

LOK SABHA

SYNOPSIS OF DEBATES* (Proceedings other than Questions & Answers)

Wednesday, June 26, 2019 / Ashadha 5, 1941 (Saka)

PANEL OF CHAIRPERSONS

HON. SPEAKER: Hon. Members, I have to inform the House that I have, under Rule 9 of the Rules of Procedure and Conduct of Business in Lok Sabha, nominated the following Members as the Members of the Panel of Chairpersons:-

1. Shri A. Raja
2. Shri P.V. Midhun Reddy
3. Shri Bhartruhari Mahtab

MATTERS UNDER RULE 377

- 1) Re: Need to eradicate Japanese Encephalitis in Muzaffarpur district and its adjoining districts in Bihar.

SHRIMATI RAMA DEVI: I would like to draw the attention of the Government to the deaths of children being caused by Japanese Encephalitis in

* Hon. Members may kindly let us know immediately the choice of language (Hindi or English) for obtaining Synopsis of Lok Sabha Debates.

Muzaffarpur district of Bihar. This year, more than 120 children have died in last 20 days. Our Union Minister of Health and Family Welfare has visited Bihar to oversee the treatment being given to the affected children. This disease is surfacing there every year. Disability is likely to occur to children after this disease. I request the Central Government to check the spread of Japanese Encephalitis in Muzaffarpur and the adjoining districts in Bihar and get this disease eradicated for all times to come.

2) Re: Need to provide assistance for Swajal Scheme and National Rural Drinking Water Programme in Dindori Parliamentary Constituency, Maharashtra.

DR. BHARATI PRAVIN PAWAR: I would like to draw the attention of the Government to the serious problem of water scarcity in my Parliamentary Constituency Dindori in Nasik district of Maharashtra. In the cities and towns of my Parliamentary Constituency, people are getting water supply just for one hour in a 25-30 days time period. The people living in rural areas of Dindori are compelled to drink water from polluted ponds and rivers. The animals of farmers are not getting adequate water and fodder owing to lack of availability of water. I would, therefore, request the Central Government to provide assistance to my Parliamentary Constituency Dindori under the centrally sponsored scheme Swajal and The National Rural Drinking Water Programme.

3) Re: Payment of compensation to people affected by construction of N.H. 58E in Rajasthan.

SHRI ARJUNLAL MEENA: The people have not got the due compensation for their houses and land coming under the construction of NH-58E from Udaipur to Jhadol, Falasia, Khokhara and upto Gujarat border. It is, therefore, requested that these people should be paid the due compensation by organizing camps in this area and a time frame should be laid down for the administrative officers for timely payment of compensation.

4) Re: Need to erect stone wall along coastal areas of Chellanam, Vypin and Kuzhipilly in Kerala.

SHRI HIBI EDEN: Sea attack is one of the major issue of the coastal areas like Chellanam, Vypin and Kuzhuppilly in my constituency. People living in these areas, mostly fishermen are struggling for survival. As per the study report of IIT Chennai, making a wall made of stones, with a local name of “Pulimuttu”, will be of great help for the people residing in these areas. I urge upon the Government to intervene in this matter and do the needful to alleviate the agonies of the people and also to allocate sufficient funds for the same.

5) Re: Need to provide adequate compensation to flood affected victims of Idukki district of Kerala.

ADV. DEAN KURIAKOSE: Idukki is one of the most affected districts of recent floods in Kerala. The State Government was helpless and they failed to provide adequate assistance to the public. The loss figures are incomprehensible. Compensation has allegedly been paid on political leaning. Another monsoon is knocking at the door of Kerala. I urge upon the Central Government to appoint another fact-finding team to recalculate the damage and provide equal compensation to the victims.

6) Re: Need to provide adequate funds for construction of Railway Bridge in Naguar district, Rajasthan.

SHRI HANUMAN BENIWAL: The life of ordinary people is being affected adversely owing to incomplete construction work of railway bridges (culvert) in Nagaur district. The Officers of the State Government are ascribing this to the non-payment to the contractors owing to non-receipt of the instalment from the Central Government. Therefore, necessary relief should be provided to the common people in this area.

7) Re: Need to provide rail services in Mangaldoi Parliamentary Constituency, Assam

SHRI DILIP SAIKIA: Our State of Assam is the most important State in terms of transport in North-East region. My Parliamentary Constituency Mangaldoi is completely cut off from the railway network. The local people are not able to get full benefit from the abundant vegetable production and from their other agricultural produce in this area owing to non-availability of rail services in Dorang and North Kamrup district of Mangaldoi. I, through you, request the hon. Minister of Railways to get the railway network laid at the earliest in this area in public interest.

