

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:3878  
ANSWERED ON:13.12.2002  
PENDING FDI PROPOSAL  
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) whether a proposal to set up a demonstration plant for production of high grade synthetic jutile in collaboration with Indian Rear Earth Ltd., at Chhatrapur in Gunjam district, Orissa is lying pending with his Ministry for FIPB clearance; and

(b) if so, the steps taken to accord early approval to that foreign investment project?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) & (b) : M/s. Austpac Resources, NL Australia had submitted a proposal to enter into a joint venture with Indian Rare Earths Limited (IREL), for setting up a synthetic rutile plant in Orissa. The proposal was considered by the Foreign Investment Promotion Board and rejected on the ground that it does not meet value addition requirements. This was duly communicated to the company. While the company has subsequently conveyed its intention to apply afresh, no formal application has been submitted by the company to the FIPB till date.