"A STUDY OF RURAL RESISTANCE AGAINST LAND ACQUISITION FOR SEZs IN THE RAIGAD DISTRICT OF MAHARASHTRA"

A thesis submitted to

TILAK MAHARASHTRA VIDYAPEETH, PUNE

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Under the Faculty of Social Sciences

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May, 2011

DECLARATION

I hereby declare that the thesis entitled "A STUDY OF RURAL RESISTANCE AGAINST LAND ACQUISITION FOR SEZs IN THE RAIGAD DISTRICT OF MAHARASHTRA," Completed and written by me has not previously formed the basis for the award of any degree or other similar title of this or any other University or examining body.

Research student

Place: Mumbai

May, 2011

CERTIFICATE

This is to certify that the thesis entitled "A STUDY OF RURAL RESISTANCE AGAINST LAND ACQUISITION FOR SEZs IN THE RAIGAD DISTRICT OF MAHARASHTRA." Which is being submitted herewith for the award of the Degree of Vidyavachaspati (Ph.D.) in Economics of Tilak Maharashtra Vidyapeeth, Pune is the result of original research work completed by Shri. P. Murugesan under my supervision and guidance. To the best of my knowledge and belief the work incorporated in this thesis has not formed the basis for the award of any degree or similar title of this or any other University or examining body.

Place: Mumbai **Research Guide**

May, 2011

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LIST OF ABBREVIATIONS

ALAASC	**Anti-Land Acquisition and Anti-SEZ Committee**
ASEAN	**Association of South-East Asian Nations**
BEPZA	**Bangladesh Export Processing Authority**
CAGR	**Compounded Annual Growth Rate**
CIDCO	**City Industrial Development Corporation**
CSEZ	**Cochin Special Economic Zone**
DEPB	**Duty Entitlement Pass Book**
DFCEC	**Duty Free Credit Entitlement Certificate**
DFIA	**Duty Free Import Authorisation**
DFRC	**Duty Free Replenishment Certificate Scheme**
DGCIS	**Directorate General of Commercial Intelligence and Statistics**
DTC	**Direct Tax Code**
EOU	**Export-Oriented Unit**
EPCG	**Export Promotion Capital Goods Scheme**
EPZ	**Export Processing Zone**
EXIM	**Export and Import Policy**
FDI	**Foreign Direct Investment**
FSEZ	**Falta Special Economic Zone**

FTWZ	**Free Trade Ware Housing Zone**
FTZ	**Free Trade Zone**
GAFTA	**Great Arab Free Trade Area**
GDP	**Gross Domestic Product**
GOI	**Government Of India**
GSDP	**Gross State Domestic Product**
ILO	**International Labour Organisation**
ISI	**Import Substitution Industry**
JNPT	**Jawaharlal Nehru Port Trust**
KAFTZ	**Kandla Free Trade Zone**
KASEZ	**Kandla Special Economic Zone**
LA	**Land Acquisition**
LAA	**Land Acquisition Act**
LDCs	**Less Developed Countries**
MAT	**Minimum Alternate Tax**
MIDC	**Maharashtra Industrial Development Corporation**
MMSEZ	**Maha Mumbai Special Economic Zone**
MNCs	**Multi-National Companies**
MSEZ	**Mumbai Special Economic Zone**
NCAS	**National Centre for Advocacy Studies**
NEP	**New Economic Policy**

NMMC	**Navi Mumbai Municipal Corporation**
NMSEZ	**Navi Special Economic Zone**
NPRR	**National Policy on Resettlement and Rehabilitation**
NSEZ	**Noida Special Economic Zone**
PPF	**People's Political Front**
R&R	**Rehabilitation & Resettlement**
RIL	**Reliance Industries Limited**
RPL	**Reliance Petroleum Limited**
SAZ	**Special Agriculture Zone**
SEEP-SEZ	**Special Economic Zone**
SEZ	**Special Economic Zone**
SGDP	**State Gross Domestic Product**
STPI	**Software Technology Parks of India**
STPs	**Software Technology Parks**
VSEZ	**Vishakhapatnam Special Economic Zone**
WEPZA	**World Economic Processing Zone Association**