8) Re: Need to acquire defence land to complete two NHAI projects on National Highway-222 in Ahmednagar city of Maharashtra.

DR. SUJAY VIKHE PATIL: The National Highway-222 passes through the core area of Ahmednagar city. Due to this, there is enormous traffic congestion on the highway. The NHAI has already proposed two projects on NH-222. To start work on these projects some defence land is required to be acquired at the earliest. As such, I humbly request the Government to order to put up these proposals of acquiring defence land at the earliest.

9) Re: Need for housing scheme for homeless people.

DR DHAL SINGH BISEN: The Government of India gives permission for construction of houses in large numbers for homeless people in each village panchayat and municipal area. But the quota for construction of homes for

panchayats and municipal areas has come down a lot owing to non-payment or less payment of its share by the State Government. This has been adversely affecting the housing scheme of the Central Government to provide houses to all.

STATUTORY RESOLUTION

Re: Disapproval of the Special Economic Zones (Amendment) Ordinance, 2019 (No. 12 of 2019)

And

THE SPECIAL ECONOMIC ZONES (AMENDMENT) BILL, 2019

SHRI N.K. PREMACHANDRAN moved that this House disapproves of the Special Economic Zones (Amendment) Ordinance, 2019 (No. 12 of 2019) promulgated by the President on 2 March, 2019.

THE MINISTER OF RAILWAYS AND MINISTER OF COMMERCE AND INDUSTRY (SHRI PIYUSH GOYAL) *moving the motion for consideration of the Bill, said:* The first export processing zone was started in Kandla in 1965. At that time, Indian goods were not competitive due to the local taxes and could not withstand the competition. This experiment was successful in general but unfortunately it remained very limited. We did not establish export processing zones in large numbers. Only seven such zones were

established in the country. The Special Economic Zone policy was proposed in April 2000 during the NDA regime under which efforts were made to give push to the economy of the country with SEZ as its engine. To further strengthen it, a Comprehensive Special Economic Zones Act was passed in 2005 for the SEZs. The definition of a “Person” in the Clause 5 of Section 2 of the said Act was limited. But with the changing times, a new mode of “Trust” is being used now a days by many associations and investors. London, Singapore, New York are the world’s biggest financial centers. India does not have such international financial centers. Efforts are being made to start an international financial center in Gujarat and also in Mumbai. Trust model is mainly used to invest in international financial centers. We want that large scale investment should come to India through such trusts and domestic and foreign companies should also get an alternative option of investing in India which is fully backed by law. That is why trust should be included in the SEZ Act. Through this Bill, we are just making this provision that people can work in the SEZ in the form of a trust. In the evolving world, a new option of doing work can come up. To avoid coming to the House frequently, the Government should be given the power to notify that new mode of doing business.

SHRI N.K. PREMACHANDRAN: I rise to oppose the Special Economic Zones (Amendment) Ordinance, 2019 and also the Special Economic Zones (Amendment) Bill, 2019 as there is no transparency in this legislation. An

Ordinance should be issued only under compelling circumstances and Article 123 does not speak about the replacement of an Ordinance by an act of Parliament. But as per the conventions of this House, we are replacing an Ordinance by an Act of Parliament. So, I fully agree with it. But the ordinance route of legislation is not good for a healthy parliamentary democracy. If you examine the Special Economic Zones (Amendment) Ordinance, what are all compelling circumstances prevailing in this country so as to issue this Ordinance? The Special Economic Zones Act, 2005 was enacted with a view to provide for the establishment, development and management of the Special Economic Zones for the promotion of exports. That means, almost all the associations, persons or individuals come within the purview of definition of Section 2(v), why “trust or entity” is being incorporated in this definition on 2nd March, 2019 just eight days before the Election Schedule was announced? That means, if an entity or a trust have started a unit in the Special Economic Zones, they will be eligible for getting the benefits as per the Special Economic Zones Act, 2005. But through the executive powers under Article 123(1), you have changed the definition by providing unfettered discretionary authority to the government, giving permission to any trust, any entity to start a unit in the SEZ and get the benefit of Special Economic Zone. By this amendment, the very purpose of the definition is lost. It is absolutely undermining the authority of the Parliament which cannot be accepted. That is

why, I am strongly opposing the Ordinance route of this legislation. I would also like to know how many entities or trusts are notified for the purpose of this Act since 2nd March, 2019 i.e. the date of issuance of the ordinance. It is being reported that there is a vast gap between the land utilized and the land unutilized in the premises of SEZs and units across India with these suggestions, I would like to oppose the Ordinance route of legislation and the contents of the Bill.

