

between Nagarjunasagar and Hyderabad at a cost of Rs. 600 crores. And Rs. 50 crores were released during the time of Mr. N. T. Rama Rao's Government. And five years are already over, and this Government is not at all taking any initiative to solve the drinking water problem of the twin cities as well as the other parts of the State. I request the Government to take up these 12 protected water supply schemes which have been sanctioned at a cost of Rs. 101 crores. This should be immediately taken up with the State Government so that the drinking water problem is solved not only in the Hyderabad city but also in other parts of the State of Andhra Pradesh.

Thank you, Madam.

**EFFECT AND IMPACT OF THE UNION  
BUDGET 1994-95 ON THE SMALL  
SCALE INDUSTRIES**

SHRIMATI RENUKA CHOWDHURY

(Andhra Pradesh) : Madam, thank you for permitting me to speak, though on a different subject, I also wish to associate myself with Mr. Rajkumar because there is an acute water problem and it also reflects in the society in terms of rising crime! because people are digging into the drinking water pipelines and thereby causing a much greater trouble.

Madam, I wish to draw the attention of this House through this Special Mention to a very acute problem which is affecting the nation at large, and this is in terms of the small scale industries under the impact of the Union Budget for 1994-95. Madam, certain excise exemptions were given by the Government after much detailed consultations and after applying its mind over a period of so many years. And these exemptions have been removed by a stroke of pen overnight. The Government has withdrawn 389 notifica-

tions overnight without any consultation with the small scale industries which has resulted in the closure of hundreds and thousands of small scale industries all over the country. In Delhi itself, Madam, in Gurgaon area, almost 1,000 small scale units have been shut down overnight because they are not able to cope with the withdrawal of excise duties, with the change in the excise structure which the Government has made so drastic. The large multi-national corporations have been encouraged by providing a number of fiscal and other benefits whereas in the case of SSIs, concessions to the tune of Rs. 2,106 crores have been withdrawn. This has crippled the working of the small-scale sector.

Madam, there is no need for any emphasis to be laid on the role that the small-scale industry has played in contributing towards the economy—not just the economy but the national identity—in terms of self-reliance for our people in the country. The Budget has neither re-stored the benefit of 5 per cent national excise duty nor removed the clearance limit of Rs. 2 crores. The Government has also not given tax benefits and incentives for the growth of small-scale sector. The withdrawal of the main concessions has further affected the industry drastically as a result of which the tiny and small-scale industries have been forced to put their shutter down. This is not exaggeration for me to highlight on this point in this august House that the people should apply their mind. On the one hand we talk of unemployment and the Government promises rainbows with pots of gold in the air by the year 2000 whereas what is happening today is, because of such radical changes, hundreds and thousands of people have been rendered unemployed. About 10 crore people in the country get

their livelihood from the small-scale sector in India and, directly or indirectly, the potential for small-scale sector in terms of employment is very huge. Seventy per cent of the country's exports are made by the small-scale industries and value-added production-wise, it contributes 50 per cent and 35 per cent respectively. I want to request the Government to apply their mind to the disastrous implications of the withdrawal of excise concessions. This will open an entry to the Excise Inspectors and we will go back to Inspector-raj whereby there will be harassment and ability for certain industries to manipulate for themselves, resulting in chaos and black-mail by the Inspectors as we have seen it in the past. This will lead to corruption in the small-scale and tiny industries and increased documentation which they will not be able to cope with and not see the daylight of what will happen to this sector of the industry in terms of the effects under the GATT. Madam, many sectors of the industry were totally left out in the matter of consultations by the Government. They did not consult the small-scale sector when they brought about these radical changes. The employment provided by the small and tiny household sector will be considerably reduced, with less production and closure of tens of thousands of units. I wish, through you, to point out to the Government that it is imperative for them to place it at the highest order and look into the case of SSI units and restore the pre-Budget excise concessions available to the small-scale industries immediately, without any further delay, so that we do not cause panic, both in the trade unions and the industrial management which itself is in transition under the impact of GATT. The small-scale industries, in general, have never been able to avail of the MODVAT scheme due to involvement of huge amount of documentation and procedural wrangles,

