noted in 2026 that India currently lacks a comprehensive legislative

framework for space activities and recommended the development of such a framework.

This paper examines the existing regulatory framework, the growth of the commercial space sector, the principal legal challenges and the areas where India may need legislative reform.

1. The Changing Indian Space Economy

The global space industry is no longer limited to government space agencies. The emergence of the NewSpace economy has resulted in private companies becoming involved in satellite manufacturing, launch services, space communications, remote sensing, space situational awareness, space exploration, space tourism and downstream applications.

India has also entered this phase.

The Government opened the space sector to private participation in 2020. The objective was to enable private entities to undertake end to end activities and to create a level playing field between government entities and private participants. IN SPACE was subsequently established as an autonomous agency under the Department of Space to promote, enable, authorise and supervise private space activities.

The Indian Space Policy 2023 further developed this approach. It expressly permits Non Government Entities to undertake end to end activities in the space sector, including the establishment and operation of space objects and ground based assets and the provision of communication, remote sensing and navigation services. It also recognises activities such as manufacturing launch vehicles, operating launch infrastructure and developing space situational awareness capabilities.

This is significant because the legal relationship between the Government and private space companies has fundamentally changed. Private companies are no longer merely contractors assisting ISRO. They are increasingly becoming independent operators with their own assets, investors, customers and international contractual relationships.

The Government estimates that India's current space economy is approximately USD 8 billion and has indicated the potential for substantial expansion over the coming decade.

Key indicators of India's commercial space sector

Indicator	Current position
Private investment	Approximately USD 618.5 million by March 2026
Private investment in 2026	Approximately USD 187 million by March 2026
IN SPACE authorisations	113 authorisations to 52 Non Government Entities by mid 2026
Foreign satellite launches	399 launches by January 2026
FDI in satellite manufacturing and operations	Up to 74 percent through automatic route
FDI in launch vehicles and spaceports	Up to 49 percent through automatic route
FDI in satellite and ground segment components	Up to 100 percent through automatic route
Government venture capital support	INR 1,000 crore Venture Capital Fund
Technology adoption support	INR 500 crore Technology Adoption Fund
Estimated present Indian space economy	Approximately USD 8 billion

The figures indicate that the commercial space sector is no longer an emerging concept. It is becoming an important industrial sector requiring a stable legal foundation.

2. Existing Regulatory Framework

India's space sector is presently regulated through a combination of policy documents, administrative guidelines, sector specific legislation and international obligations.

The framework can broadly be divided into the following components:

1. Indian Space Policy 2023
2. IN SPACE and the NGP 2024
3. Foreign investment regulation
4. Telecommunications regulation
5. Geospatial and remote sensing regulation
6. International space law obligations
7. General corporate, taxation, environmental, intellectual property and commercial laws

This framework has been sufficient to facilitate the initial phase of private sector participation. However, the fragmented nature of the framework becomes more significant as commercial activity becomes more sophisticated.

3. Indian Space Policy 2023

The Indian Space Policy 2023 is presently the central policy document governing India's approach to commercial space activities.

The policy describes itself as an overarching, composite and dynamic framework intended to implement the Government's vision for the space sector. It seeks to promote greater private participation throughout the space economy and create a stable and predictable regulatory framework through IN SPACE.

The policy divides responsibilities among four principal stakeholders:

Stakeholder	Broad role
Department of Space	Overall policy direction and implementation
ISRO	Research, development, advanced technology and national space missions
NSIL	Commercialisation of space technologies and assets
IN SPACE	Promotion, authorisation and supervision of private space activities

This separation is intended to reduce the traditional concentration of functions within ISRO and create a clearer distinction between research, regulation and commercialisation.

Role of Non Government Entities

One of the most important provisions of the policy is the recognition of Non Government Entities as independent participants in the space sector.

NGEs are permitted to undertake activities including satellite operations, communication services, remote sensing, launch vehicle development, launch infrastructure, space situational awareness and space based applications, subject to the applicable regulatory framework.

The policy also allows private entities to establish and operate ground facilities, make certain filings with the International Telecommunication Union and develop commercial space transportation systems.

The policy therefore provides the broad legal policy basis for private participation.

The difficulty is that a policy is not equivalent to legislation.

4. IN SPACE as the Principal Regulatory Authority

IN SPACE is intended to function as a single window interface for private entities seeking to undertake space activities.