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CHAPTER I

INTRODUCTION AND RESEARCH METHODOLOGY

CONTENTS

1.1 GENESIS AND RELATED CONCEPTS OF SEZ

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CHAPTER I

INTRODUCTION AND RESEARCH METHODOLOGY

1.1 GENESIS AND RELATED CONCEPTS OF SEZ

Free Zones as a concept are at least as old as western civilizations, having existed in the Phoenician city of Tyre, Roman Empire and at 300 BC in the Greek Island of Delos, which as a result became one of the wealthiest islands in the world for nearly a century. With operational success the role of the Free trade Zones (FTZs) expanded beyond trade to investment, technology, research and development, services, training and free zones have become centre of activities in the modern economy. [Das Geeta (2009), Special Economic Zones in India "Lessons from China," p 13, New Century Publications, New Delhi, India]

The concept of special areas indulged in vigorous external trade is not new and since the beginning of the civilization, special areas characterized by high trading activities between nations did develop all over the world based on its location advantage, richness of the natural endowment and special economic activities of the region. However, Special Economic Zones, Export Processing Zones (EPZs) and other such concepts are relatively new and have become an important policy tool for the developing countries in the current integrated trade regime. Traditionally, the concept of EPZs evolved to compensate for anti-export-bias created by the Import Substitution Industrialization (ISI) policy

regime. According to the World Economic Processing Zones Association (WEPZA), Puerto Rico was the first to create an EPZ (Export Processing Zone) in 1947 to attract investment from the US mainland. However, Mauricio et al, consider Ireland to be the first to establish EPZ in 1959. Since then different countries have gained both positive and negative experience of creation and functioning of such zones. (Ranade Prabha Shastri (ed) (2007), Special Economic Zones, Global and Indian Experiences, "Types of SEZ," The Icfai University Press, Hyderabad, India, p 34)

Various terminologies are used to describe these special areas set up by various countries. However, the common motive of all the countries behind this endeavour is to increase exports, enhance foreign exchange earnings and attract foreign capital. The countries also expect various fall –out benefits from these areas viz. development of the regional territories, increased economic growth and employment, new technology introduction and know-how transfers, increased overall development of domestic economy and industry through cross linkages, so on and so forth. The motive behind setting up SEZ is different for each country. Zones in Persian Gulf region aim to diversify and deepen their economy, zones in Poland aim to solve the problem of unemployment and zones in China are instruments of opening its economy to foreign investors. (ibid[1] p 34, 35)

1.1.1 Types of SEZs

SEZs can be differentiated into various types based on various factors, viz. activities, products, ownership, geographical premises and others. Various types of SEZs with appropriate examples are given below:-

a. **Multi-Product Zones:** This is a SEZ where units may be set up for manufacture/ rendering of services of two or more goods/ services in a sector of goods/services falling in two or more sectors. Thus, multiple types of industries are present within the multi-product zone. In India, the minimum land required is 1,000 hectares and investments of Rs 1,000crores. Minimum land requirement may be reduced to 200 hectares in specific states. The examples of multi-product SEZs are Malaysia's Penang EPZ, China's Buji SEZ and Taiwan's EPZ.(ibid[2] p 41)

b. **Multi-Product Exclusively for services:** such SEZ would be a hub for providing multiple types of services only. In India, the minimum land required is 100 hectares(idem[1] p 41)

c. **Sector-Specific Zones:** This is a Zone dedicated for one or more products or services in a sector. In India, the minimum land requirement is 100 hectares and minimum investment is Rs.250 crores. For specific states this minimum land requirement is relaxed to 50 hectares. India proposes to set up sector-specific zones in Biotechnology, Non–conventional

energy, Electronic Hardware and Software, Gems and Jewellery etc. which may require still lesser land requirement of 10 hectares only. IT /ITES Zones and Software Technology Parks (STPs) set up by India is an example of sector specific zones for services.(idem[2] p 41, ibid[3] 42)

d. **Captive Zones:** The whole Zone is owned and developed by one entity. In India it is spread over 10 hectares and requires minimum investments worth Rs 250 crores.(idem[1] p 42)

e. **Maquiladoras:** Maquiladoras is a term of Spanish language refers to the practice of millers charging a "maquila", or "miller's portion" for processing other people's grain. "Maquiladora" is primarily used to refer to factories in Mexican towns along the United States - Mexico border, but increasingly is used to refer to factories all over Latin America. Maquiladoras factories encompass a variety of industries including electronics, transportation, textile and machinery, among others. Maquiladoras may be 100% foreign–owned (usually by U.S companies in most countries). (idem[2])

f. **Free Trade Warehousing Zones/Free Ports:** Free Trade Warehousing Zones or Free Ports or Free Trade Zones are a special category of Special Economic Zones with a focus on trading and warehousing. Free trade Zone serves as an important base of import and export trade operations for a country, and an important passageway for freight and passengers

passing in and out of the border between two areas. A FTWZ may be set up as apart of a Multi–Product SEZ and also a Sector–Specific SEZ. In India, the minimum land requirement is 40 hectares. Examples of such type of zone are Free Trade Zone of Taiwan or Free Port of Mauritius.(ibid[4] p 43)

The role and importance of SEZs is increasing all over the world and the number of countries employing SEZs as route to greater integration and success in the world economy is increasing. SEZs also have to increasingly face criticism on real estate, displacement, labour and employment and environment issues and hence these SEZs have to face formidable challenges before they establish themselves.