something about which the Government has been promising for centuries literally, saying that they are going to simplify the matters, so much so that the small-scale industries continue to suffer. I am also requesting the Government to appreciate that withdrawal of excise concession has deprived thousands of SSI units of the benefits of excise concessions and this will jeopardise the very survival of the SSI units throughout the country. Hence, this needs to be urgently looked into. I have already said that the SSI units are the largest exporter's of the country. When we are talking and trying to sell the concept of GATT to this nation, as an individual—this is not my party's opinion—I appreciate what GATT means to the world in general, but there is a fine definition when an economist describes to the nation in rupees, annas and pies, and the vision of a politician who looks into the ethos of this nation and the ethos of self-reliance. It is not enough for the farmers that they buy food. What is important is that we learn to grow our own food and they have a directive to keep the cash crops and food crops in balance so that India will for ever have the confidence to feed its own people. The same rule applies to industry. The management is in transition by themselves and the trade union is going to play a very dynamic role under GATT if this nation is going to view it in its correct perspective. What distresses me and, I am sure, my hon. colleagues in this august House, is that we are going about GATT like a rogue elephant. We have allowed it to stampede and run amuck carefully-structured procedures of small-scale industries and public undertakings. We have to think about it with speed so that we can use this for our benefit. We should do it, not by destroying the existing areas, not by destroying what we already have, but by taking advantage of what we have.

SHRI V. NARAYANASAMY (Pondicherry) : Madam, I would like to associate myself with what Shrimati Renuka Chowdhury has said. Representations have come from the various small-scale industries. In this year's Budget, most of the small-scale industries have been brought under the excise net. Thousands of industries have been closed. Only one thing has been done. They have given the exemption in respect of brand names. Only those industries which are having brand names have been allowed the excise exemption.

Madam, there is no marketing mechanism for the small-scale industries to market their goods. People with brand names would be able to market their products. But there are a number of other small-scale industries. For example, we have the shampoo-making industry. This is used by the common people. In my State, such small-scale industries have been closed. More than 10,000 people have been rendered unemployed. This is a serious matter. We have brought it to the notice of the hon. Finance Minister. I would request the hon. Finance Minister to review the excise policy which has been adopted by the Government. They should not allow the excise inspectors to rule the roost.

SHRIMATI RENUKA CHOWDHURY: This only leads to corruption.

SHRI JAGESH DESAI (Maharashtra): Madam, just one point. In this case of powerlooms in Maharashtra, 40 per cent of them are 'closed, at present. This was the answer given by the Minister in the Maharashtra Vidhan Sabha. Therefore, the Government should take steps to see that these small-scale industries survive. Otherwise, many industries in Maharashtra, Andhra Pradesh, would be affected.

The Government should look into it and ensure their survival. A number of people are working in these industries.

SHRIMATI RENUKA CHOWDHURY : The question of employment is important. Thousands of people are rendered unemployed.

SHRI NILOTPAL BASU (West Bengal) : Madam, you said that there would be no associations.

THE DEPUTY CHAIRMAN : You do not question the Chair. You should know this. It was my ruling also that nobody shall speak about that. Now, I have to put a stop somewhere. In future, please do not question the Chair, which is also a part of the tradition in this House.

SHRI NILOTPAL BASU : I am not questioning.

THE DEPUTY CHAIRMAN : I am happy that you are appreciating something of the Chair also.

SHRI NILOTPAL BASU : I have no objection. I am only referring to what you said that there would be no association.

THE DEPUTY CHAIRMAN : Again, you are questioning after accepting it. There is a limit to any discussion, however important it is. I cannot allow this House to run amuck on any subject. At some point of time, I have to make Members realise that enough has been said because: you are curtailing the rights of other Members. You would not be giving them a chance to make their points, if you go on speaking on one subject. You would be preventing some others who also want to make their points, while you go on associating yourself without even getting the Chairman's permission. That is the point.

