

there was no problem. I have requested that the stretch between Quilon to Trivandrum also should be included in this National Water Way in the second phase and that may be implemented. The only point is that when it is declared, it should be from Kottapuram to Trivandrum. It should be from Kottapuram to Quilon as the first phase and from Quilon to Trivandrum as the second phase. The Hon. Minister then categorically stated in the House that it will be done. May I know from the hon. Minister whether that would be honoured and will be completed?

MR. SPEAKER : You may please leave the time for the Minister to reply.

SHRI JAGDISH TYTLER : Sir, that Bill had lapsed in the last Parliament. I have already sent that for circulation for Cabinet's consideration. There is no problem as far as the stretch between Quilon to Kottapuram is concerned. As far as the stretch between Quilon to Trivandrum is concerned, it is a stretch of 78 kilometers which requires extensive modification of two tunnels which calls for Rs. 461 crores. It is highly capital intensive and economically it is not viable.

SHRI P. C. CHACKO : Sir, the Hon. Minister has made it very clear that because of the paucity of funds, the work of this Trivandrum-Kasergode Water Way is not possible. It was agreed that techno-economic survey had been completed and the previous Government had taken a decision. So, will the hon. Minister and the Government think of mobilising NRI funds for the completion of this Water Way, since in that area, lot of Non-Resident Indians are staying. I

would also like to know whether the Inland Water Way Authority will be permitted to mobilise NRI funds to expeditiously complete this project, especially in view of the fact that the cost is going up. Every year it is going up by 20 per cent. Now, it may cost Rs. 1,000 crores; but it may cost Rs. 2,000 crores by the time it is completed.

MR. SPEAKER : Please leave time to get the reply.

P. C. CHACKO : Will the hon. Minister think of mobilising funds from NRIs?

SHRI JAGDISH TYTLER : I will be happy if the NRIs come and invest, according to our country's rules, because I would love if this canal is completed. If the finances are made available from NRIs without any outgo, I will be very happy to say that I will consider it.

WRITTEN ANSWERS TO QUESTIONS

[Translation]

Alleged Evasion of Excise Duty by Bidi Manufacturers of Bihar

*530. SHRI VIJAY KUMAR YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the Bidi manufacturers of Bihar have shifted their factories to their domestic premises in order to avoid the payment of Central Excise duty; and

(b) if so, the action proposed to be taken by the Union Government in this regard?

**THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE**

(SHRI RAMESHWAR THAKUR):

(a) The Department has no reports that manufacturers of Biris holding Central Excise licences have shifted their manufacturing units from their declared premises to other places including residential premises. However, for levy of Central Excise duty, it is immaterial whether goods are being manufactured in a premises located in a residential area or in a premises located in an industrial area. Hence shifting of a factory to domestic premises cannot result in avoidance of payment of Central Excise duty.

(b) Does not arise in view of part (a) above.

**Detention of Export Consignments by
US Food and Drug Administration**

[English]

*533. SHRI RABI RAY: Will the Minister of COMMERCE be pleased to state:

(a) whether the United States Food and Drug Administration (FDA) has detained a large number of export consignments shipped from India containing mainly food items at various ports in the United States during February and March, 1991;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government have identified the companies involved in this case; and

(d) if so, the steps taken by the Union Government to keep the quality of Indian export items to the international standard?

**THE MINISTER OF STATE IN
THE MINISTRY OF COMMERCE**

(SHRI P. CHIDAMBARAM): (a) to (d) A statement is attached.

STATEMENT

During February and March, 1991, 188 export consignments shipped from India, mainly food items, were detained at various ports in the United States.

The main items detained included rice (for insect and rodent filth), frozen shrimp and other fish (for decomposition and infestation with salmonella), brassware and metalware (for lead content), spices (for animal and insect filth), essences (for omitting mandatory labelling) and a few cases of psyllium husk (for insect filth).

The list of companies involved has been published by the US Food and Drug Administration. Detention of these consignments at US ports does not mean that the consignments are rejected. Detention means that the consignments are not cleared automatically but only after testing, and if need be, after reconditioning.

Most of the detained consignment of food products were within the purview of compulsory export inspection by Export Inspection Agency, the Directorate of Marketing and Inspection or Directorate of Fruits and Vegetables Preservation. In some cases exporters have been authorised to give certificates under In Process Quality Control (IPQC) scheme. If the detained consignments are finally rejected, action can be taken against the erring officials of the concerned inspection agency (if they had certified the consignment) or against the exporting firm. However, simultaneously effort is being made to