Its responsibilities include promotion, facilitation, authorisation and supervision of private space activities. These include building launch vehicles and satellites, providing space based services, sharing government space infrastructure and establishing new space infrastructure.

The Indian Space Policy 2023 also provides IN SPACE with authority to authorise activities such as:

- establishment and operation of space objects
- launch and operation of launch vehicles
- establishment and operation of launch pads
- planned re entry of space objects
- establishment of tracking, telemetry and command stations
- establishment of satellite control centres
- dissemination of high resolution Earth observation data
- in orbit sale, purchase and transfer of space objects

The policy therefore gives IN SPACE a broad regulatory mandate.

The creation of a specialised regulatory authority is a positive development. However, the legal basis of its authority remains primarily rooted in policy and administrative arrangements rather than a dedicated parliamentary statute.

This distinction becomes important when dealing with questions of enforcement, penalties, appeals, liability and judicial review.

5. NGP 2024 and the Authorisation Framework

The Norms, Guidelines and Procedures for Implementation of Indian Space Policy 2023, commonly referred to as the NGP 2024, provide considerably greater operational detail.

The NGP establishes eligibility criteria, application requirements, technical assessment, safety requirements, compliance obligations and other conditions applicable to space activities.

In practical terms, it has provided private entities with a more predictable route to obtain authorisation.

The NGP also deals specifically with liability related issues.

This is particularly important because space activities carry risks that are different from those associated with ordinary commercial activities. A launch failure can result in damage to persons or property on the ground, aircraft, other spacecraft or infrastructure in outer space.

The NGP recognises these risks and requires third party liability insurance in specified circumstances. It also provides for indemnification of IN SPACe and the Government for claims arising from authorised activities, including bodily injury, property damage, breach of law and certain other claims.

The NGP therefore attempts to address a problem that traditionally required legislation.

However, this also illustrates why a comprehensive statute may now be required. Liability involving private space activities is too important to depend entirely on administrative conditions attached to an authorisation.

6. Foreign Investment Framework

The liberalisation of foreign investment is one of the most significant commercial reforms in the sector.

In February 2024, the Government liberalised the FDI framework for space activities. The revised framework permits 100 percent foreign investment in specified space activities, subject to different entry routes.

The current framework provides:

Activity	FDI limit	Automatic route
Satellite manufacturing and operation	100%	Up to 74%
Satellite data products	100%	Up to 74%
Ground and user segment	100%	Up to 74%
Launch vehicles and associated systems	100%	Up to 49%
Creation of spaceports	100%	Up to 49%
Manufacturing of satellite and ground segment components	100%	Up to 100%

Investment above the applicable automatic route threshold for satellites and launch activities requires the Government route.

The reform is important because commercial space activities require large amounts of capital and access to international technology and markets.

However, FDI liberalisation alone cannot provide regulatory certainty. Investors also require clarity regarding licensing, liability, insurance, intellectual property, ownership of space assets, data rights, exit mechanisms and the consequences of a regulatory suspension.

7. Telecommunications and Satellite Communications

The regulatory framework becomes more complex where space activities involve communications.

Satellite communication services are subject to the Telecommunications Act 2023 and related authorisation frameworks.

The Telecommunications Act specifically recognises space research and applications, launch vehicle operations, satellite control ground stations and several satellite based telecommunications services.

For example, the Department of Telecommunications framework for Global Mobile Personal Communications by Satellite covers mobile communication, data services and satellite based connectivity. It also requires separate spectrum assignment and imposes security and other licensing requirements.

This creates an important practical point.

A satellite operator may require authorisation from IN SPACe for its space activity while simultaneously requiring telecommunications authorisation and spectrum related permissions from the Department of Telecommunications.

Therefore, the same commercial project can potentially involve multiple regulatory authorities.

This is understandable because space communication involves both space regulation and telecommunications regulation. However, from the perspective of a private company, overlapping approval processes can increase transaction costs and create uncertainty.

The regulatory framework would benefit from a clearly defined coordination mechanism between IN SPACE, the Department of Telecommunications, the Wireless Planning and Coordination Wing and other relevant authorities.

8. Geospatial Data and Remote Sensing

Remote sensing and Earth observation are expected to become major areas of commercial growth.

Satellite imagery has applications in agriculture, insurance, infrastructure development, mining, disaster management, urban planning, logistics and defence.

