

Title: Regarding non-setting of Special Economic Zone in Amritsar (Punjab) and steps taken by the Government in regard thereto.

**12.05 hrs.**

MR. SPEAKER: Now, we will take up Calling Attention. He is a young hon. Member, very athletic and very popular.

SHRI NAVJOT SINGH SIDHU (AMRITSAR): Mr. Speaker, Sir, I call the attention of the Minister of Commerce and Industry to the following matter of urgent public importance and I request that he may make a statement thereon:

"The situation arising out of non-setting up of a Special Economic Zone in Amritsar (Punjab) as announced by hon. Prime Minister and steps taken by the Government in this regard."

THE MINISTER OF COMMERCE & INDUSTRY

(SHRI KAMAL NATH): Hon. Speaker, Sir, the Prime Minister during his interaction with the State Government on his visit to Amritsar on 1.9.2004 had conveyed that the Government of India would extend all necessary help to the Government of Punjab to set up a Special Economic Zone (SEZ) at Amritsar.

The policy of the Central Government is to encourage and facilitate Zones being set up in the private sector or joint sector in association with the State Government or by the State Governments themselves. The minimum area requirement for a multi-product Special Economic Zone is 1000 hectares and above. There is, however, no such area requirement for product specific or port/airport based SEZs.

The Government of Punjab was, therefore, requested to send a suitable proposal for consideration. In response, a proposal for setting up of a Special Economic Zone at Sri Harigobindpur Road (Mehta Road) adjoining the existing

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Industrial Focal Point in Amritsar by Punjab Small Industries and Export Corporation Ltd., (PSIEC) was received in January 2005 through the State Government. This proposal was placed before the Board of Approval, which is an Inter-Ministerial Committee, for consideration in its meeting held in March 2005. During the Board meeting, the representative of the Government of Punjab indicated that since there is difficulty in obtaining 1000 hectares for setting up of a multi-product SEZ in Amritsar as land is fragmented and expensive, they now intend to set up a sector specific SEZ. Specific product group to be promoted by the zone is to be finalised by the implementing agency.

The proposal has been recommended for grant of "in-principle" approval. Once the Government of Punjab identifies the specific product group of the proposed SEZ, the proposal will be processed for grant of necessary approval.

SHRI NAVJOT SINGH SIDHU : Mr. Speaker, Sir, you may have 40 million reasons for failure, not a single excuse. I grow daily to honour facts more and more and theory less and less, and facts will not cease to exist just because they are ignored.

Now, the first thing that the hon. Minister has given over here in the reply is this. "The Prime Minister during his interaction with the State Government". Sir, it was no mere interaction with the State Government. I would like to cast your mind back to the date, 1.9.2004 where five million people had converged on Sri Amritsar. There were 50 lakh people. It was on sacred territory, in front of 50 lakh people that the Prime Minister made this announcement. He endeared and he flattered almost everybody by saying that he was a *sharanarathi* of free Amritsar, post-partition and the city had given him refuge. It ignited hopes, hopes for millions with the decaying industry in Amritsar.

Now, the fact of the matter and the real bone of contention is that there cannot be any fruit without a root. Unless and until the State Government notifies land for the considered SEZ, there cannot be any SEZ in that notified area. To me, the remedies of the State Government have been worse than Amritsar's illness. Firstly, they need to go back to schools. They do not even know the definition of an SEZ. The first statement issued by the Punjab Government said that they needed to fragment and split the SEZ into three different zones. Should I repeat? They needed to split the SEZ into three different zones. Hon. Minister, the definition given by your Ministry says that the minimum area required to set up an SEZ is 1000 hectares. It comes to about 2,000 hectares or more. This is the real bone of contention.

Now, I will go on to the next point. It was a decision with a lot of vision. If I may add what the Prime Minister foresaw for Amritsar. Number one is that this is the only area in close proximity to the international airport. It is the future gateway to India. He saw that the thaw had begun. The ice was melting. The two countries that had been at a loggerhead for a long time, had shed away all their animosity, and were friends again. The trading links have been renewed, and that was a huge factor why this area was instituted to set up the SEZ.

Now, when they ask to split up the SEZ, they need to change their mindset. That is the most important thing. Minds are like parachutes which do not function until they are open. That is a very important thing. Another most important thing is that in China, the entire islands have been converted into SEZs. The islands stretch into kilometres. Even if you talk of a good airport, I will add over here that a good airport has to be assessed in kilometres, and not in mere hectares.