The concept of Special Economic Zone (SEZ) is described by different countries in no less than nineteen terms such as Free Trade Zone (FTZ), Industrial Zone (Singapore), Maquiladoras (Mexico) Export Processing Zone (EPZ) and the common variants are FTZ, EPZ and SEZ. The diversity of zones emphasizes that they are created by governments to meet a specific policy objective, primarily export intent. International conventions recognize the rights of government to create such special purpose policy instruments, and even encourage them to do so. [Das Geeta (2009), Special Economic Zones in India "Lessons from China," p 13, New Century Publications, New Delhi, India]

The first EPZ of modern era was set up in 1959 at Shannon, in Ireland. The concept of establishment of EPZ was adopted by Puerto Rico in 1962,

followed by India in 1965. Throughout the world, and even throughout history, zones have proven themselves to be one of the most effective tools available for trade development. As per reports, at present 5174 zones are operating world over in more than 128 countries and territories. (idem[1])

SEZs are called "ecozones" in Philippines, "Zona Economica" in Peru, "Maquiladora's'' in Mexico, EPZs or Free trade zones(FTZs), industrial zones, and enterprise zones in various parts of the world. EPZs include free trade zones, special economic zones, bonded warehouses, free ports, and customs zones. [Ranade Prabha Shastri (ed) 2007), Special Economic Zones, Global and Indian Experiences, The Icfai University Press, Hyderabad, India, p 5]

Most Free Trade Zones (FTZs) are located in developing countries, usually, these zones are set up in underdeveloped parts of the host country. It is expected that the zones will attract employers and will help to reduce poverty and unemployment and stimulate the economy of these backward areas. They are special zones where (some) normal trade barriers such as import or export tariffs do not apply. (idem[1])

Government regulations are minimized by outsourcing it to the FTZ operator and additional incentive/tax break is given to corporations for setting up in the zone. Other incentives provided to EPZ firms include tax holidays on outputs and profits, free repatriation of dividends etc. Multinational

Corporations (MNCs) set up factories to produce goods (such as clothing or shoes in these zones). (idem[2])

According to Johansson and Nilsson (1997) EPZs are "geographically bounded areas in which free trade, including duty free import of intermediate goods, is permitted provided that all goods produced within the zone are exported". Ireland and Taiwan set up their first SEZs in the 1960s. Shannon EPZ in Ireland is considered as the first SEZ in the world. China established 4 SEZs at Shenzhen, Zhuhai, Shantou and Xiamen in the 1980s. SEZs were also established in several other countries. The Santacruz Export Processing Zone was established in India and similar zones in Korea in the 1960s. The concept got global currency when in 1980 China set up its most successful zone at Shenzhen. EPZs' history of India dates back to the mid-1960s and 1970s when the first EPZs were established at Kandla, India, and Mauritius, respectively. In sub-Saharan Africa, apart from Mauritius, EPZs have been set up in Senegal, Liberia and Ghana in the 1970s, Zaire (1981),Togo (1989), Madagascar (1989) and Cameron Kenya (1990), Zanzibar and Zimbabwe in the 1990s. In 2002 there were 43 million people working in about 300 FTZs spanning 116 countries producing clothes, sneakers, electronics, and toys.(ibid p 6)

As per ILO statistics (2003) SEZs were established in 30 countries in the 1970s. There were 80 free zone projects with total exports of over $6 billion and providing direct jobs to one million. The last decade has witnessed a steady growth in total exports from SEZs and the share of exports from SEZs to

respective country exports. In 2003, there were SEZs in about 120 countries with about 2000 SEZ projects and about 1200 private zones exporting worth about $6000billion. 50 million direct jobs created in SEZs, about 30 million in China alone. (idem[1])