The Indian Space Policy 2023 permits private entities to establish and operate remote sensing satellite systems and disseminate satellite based remote sensing data.

At the same time, geospatial data is subject to separate regulatory considerations.

This creates questions around:

- ownership of satellite imagery
- licensing of data
- national security
- high resolution imagery
- personal data
- commercially sensitive information
- cross border data transfers
- intellectual property
- use of satellite imagery as evidence

As the commercial value of Earth observation data increases, India may need a clearer legal framework identifying who owns, controls and may commercially exploit different categories of satellite data.

9. International Space Law

India's domestic framework cannot be considered separately from international space law.

The principal international treaties governing outer space include the Outer Space Treaty 1967, Rescue Agreement 1968, Liability Convention 1972 and Registration Convention 1976.

The Outer Space Treaty is particularly important for private commercial activity.

Article VI provides that States remain internationally responsible for national activities in outer space, including activities undertaken by non governmental entities. It also requires such activities to be authorised and continuously supervised by the appropriate State.

Article VII establishes international liability for damage caused by space objects in specified circumstances.

This has a direct domestic consequence.

If an Indian private company launches a satellite and that satellite causes damage for which India incurs international liability, the Government cannot simply argue that the activity was undertaken by a private company.

The State remains internationally responsible.

This is one of the strongest reasons for having a comprehensive national space law. The domestic law must determine how international responsibility is allocated between the State and the private operator.

10. Liability and Insurance

Liability is perhaps the most important unresolved commercial issue.

The Liability Convention establishes different standards depending upon where damage occurs. Damage caused on Earth or to aircraft in flight attracts an absolute liability framework, while damage occurring elsewhere in outer space generally involves a fault based standard.

The problem for India is that international liability ultimately attaches to the State.

The NGP attempts to manage this through insurance and indemnification requirements.

The NGP provides for third party liability insurance for certain launches and permits IN SPACe to prescribe the amount and duration of insurance.

However, several questions remain.

What should be the maximum liability of a private operator?

Should liability be unlimited?

Should the Government provide an indemnity beyond a prescribed threshold?

Who should bear liability where the failure results from a defective component supplied by another company?

What happens when the operator is unable to satisfy the claim?

Should the Government establish a compensation fund?

These questions are not merely theoretical. A launch company and its investors need to understand the maximum financial exposure before investing hundreds of millions of dollars in a launch programme.

A statutory liability regime would therefore provide significantly greater certainty.

11. Space Debris and Long Term Environmental Risk

Space debris is becoming one of the most important long term challenges for the commercial space industry.

The rapid increase in satellite constellations has resulted in a significant increase in the number of objects operating in low Earth orbit.

A collision can damage multiple satellites and create further debris, potentially resulting in a chain reaction that makes certain orbital regions difficult to use.

The legal issue is complicated because existing international space treaties were developed at a time when the number of space objects was significantly smaller.

India's NGP contains requirements relating to safety and liability, while IN SPACe has also developed a framework for space situational awareness activities. IN SPACe issued separate norms for authorisation of Space Situational Awareness activities in June 2026.

However, a comprehensive Indian statute should ideally address:

1. responsibility for end of life satellites
2. de orbiting obligations
3. collision avoidance
4. disposal of launch vehicle stages
5. active debris removal
6. liability for debris
7. tracking and reporting obligations

8. insurance
9. compliance with international sustainability standards

Space sustainability should not be treated merely as a technical issue. It is increasingly a legal and commercial issue.

12. Space Traffic Management and Space Situational Awareness

As the number of satellites increases, space traffic management will become increasingly important.

Private companies require reliable information regarding the position and movement of other space objects. They also need procedures for collision avoidance and emergency manoeuvres.

This creates questions regarding:

- who provides authoritative collision warnings
- whether private operators are legally required to follow those warnings
- who bears liability for a collision
- whether space situational awareness data is publicly available
- whether national security restrictions can limit access to such information
- whether private companies can provide commercial space traffic management services

India's decision to establish a regulatory framework for Space Situational Awareness activities in 2026 is therefore significant.

As the market develops, these rules may need to be integrated into a wider statutory framework.

13. Intellectual Property and Technology Transfer

Space activities involve significant investment in research and development.

