

Govt lists 40 sub-sectors for faster FDI clearances from border nations

Rare earth magnets and printed circuit boards are among 40 sub-sectors identified by the government for expedited clearance within 60 days of FDI proposals from China and other countries sharing land borders with India.

The government has also laid out procedural guidelines for FDI proposals from these countries - China, Pakistan, Bangladesh, Nepal, Bhutan, Myanmar and Afghanistan - in the specified sectors or activities, according to the updated standard operating procedure for processing of FDI proposals. The move follows a decision in March to process and decide FDI proposals from these countries in specified manufacturing sectors or activities within 60 days.

However, it has stated that in these cases, the majority shareholding and control of the investee entity will be with

resident Indian citizens/or resident Indian entity owned and controlled by Indians at all times.

The 40 sub-sectors are under six broad sectors — capital goods manufacturing, electronic capital goods and electronic component manufacturing, polysilicon (and ingot-) wafers, advanced battery components, rare earth permanent magnets, and rare earth processing. The sub-sectors included manufacturing of insulation items; castings and forgings required in thermal/hydro/nuclear power plants; machine tools; display components (plasma, polymer, LCD, LED); camera module; electronic capacitors; speakers and microphones for ICT products; Li-ion batteries; wearables; and rare earth metal, alloy and magnet making facility.