1.1.2 SEZs / EPZs in Selected Countries:

EPZ Model viewed with an international perspective, is intended to influencing increasing share of trade flows and generating employment opportunities to a growing number of workers. In 1986, there were 176 Zones across 47 Countries. By 2003, the number had increased to over 3,000 across 116 countries. Export Processing Zones (EPZs) are designated as areas within which the host countries intended to attract investment largely from foreign firms by offering favored treatment in various ways. EPZs have become favored option of many Less Developed Countries (LDCs). Establishment of EPZs require substantial Public investment by the host–country, so it is important to enquire whether they yield a net welfare gain, and whether they are better alternatives to industrialization .The main objectives cited by host–country governments being: a) increasing foreign exchange earnings b) increasing employment and c) encouraging transfer of technology and management skills. [Sodersten Bo & Reed Geoffrey (1994)]

War observes that EPZs have contributed to the attainment of the first two objectives but the sought after technology transfer has not, in general,

occurred. He also comes to the conclusion that the benefits from EPZs are limited and that they are certainly not engines of development. He argues that where they have been successful, greater success could have been achieved by liberalization of the domestic economy rather than the establishment of liberalized zones within the economy. (idem[1])

Malaysia, Mauritius, China are successful examples of EPZs. Some of the examples of successful SEZs/free ports over the world are: City States of Singapore, Hong Kong, Macau, Gibraltar, Dubai, Batam, Indonesia (1978) Labuan, Malaysia (1990), Inquique, Chile, (1975), Shenzen China, (1980), Subic Bay, Philippines (1992), Aqaba Jordan (2000). Figures in bracket are the years of establishment. A brief description of SEZs in some selected countries is presented below.

[Ranade Prabha Shastri (ed, 2007), "Special Economic Zones, Global and Indian Experiences," The Icfai University Press, Hyderabad, India,p 8]

i] Zimbabwe

Zimbabwe provides an example of successful export processing zone programme. This was undertaken as a part of its economic reforms programme. Two types of EPZ are being implemented.

a. Industrial Park type-here export oriented manufacturing activities are located in a defined geographical area.

b. Stand-Alone EPZs-EPZ status is conferred on companies wherever they are located. This is a flexible tool appreciated by all.

c. There is no quota or duty restriction for goods produced in Zimbabwe to enter the European Union market. (idem[1])

ii] Bangladesh

In order to stimulate rapid economic growth of the country through industrialization, the government adopted an 'Open Door Policy' to attract foreign investment to Bangladesh. EPZs were established in Bangladesh with the objective to promote foreign direct investment (FDI) and local investment, promotion and diversification of export, development of backward and forward linkages, generation of employment, transfer of technology, upgradation of skill and promotion of international marketing skill/access. The Bangladesh Export Processing Zones Authority (BEPZA) is the official organ of the government to promote, attract and facilitate foreign investment in the Export Processing Zones. The primary objective of an EPZ is to provide special areas where potential investors would find a congenial investment climate, free from cumbersome procedures. There are eight EPZs in Bangladesh, five of them are in operation and other three (Ishwardi, Adamjee and Karnaphili) are in the implementation stage. (ibid[1] p9)

iii] Greater Arab Free Trade Area (GAFTA)

The concept of Greater Arab Free Trade Area was developed in 1997, with 17 Arab League members. The agreement was to agree on decreasing the customs on the local production, and to make an Arab Free Zone for exports and imports between the members. The members

participate in 96% of the total internal Arab trade and 95% with the rest of the world by applying the following conditions:

a. To reduce the customs on Arab products by 10% annually.

b. Applying the locality of the Arab products. To help their products move smoothly from one country to another.

c. Private sector participation.

d. Communication: To ease communication between member states, and also to work to ease communication between the private and public sectors.

e. Customs duties: 40% decrease on customs on goods. The members will put more efforts to eliminate all customs duties on local Arab goods.

f. The Greater Arab Free Trade Area (also referred to as GAFTA) has come into existence on 1st January2005. GAFTA is a pact made by the Arab League to achieve a complete Arab economic bloc that can compete internationally. GAFTA promises to initiate strong self- sufficient Arab economy, similar to ASEAN. (idem[1])

iv] United Arab Emirates

Currently there are 9 free trade zones in UAE. Jaleb Ali was the first zone to be established in 1985. Now every island has one such zone. The share of these zones in country's exports is 11% to 13%, i.e., U.S $ 3.6 to $ 4.2 billion. There are 3000 international companies established in these zones, 600 among them are Indians. (ibid[2] p10)

v] Philippines

To develop SEZs, Philippines enacted the Philippines Economic Zone Act in 1995. At present there are 142 such free zones spread over an area of 23,949 hectares (ha). This includes SEZs, industrial parks and technology parks. The contribution of SEZs to Philippines exports has increased from 25% of its exports in 1995 to 53% in 2000 worth US$20 billion. They have also attracted substantial foreign direct investment (US $ 14.8 billion) generated direct employment. In Philippines the employment in EPZs increased from 229,660 to 716,990 between 1994 and 2001. (idem[1])

vi] China

China implemented its ambitious export promotion strategy through SEZs established at ports and in proximity to world trade centers. SEZs have played an important role in the overall growth of Chinese economy. Strategic location, multimodal connectivity, industry focus, infrastructure facilities, policy framework have played a key role in the successful operation of SEZs in China. (idem[2])