A private company may develop a propulsion system, satellite design, navigation technology, software or data processing system using a combination of its own technology and technology obtained from ISRO.

This creates complex intellectual property questions.

For example:

- Who owns technology developed using Government funding?
- Can an ISRO technology transferred to a private company be sublicensed?
- Who owns improvements made by the private company?
- Can technology developed under a Government contract be commercialised internationally?
- How are trade secrets protected?
- What happens to intellectual property after termination of an authorisation?

The Indian Space Policy assigns NSIL an important role in commercialising space technologies and assets developed through public expenditure.

However, the commercialisation of space technology will increasingly involve sophisticated licensing arrangements.

A future statute should therefore recognise technology transfer and intellectual property as part of the regulatory architecture rather than treating them merely as contractual matters.

14. Financing and Investment Challenges

Space companies are fundamentally different from many conventional technology start ups.

A software company can develop a product relatively quickly and scale it without significant physical infrastructure.

A launch company may require years of research, testing, certification and infrastructure before generating meaningful revenue.

This creates a difficult financing environment.

The Government has attempted to address this through the INR 1,000 crore Venture Capital Fund and the INR 500 crore Technology Adoption Fund, along with other support programmes.

However, private investment also depends on regulatory certainty.

Investors undertaking due diligence will need to understand:

- authorisation requirements
- ownership of satellites and launch vehicles
- regulatory termination rights
- liability exposure
- insurance obligations
- foreign investment restrictions
- export controls
- national security restrictions
- intellectual property rights
- data ownership
- Government intervention rights

A comprehensive statute would reduce regulatory uncertainty and make the Indian space sector more attractive to institutional investors.

15. The Challenge of Multiple Regulators

The commercial space sector intersects with several regulatory areas.

A private company may potentially interact with:

Area	Relevant authority or framework
Space activity authorisation	IN SPACE
National space policy	Department of Space
Research and advanced technology	ISRO
Commercialisation	NSIL
Telecommunications	Department of Telecommunications
Spectrum	Wireless Planning and Coordination Wing
Foreign investment	DPIIT, Department of Economic Affairs and RBI framework
Export controls	DGFT and SCOMET framework
Geospatial information	Relevant geospatial framework
Corporate compliance	Ministry of Corporate Affairs
Taxation	Income Tax Department and GST authorities
Environmental matters	Relevant environmental authorities
Intellectual property	Indian IP framework
National security	Relevant Government authorities

The existence of multiple regulators is not inherently problematic. Space activities naturally overlap with telecommunications, defence, aviation, foreign investment and environmental law.

The problem arises where the regulatory boundaries are unclear or where the applicant is required to obtain similar information or approvals from multiple authorities.

The future framework should therefore focus not merely on creating another regulator but on **coordination between existing regulators**.

16. Major Challenges in the Existing Framework

16.1 Absence of a comprehensive statute

The central weakness is the absence of a dedicated legislation enacted by Parliament.

The Parliamentary Committee has expressly recognised this gap and stated that space activities are presently governed largely through policies, vision statements and mission guidelines. It has also welcomed the Government's initiative to draft legislation governing space activities.

A statutory framework would provide stronger legal certainty than executive policies and guidelines.

16.2 Uncertainty regarding liability

The NGP provides important contractual and insurance mechanisms, but liability is too significant an issue to remain dependent mainly on authorisation conditions.

The law should establish a clear risk allocation framework between the Government, launch operator, satellite operator, manufacturer and other participants.

16.3 Regulatory overlap

The intersection between IN SPACe, the Department of Telecommunications, spectrum authorities and other regulators can create uncertainty.

A statutory coordination mechanism would help.

16.4 Lack of detailed dispute resolution mechanisms

As the number of commercial contracts increases, disputes relating to launches, satellite leases, data services and technology transfer will inevitably increase.

India needs clarity regarding jurisdiction, arbitration, Government claims and enforcement of regulatory decisions.

16.5 Space debris

The regulatory framework needs to move from broad sustainability principles towards enforceable obligations concerning end of life management, collision avoidance and debris mitigation.

16.6 Insurance market limitations

Space insurance is specialised and expensive. If insurance requirements are excessive, smaller companies may be unable to operate. If they are too low, the Government may remain exposed to significant liability.

The law should therefore provide a commercially realistic insurance framework.

16.7 National security

Space technology is inherently dual use.