SHRI RAJIV PRATAP RUDY: Today, Special Economic Zones (Amendment) Bill, 2019 has been introduced. It is to amend the Special Economic Zones Act, 2005. It has been clearly mentioned in the Statement of Objects and Reasons of the Act that 'trust or entity' words have to be included in place of 'person'. The first export promotion zone in India was established in 1965 in Kandla. A number of papers had to be submitted for obtaining clearances in India in those times. Our goal was to attract foreign investment in India. A framework was prepared in the year 2000 to formulate a policy in this regard. The policy of Special Economic Zone is very good and a need has been felt in 2019 to make some amendments in it for the first time since 2005. Still there are 20-22 States left where SEZs have not been set up. I am sure the Special Economic Zone shall pave the way for generating employment and attracting foreign investment in the country. I, on my part, support this amendment and hope the entire House will also support it.

DR. SHASHI THAROOR:. Analysing the merits of a Bill is distinct and separate from analysing an Ordinance. Ordinance power can only be invoked when emergency situations, 'suddenly and immediately arise' when the Parliament is not in Session. I am afraid, the preamble to the Ordinance fails to mention any cogent reasons for this urgent emergency action. The Minister must give an explanation of the exact nature of the emergency which arose between the date of the Ordinance, 2nd March, and the 17th June, 2019 when our Parliament Session commenced, for which an Ordinance was emergently necessary. In fact, in 2017 this Government notified Parliament that half the land notified for SEZ was lying vacant. We have also been told by the Government in answers to Parliamentary questions that 150 SEZs are non-operational. The Minister must provide the number of SEZs lying vacant. Some SEZs are stuck due to litigations, cases stuck in court. The SEZs do have the potential for being the driving engines of our economy. At a time when we are under performing as an economy, it is time for us to fulfil their potential. We, are proud of India's economic growth and we will not stand in the way of anything that may help advance our country's economic growth, but I would urge the Government to do the right thing in the right way.

SHRI SUDIP BANDYOPADHYAY: We oppose any type of Ordinance unless it is very urgently needed. The process of SEZ and the system of SEZ which was installed has proved to be a miserable failure. I would like to request

the Government to make SEZ more successful. Those taking part in the SEZ schemes, receive so many facilities. There is no taxation from any stage, neither from Central side, nor even from the State side. Trinamool Congress is totally opposed to the idea of implementation of SEZ projects. SEZ projects are not coming up in a manner which was expected. We also oppose it because there is a relation between SEZ and land acquisition. Land acquisition is made forcefully. In China, SEZ projects are normally made on non-agricultural land but in India agricultural lands are used for SEZ projects.

SHRI Dnv. SENTHILKUMAR S.: I fear that this amendment is being introduced to favour a select few who enjoy close proximity with the Government. Many traders are interested in SEZ so that they can acquire land at cheap rates and create a land bank for themselves. The whole purpose and objective of the project should not be diluted by vested interests. Emphasis should be given on integration of MSMEs with Employment and Economic Enclaves. Cooperation between the State Government and the companies functioning in SEZ has to be cordial for the successful functioning of the Economic Zones. Lack of support from the State Government for an effective single window clearance system is a major challenge faced by SEZs. The Government should undo the procedural delays, infrastructure bottlenecks, uncertainty in Government policies, especially tax for smooth and successful functioning of SEZs. The labourers working in the SEZs

are not covered under the labour laws that are applicable to the whole of India. I would like to ask the hon. Commerce Minister to set up an SEZ in my constituency of Dharmapuri. In my constituency, majority of the educated youth is seeking jobs outside the State. Around ten tribal villages have been deprived of basic road facilities. It is a pity that we have inaccessible villages even after seventy years of independence.

***SHRIMATI VANGA GEETHA VISWANATH:**

SHRI VINAYAK BHAURAO RAUT: Unemployment is one of the biggest problems which our country has been facing today. There was a time when the textile industry was the biggest industry in Mumbai, but now it has been facing existential crisis. The Government, therefore, should provide protection to the entrepreneurs in SEZ. The Government should set up SEZ only in those areas where barren land is available. In the past, the trade unionism was very powerful in our country but now it has been weakened. The Government should provide facilities to the entrepreneurs by setting up infrastructure facilities and by framing favourable taxation policies.

SHRI KAUSHLENDRA KUMAR: I rise to support this Amendment Bill. This Amendment will promote investment in SEZ. I belong to Bihar. This State is in dire need of industrial revolution. In the past, the successive Governments have

* Please see supplement.

neglected Bihar and have not set up any SEZ in the State. I would like to demand that the Government should set up an SEZ in Bihar also.

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SNEHLATA SHRIVASTAVA
Secretary General

**Supplement covering rest of the proceedings is being issued separately.

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NOTE: It is the verbatim Debate of the Lok Sabha and not the Synopsis that should be considered authoritative.

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