Now, I come to the main crux. Have you ever seen a State Government, which has been enriched with Rs.1600 crores coming out with a begging bowl? I always feel that taking pride out of a man is just like an umbrella without the ribs. Now, with a begging bowl in their hands, the cost of acquisition may be borne by the Centre. Can it be possible? Can the Centre bear the acquisition cost? Can you change your policy for the sake of the State Government? They say that the cost of development operation and maintenance will be borne by the SEZ developers who would recover it from the sale of plots thereby asking the Government of India to depart from its normal policy. न नौ मन तेल होगा, न राधा नाचेगी। बारात घर पर खड़ी है, बिगुल बजा रही है और बहू पीपल के तले सो रही है। कुम्भकरण भी छः महीने बाद जाग जाता था लेकिन इस सरकार को सोए एक साल हो गया है। वह आज तक नहीं उठी है।

This is the most important thing. Everyday that passes spells a death knell for Amritsar. It has been an ignored bastion and it would tantamount to violating the mandate of the Prime Minister. Hon. Minister, Sir, it is like the General proposing and his Captain deposing. How is it that possible? Good intentions die unless they are executed. A man of words, and not of deeds is like a garden full of weeds. That is why, Sir, I would like to stress on. ...*(Interruptions)*

MR. SPEAKER: Your captain is in the Assembly, not here.

SHRI NAVJOT SINGH SIDHU : Now, the main crux over here is that the Amritsar has suffered a lot. We have borne the brunt of two major wars...*(Interruptions)*

MR. SPEAKER: We shall be very happy if you have it.

SHRI NAVJOT SINGH SIDHU : Amritsar has borne 10 years to 15 years of militancy. We have been declared a disturbed area. We have not flinched, for jealousy is the jaundice of the soul. Look at what you have given to Himachal Pradesh. They are our brothers. We feel happy for Himachal Pradesh. It has got a special economic package. We feel very happy for the Kashmiries because they have also got a special economic package. But I would like to ask you, Sir, where we have failed. When you talk of national integration, hon. Sonia Gandhi is the Chairperson of the Jaliawala Bagh Committee. She will be the first one to say that the history of Punjab is the history of blood, sweat, toil and tears. We have sweated out our blood for the country. Why are we being ignored? ...*(Interruptions)*

MR. SPEAKER: I am sure, Mr. Sidhu, the entire House supports your cause. Therefore, you do not have to make out your case.

SHRI NAVJOT SINGH SIDHU : Thank you very much, Sir. I feel honoured. ...*(Interruptions)*

MR. SPEAKER: The only thing is, who will do it?

...*(Interruptions)*

SHRI NAVJOT SINGH SIDHU : Yes, who will do it? The question is this. I would put it in a humourous way. They are like a hen sitting on a bone china egg. Neither the egg is going to be hatched nor the chick is going to come out. That is the most important thing.

Now, I want to come on to a very important issue.

The cry that reverberates in Amritsar is: 'सरकार ने गुरु से मुख मोड़ लिया'

Chandigarh is our political capital. We do not deny that but we cannot call it our own. Temporally, culturally, spiritually and religiously, Amritsar is still the capital of Punjab. It is the capital of Punjab. It is our Rome; it is our Vatican; it is our Mecca; it is our Medina; it is our Kashi.

Sir, I beg you over here. It is a matter of my right to ask you to execute the good intentions of the hon. Prime Minister; for, lives are dependent on the 75,000 jobs at stake. That calls for about four lakh families at stake. It is a dying city. Look at Lahore and take cognizance. ...*(Interruptions)*

MR. SPEAKER: How could Amritsar die with you as the representative?

SHRI NAVJOT SINGH SIDHU : I am absolutely honoured and flattered.

Sir, there are more buffaloes than people in Amritsar. This is why I would like to refer to the coming up of the Maruti car factory in Gurgaon. One factory changed the face of Gurgaon and Gurgaon now resembles Singapore. This was between two States. When you talk of Amritsar, it is between two countries, the silken route that connect us not only to Pakistan but also to the Central Asian countries like Uzbekistan and Tajikistan. What else do you want? We want a connection. We want trading linkages to open up. ...(*Interruptions*)

MR. SPEAKER: Now, let us hear the hon. Minister.

SHRI NAVJOT SINGH SIDHU : I would end, Mr. Speaker, Sir. I know, I have to end; but all I say here, Sir, is that patience is bitter but the fruit is sweet. So, be patient with me.

I would just end with a very small couplet. This is for the hon. Minister. I respect him a lot.

अंधेरों का दर्द क्या जाने, जो खुद सितारे हैं,

डूबने की टीस क्या जाने, जो खुद किनारे हैं,

आग के दरिया में डूबने का दर्द हम से सीखो,

श्रीअमृतसर ने कई उजड़े हुए गुल्शन संवारे हैं।

MR. SPEAKER: You should take more part in the proceedings of the House.

SHRI KAMAL NATH: Hon. Speaker, Sir, without getting into the *kinare* and *sitare*, I would confine myself to the SEZ. I acknowledge the hon. Member's understanding of the Prime Minister's vision, the Prime Minister's graciousness and of announcing the SEZ in Amritsar, which he has very gracefully acknowledged here.

I would like to draw the attention of the hon. Member to a Bill which this House passed, the Special Economic Zone Bill, in the last Session of Parliament. I would have been very happy if the hon. Member had participated in that discussion. Undoubtedly, when he speaks and demands an SEZ for Amritsar, it is justified, as every hon. Member here would demand an SEZ for his constituency. It is more so justified in Amritsar because Amritsar, with its strategic location, definitely has an edge and I have no hesitation in approving this.