The same satellite technology can have commercial and strategic applications.

India therefore needs to balance commercial freedom with national security requirements without creating arbitrary or unpredictable restrictions.

16.8 Cross border operations

Space businesses are inherently international.

A company may be incorporated in India, obtain investment from foreign investors, use components manufactured abroad, launch from another country and provide satellite services globally.

FEMA, FDI, export controls and international treaty obligations must therefore be integrated into the space regulatory framework.

17. Why a Comprehensive Space Law Is Now Necessary

The case for a comprehensive Indian space law does not arise because the existing regulatory framework has been unsuccessful. On the contrary, the reforms introduced since 2020 have played an important role in opening the sector to private participation. The establishment of IN SPACe, the introduction of the Indian Space Policy 2023, the NGP 2024 and the liberalisation of foreign investment have together created a framework within which private companies can enter and operate in the space sector.

The concern is that the commercial space industry is now developing faster than the legal framework supporting it. What was adequate during the initial stage of private participation may not be sufficient when India has a larger number of private launch operators, satellite companies, space service providers, foreign investors and international customers. The Parliamentary Standing Committee on Science and Technology, Environment, Forests and Climate Change has also recognised this concern and recommended that India develop a comprehensive legislative framework governing space activities.

A principal advantage of legislation would be greater regulatory certainty. At present, several important obligations of private space entities arise from policy documents, guidelines and conditions attached to authorisations. While these instruments provide considerable operational guidance, a statute would provide a stronger and more predictable legal foundation. This becomes particularly important for investors and financial institutions that need to assess regulatory risks before committing substantial capital to space projects.

Liability is another important area where legislation would provide greater certainty. Space activities involve risks that are substantially different from ordinary commercial activities. A launch failure, collision between satellites or uncontrolled re entry can potentially cause significant damage. Under international space law, India may bear international responsibility for activities conducted by Indian private entities. The domestic legal framework therefore needs to establish how the resulting financial responsibility should ultimately be allocated between the Government and the private operator.

The same issue arises in relation to insurance. The NGP 2024 provides for third party liability insurance and indemnification requirements in specified circumstances. However, as the industry expands, private companies and insurers will require greater clarity regarding the extent of liability, applicable liability limits and the circumstances in which the Government may assume or share liability. A statutory framework could establish these principles in a manner that protects public interests without making insurance requirements commercially unviable for smaller companies.

A comprehensive law would also provide greater certainty regarding regulatory powers. As the sector grows, there will inevitably be situations involving suspension or cancellation of authorisations, regulatory directions, non compliance and disputes between operators and regulators. These matters are particularly significant where a company has invested substantial amounts in satellites, launch infrastructure or specialised equipment. The law should therefore clearly establish the circumstances in which regulatory action may be taken and provide an appropriate mechanism for review or appeal.

Another important consideration is the increasing number of activities that did not form a major part of the traditional space industry. These include space situational awareness, in orbit servicing, active debris removal, autonomous spacecraft, commercial human spaceflight and potentially the utilisation of space resources. A framework based entirely on existing activities may struggle to accommodate these developments. A comprehensive statute could establish broad principles while allowing detailed technical requirements to be developed through regulations.

The need for legislation is therefore not simply about replacing existing policies with an Act of Parliament. It is about creating a stable legal foundation for an industry that is becoming increasingly important to India's economy and strategic interests. The legislation should preserve the flexibility that has encouraged private participation while providing sufficient certainty on rights, obligations, liability, enforcement and dispute resolution.

In this sense, a comprehensive Space Act should be viewed as an enabler of the commercial space industry rather than merely as another regulatory burden. Investors are more likely to commit capital when the legal consequences of operating a satellite, developing a launch vehicle or providing space based services

can be identified in advance. Similarly, international companies are more likely to enter into partnerships with Indian companies when the regulatory framework is transparent and predictable.

18. What Should a New Indian Space Law Contain?

A future Indian Space Act should attempt to establish the basic legal architecture for commercial space activities without prescribing detailed technical requirements that may become outdated as technology develops. The legislation should therefore establish broad statutory principles, while allowing the regulator to issue detailed regulations and guidelines from time to time.