Shri Govindrao Adik. He is not here. Shrimati Basanti Sharma. Not here. Shri Ahmed Mohamedbhai Patel. Not here. Shri Janardhan Yadav.

**NEED TO REHABILITATE THE ADIVASIS FAMILIES OF CHHOTA NAGPUR AFFECTED DUE TO CONSTRUCTION OF FIELD FIRING RANGE THERE**

**श्री जनार्दन यादव (बिहार) :** मैडम, मैं आपके माध्यम से सरकार का ध्यान उस ओर खींचना चाहता हूँ जहाँ बिहार के सब से गरीब लोग बसते हैं। अभी सरकार ने एक नेत्रहाट फील्ड फायरिंग प्रोजेक्ट की घोषणा की है। अगर वह प्रोजेक्ट शुरू होगा तो हजारीबाग, राँची, गुमला, लोहरदगा, पलामू यह जो पाँच आदिवासी जिले हैं सब से अधिक परेशान होंगे और खास करके गुमला जिला के 179 गाँव तथा राँची के 66 गाँव, दो लाख आदिवासियों को वहाँ से विस्थापित होना पड़ेगा बिहार सरकार ने आर्डिनंस के माध्यम से इन गाँवों में रहने वाले लोगों को खाली करने का आदेश दिया है और सब से दूख की बात यह है कि छोटा नागपुर में जो आदिम जनजाति असर है जिसकी आबादी सिर्फ 8 हजार रह गई है, कोरबा है, बिरहोर है ये सब आदिम जनजाति हैं, अगर यह प्रोजेक्ट शुरू हो गया तो आदिम जनजाति वहाँ से लुप्त हो जाएगी। इसलिए आदिवासियों ने इसका घोर विरोध किया है कि यह फील्ड फायरिंग रेंज प्रोजेक्ट वहाँ नहीं होना चाहिए। और फिर एक बड़े गन का फायरिंग रेंज वहीं होगा और दूसरी का भी वही होगा। इसलिए फायरिंग रेंज को उस क्षेत्र से हटाकर अन्यत्र ले जाया जाये क्योंकि वहाँ के आदिवासी इस योजना का विरोध कर रहे हैं। महोदय, पिछले सप्ताह 50 हजार आदिवासी धनुष लेकर इसका विरोध करते हुए सड़क पर पहुँचे थे और उन्होंने नारा लगाया था कि, “जान दैये जमीन नहीं

दैये।” और “जन-जन की है यही पुकार, जमीन और जंगल हमारा है”।

इसलिए मेरा सरकार से निवेदन है कि इस योजना को वहाँ से वापस लिया जाये।

**P.M's visit to U.S.A.**

**SHRI K. R. MALKANI (Delhi) :** Madam, Deputy Chairperson, in the next few days the Prime Minister will be going to the United States. It is good that Heads of State or Heads of Government should be meeting from time to time, and these meetings raise many expectations. In the present case, it also rouses many apprehensions, and the Government should try to remove these apprehensions. For example, these summit meetings are not picnics. Unless the officers have worked out and sorted out the issues, what do the leaders decide? And the preparatory work that is going on, it is going on not in Delhi or Washington but in London. It is very curious. And the surprising thing is that even the Foreign Secretary is not being associated with this. Why? What is happening? It has been given out that this

won't be a State visit. Then what is it? A business visit? What is the business? What are the agreements to be signed?

The Prime Minister told this House earlier, last week, that there is no pressure on us and that we will not yield to pressure. It is not enough to make denials. Facts speak for themselves. For example, they issued an Ordinance setting up the Human Rights Commission at the instance of the USA. What is it if not pressure? The matter was pending before a Joint Parliamentary Committee, but the Government rushed with an Ordinance, obviously under pressure. The House and the country expect the Prime Minister