The hon. Member mentioned about China and about the large SEZs, where there are islands which are SEZs. That is exactly the point which I tried to make out in the statement here, that we cannot have a proliferation of SEZs of a hundred hectares or two hundred hectares. We need large SEZs. I would like to caution the hon. Member, since he is so concerned with Amritsar and rightly so, that an SEZ alone is not an answer, not a solution. It is the units which would go into the SEZs, which would be the answer. An SEZ is only a demarcation of an area, which now under a legal framework established by this House, attracts units. If we are going to have an approved SEZ which does not attract units, it is going to do no good to Amritsar.

You will just have that banner that you have an SEZ. It is only by a rightly framed SEZ, a rightly conceived SEZ will units come up there, units which will not only serve Punjab but in time to come serve cross-border trade, cross border trade going up to CIS countries. So, this has to be conceptualised correctly, framed correctly. When the hon. Prime Minister announced this, it was the Prime Minister's understanding of this issue, his vision of the future. The hon. Prime Minister has not announced SEZ anywhere else. Why did he choose Amritsar? He chose Amritsar because of its strategic location, because of its history, because of its people and having made that announcement, the Central Government, which is a facilitator in doing its best. We are not there as an approver, we are a facilitator of an SEZ and this Board of Approvals, which is an inter-ministerial Committee, looks into all aspects of it to see that an SEZ, when approved, also succeeds, an SEZ is so structured that it is able to invite and attract units to come in. So, that is the crucial thing.

The minimum requirement, as laid down, is 1,000 hectares of land. The land has to be acquired, not necessarily by the State Government. It can be a private entrepreneur. The law provides that an SEZ need not necessarily be of the Central Government or of the State Government. For SEZ, we have approved proposals, proposals which have been submitted by the private sector who go, buy the land, acquire the land and whatever is needed. An SEZ can be set up by a joint venture between a private set up and the State Government or the State Government alone. These are the three situations under which an SEZ is set up. But the most important of this is the land. When the State Government said that 'we are unable', I would request the hon. Member, through you that he should assist the State Government in identifying these 1,000 hectares if they are available. He is the Member representing Amritsar. He would be familiar as to which is the best area where 1,000 hectares of land is available for a multi-unit SEZ.

But where it is a product-specific, or an airport-oriented SEZ, that limit of 1,000 hectares does not apply. So, it is for the State Government and the hon. Member to sit down and see as to what is the most viable thing, what is the most attractive SEZ. Just an approval does not get one very far. All these couplets, all this rhetoric are all very well. But at the end of the day the question will be – what does it generate. Does it generate employment? Does it generate economic activities? Those will be the yardsticks of measurement and that yardstick of measurement is going to be the difference between success and failure.

So, as soon as we have a proposal from the State Government either identifying 1,000 hectares which are acquirable or which are going to be acquired, we will consider it. There has to be a land. An SEZ cannot be in the air. I am afraid it cannot be in the abstract, it cannot be just wishful thinking. It has to be on the ground. Once the State Government is able to provide these 1,000 hectares or comes with a proposal of a sector-specific SEZ, which can be of less than 1,000 hectares, the Central Government will be happy to consider this and approve it expeditiously.

MR. SPEAKER : Thank you very much.

...(Interruptions)

MD. SALIM (CALCUTTA – NORTH EAST): The hon. Member should be happy because his fight is not against the General but against the Captain. ...(Interruptions)

SHRI NAVJOT SINGH SIDHU : Sir, words do not satisfy me. It is action that is needed. कोई प्यासा आदमी अगर प्यास से दम तोड़ दे, प्यास से मर जाए, उसके बाद उसके लिए अमृत का तालाब खोदते रहो, उसका कोई फायदा नहीं है। What I want over here is the Centre to direct the State Government. The State Government has been like a golden drum. They have made a lot of noise; but if you tear it apart, there is nothing inside but air. Good intentions die unless executed properly. ...(Interruptions)

MR. SPEAKER : I am sure your views will be brought to the notice of the State Government.

...(Interruptions)

SHRI NAVJOT SINGH SIDHU : Sir, the State Government should be directed to acquire the land. That is the most important thing. Until and unless they acquire the land, it is difficult. ...(Interruptions) It is the vested interest which has over-ridden the issue. ...(Interruptions)

MR. SPEAKER : You come to me. I am the person who did a product-specific SEZ in Kolkata. You should learn from me. I will tell you how to do that.

...(Interruptions)

PROF. VIJAY KUMAR MALHOTRA (SOUTH DELHI): Sir, the hon. Prime Minister has made the statement. The State Government should be directed. ...(Interruptions)

MR. SPEAKER : Let us come to very important business now.

SHRI NAVJOT SINGH SIDHU : Sir, one last thing. केवल गुड़ कहने से मुंह मीठा नहीं होता। It is not by saying 'honey, honey' that sweetness will come to your mouth. That is my point. You execute the plan; execute it in Amritsar. ...(Interruptions)

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MR. SPEAKER: Shri Suresh Prabhu. As you know, these are very important matters. We have decided in the morning that we shall allow very important matters now and other matters will be taken up at 6 p.m.