The first requirement would be a clear definition of the activities that require regulatory authorisation. The law should clearly identify activities such as launching and operating space objects, operating launch facilities, providing satellite communication services, undertaking remote sensing activities and conducting space situational awareness activities. At the same time, the definitions should be sufficiently flexible to accommodate new activities such as in orbit servicing, autonomous spacecraft, commercial human spaceflight and other technologies that may emerge in the future.

The legislation should also provide IN SPACe with a clear statutory mandate. At present, IN SPACe performs the central role in authorising and supervising private space activities. Giving the regulator a defined statutory foundation would provide greater certainty regarding the scope of its powers. The law should clearly distinguish its regulatory functions from the research and development functions of ISRO and the commercialisation functions of NSIL. This institutional separation would help avoid a situation where the same Government ecosystem is perceived as both a market participant and a regulator.

The authorisation process should also become more predictable. Space projects require significant capital expenditure and may take several years to develop. Regulatory uncertainty during this period can significantly affect financing and commercial planning. The legislation could therefore establish indicative timelines for processing applications and require the regulator to communicate deficiencies or additional requirements within a reasonable period. This would not mean that every application must automatically be approved within a fixed period, particularly where national security or technical concerns arise. It would, however, ensure that applicants receive a transparent and predictable regulatory process.

A statutory framework should also provide an appropriate mechanism for challenging regulatory decisions. If an authorisation is rejected, suspended or cancelled, the affected entity should have access to a defined appellate mechanism. This is particularly important because regulatory decisions in the space sector can have

substantial financial consequences. A transparent appeal process would also strengthen confidence among domestic and foreign investors.

Liability should be one of the central components of the proposed legislation. The law should establish a clear relationship between the liability of the private operator and the international responsibility of the Indian State. Rather than imposing unlimited liability in every case, India could consider a risk based approach under which liability limits, insurance requirements and Government support vary depending upon the nature and scale of the activity. Such an approach would protect the Government from excessive exposure while ensuring that smaller companies are not prevented from entering the market because of disproportionate insurance requirements.

Space debris also deserves specific legislative attention. The increasing number of satellites and launch activities makes orbital sustainability an important commercial and legal issue. A future law could require operators to adopt appropriate end of life plans, comply with debris mitigation standards and take reasonable measures to avoid collisions. It should also provide clarity regarding responsibility where an operator fails to comply with such obligations and its activities subsequently contribute to damage or interference with another space object.

The legislation should also address the registration and transfer of space objects. As the number of privately owned Indian satellites increases, India will need a reliable national record identifying the owner and operator of each relevant space object. Such a register would support India's international obligations while also providing greater clarity in commercial transactions. The law should permit transfers of ownership and control subject to appropriate regulatory and national security review, rather than treating the original authorisation as permanently tied to one entity.

Data generated through space activities is another area where greater clarity will become increasingly important. Satellite imagery and other Earth observation data have substantial commercial value and may also have implications for national security and privacy. The future framework should therefore establish clear principles concerning access, ownership, licensing and commercialisation of space derived data. These provisions would need to operate alongside existing laws concerning personal data, intellectual property and national security.

Intellectual property and technology transfer should similarly form part of the broader regulatory framework. Private companies may develop technologies independently, acquire technologies from ISRO or use technology developed with public funding. The law should therefore provide a clear basis for determining how such technology can be licensed, commercialised and transferred. This will become increasingly important as Indian companies begin exporting space technologies and entering into international joint ventures.

The legislation should also consider what happens when a space company faces financial distress or insolvency. A satellite may be a critical asset providing communication, navigation or other essential services, and its value may not be adequately addressed through ordinary insolvency principles. The law could therefore provide a framework for the continued operation or orderly transfer of critical space assets where necessary. This would protect both creditors and customers while also protecting national interests.

Finally, the framework should be capable of adapting to technological developments. It would be impractical for Parliament to amend the principal legislation every time a new category of space activity emerges. The proposed Space Act should therefore establish broad statutory principles and delegate technical and procedural matters to the regulator. Regulatory sandboxes could also be introduced for emerging activities where the risks are not yet fully understood.

The objective should ultimately be to create a framework that provides **certainty without rigidity**. India needs sufficient regulation to protect national interests, public safety and the environment, but excessive regulation could discourage the very private investment and innovation that the current reforms seek to promote. A well designed Space Act should therefore provide the legal foundation while leaving sufficient regulatory flexibility for India's space industry to evolve.

19. Learning from Other Jurisdictions

India does not need to copy another country's legislation. However, international experience provides useful lessons.

The United States has developed a mature framework involving multiple agencies and specific legislation for commercial launch activities.

The United Kingdom adopted the Space Industry Act 2018, which provides a statutory framework for licensing and regulating spaceflight activities.

Australia has the Space Activities Act 1998, which regulates launch activities and related liability.

These models demonstrate that commercial space regulation can combine Government oversight with private sector participation.

India can develop its own approach based on its specific national security, economic and technological requirements.

The important point is that regulatory certainty should not come at the cost of innovation.

20. Conclusion

India has successfully moved from a government dominated space programme towards a more commercially oriented space economy.

The reforms since 2020, the Indian Space Policy 2023, the creation of IN SPACe, the NGP 2024 and the liberalisation of foreign investment have created the foundation for private participation. The rapid increase in investment, authorisations and private space companies demonstrates that the market is responding positively.

The successful commercialisation of space activities, however, creates a new legal responsibility.

The regulatory framework that was sufficient to initiate private participation may not be sufficient to regulate a mature commercial space economy.

The most important areas requiring greater certainty are liability, insurance, space debris, licensing, regulatory appeals, satellite registration, data ownership, intellectual property, cross border transactions, insolvency and coordination between regulators.

A comprehensive Space Act should therefore not be viewed merely as another regulatory requirement imposed on the private sector. Properly designed, it can become an important economic instrument.

The objective should be to create a framework in which a private company can answer, before investing in a space project, some basic legal questions: Can I undertake this activity? What approvals do I require? How long will those approvals take? What happens if something goes wrong? How much liability do I carry? Can I insure that liability? Who owns my technology and data? Can I transfer my satellite or business? What happens if my company becomes insolvent? And what remedies do I have if the regulator takes an adverse decision?

At present, the answers to several of these questions are distributed across policies, guidelines, contracts and sector specific regulations.

A comprehensive Space Act can bring these principles together.

The purpose of such legislation should not be to replace the flexibility that helped create India's NewSpace ecosystem. Instead, it should preserve that flexibility while providing the legal certainty necessary for the next stage of growth.

India is now moving from a phase where the principal question was **whether private entities should be allowed into space** to a phase where the question is **how private space activities should be regulated as a major commercial industry**.

That transition makes a comprehensive Indian space law not merely desirable, but increasingly necessary.

Key Recommendations at a Glance

Issue	Present position	Recommended reform
Authorisation	Primarily governed through IN SPACE and NGP	Statutory authorisation framework with clear timelines
Regulatory authority	IN SPACE operates as the principal authorisation authority	Provide IN SPACE with clear statutory powers
Liability	Addressed through NGP, insurance and indemnification	Comprehensive statutory liability and risk sharing regime
Insurance	Third party insurance may be required	Risk based insurance requirements with clear liability caps
Space debris	Sustainability and SSA measures developing	Statutory debris mitigation and end of life obligations
Space traffic	Emerging regulatory area	Dedicated space traffic management framework
Satellite registration	International obligations apply	Central statutory national register
Data	Multiple sectoral frameworks	Clear rules on ownership, access and commercialisation
Intellectual property	General IP law and contractual arrangements	Specific principles for publicly funded space technology
Foreign investment	Liberalised FDI framework	Continued liberalisation with transparent security conditions
Telecommunications	Separate telecom authorisations and spectrum requirements	Strong coordination between IN SPACE and DoT
Dispute resolution	Contractual and general legal remedies	Dedicated statutory appeal and dispute resolution mechanism
Insolvency	General insolvency framework	Special rules for critical space assets and continuity
Emerging technologies	Limited specific framework	Regulatory sandbox and technology neutral legislation
National security	Multiple Government controls	Transparent statutory security review mechanism

Final Observation

India does not necessarily need a law that regulates every technical aspect of space activity in minute detail. That approach could quickly become outdated.

What India needs is a **strong statutory framework supported by flexible regulations**.

The statute should establish the basic legal principles, institutional structure, rights, obligations, liability and enforcement mechanisms. Technical standards and procedures can then be updated through regulations and guidelines as technology develops.

This balance between statutory certainty and regulatory flexibility will be critical.

India has already demonstrated that it can build sophisticated space technology. The next challenge is to build an equally sophisticated legal infrastructure around that technology.

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