During the decade 1980 and 1990 China implemented an ambitious export oriented strategy by setting up SEZs along its coastal cities. The earlier SEZs were established in the close proximity of Hong Kong, Macau and Taiwan. The scope of SEZs has considerably expanded in China. As on March 31, 2005 there were 811 units in operation in eight

functional SEZs. The share of SEZ exports to country's exports was 23% (US$42 bn). They provided direct employment to 2 million and overall indirect employment to 16 million people. They attracted foreign direct investment worth over US$60bn. (idem[3])

Shankar Gopalakrishnan (2007) is of the view that this image of Chinese SEZs is both incomplete and, in many respects, simply incorrect. Left out of the pictures are inequities in development, arable land loss, real estate speculation and labor violence.

vii] Indonesia

In Indonesia, SEZs function under the concept of Bonded Economic Zone. The entire Batam Island was declared as Bonded Economic Zone in 1978. In 1998, 141,000 people were directly employed in this zone. The island attracted both domestic and foreign investment and in 1999, the cumulative investment was worth US$7 bn. Indonesia has 26 more such zones in addition to Batam. The latest addition is of free port of Sabang which was added since September 2000. [Ranade Prabha Shastri (Ed, 2007), Types of SEZ, The Icfai University Press, Hyderabad, India, p 11.]

viii] Poland

Poland enacted an SEZ law in 1995 for setting up SEZs. It aimed to bring new technology, generate employment and protect the environment. At present there are 17 zones in Poland, covering an area of 6338 ha and

providing employment to 14,000 people. Cumulative investment in these zones is around US$670 million. (idem[1])

ix] Ireland

Ireland has one operational free zone-Shannon free zone within the ambit of the laws of European Union. This zone with an area of 240 ha was declared as a free trade zone in 1956. Engineering, electronics, telecommunication units operating in this zone employ over 8000 people. (idem[2])

x] Panama

Panama government enacted a law to create Export Processing Zone in 1992. The Act has the provision of private participation in the development of this zone. National Commission for Export Processing Zone is also established here. (idem[3])

xi] Thailand

The government of Thailand has divided the entire country into three zones. Within each zone there are general industrial zones, free trade zones and export processing zone. Currently there are 27 such zones spread over an area of 6208 ha. Of them 13 are in public sector and the rest in joint sector. They have attracted total investment of US$20.95 bn. There are 1700 factories operating here providing employment to 400,000 people. (idem[4] p11, ibid[1] 12)

xii] Korea

In November 2002 Korean Congress passed the Act of Free Economic Zones and in August 2003 the government designated a part of the city of Incheon as the first Free Economic Zone in Korea. SEZs that are recently being developed in Korea are of comprehensive type. Korea lags behind its competitors in this area. (ibid[2] p12)

xiii] Costa Rica

The employment in SEZs in Costa Rica increased from 7000 in 1990 to 34,000 in 2000. (idem[1])

xiv] Malaysia

Malaysia is a successful example of employment generation in EPZs. They created employment opportunities by introducing higher value added production. After 2000 the demand for skilled jobs in these SEZs increased rapidly, and they had to look for skilled labour from other neighboring countries. (idem[2])

xv] Mauritius

It is regarded as one of the few most successful EPZs in the world. The Mauritian EPZ is a role model to other sub-Saharan African countries pursuing economic reforms. It proves that EPZs can play a crucial role in the economic and social development of a country. The entire island is an export processing zone. Mauritius provides a unique combination of

advantages to attract EPZ firms. These include a stable political environment, excellent sea and air connections with the Far East, Europe and Asia, a well developed infrastructure, extremely high rate of literacy (above 95%), bilingual (speaking both English and French) labour force conscious of the export quality, flexible in attitude, high health standards, an efficient civil service (bureaucracy), and support from all related institutions of the country.

Mauritius extended the EPZ concept to cover services such as banking insurance and the like. Mauritius has introduced an offshore banking facility (Offshore Banking Act, 1988) and offshore Business Activities Act of 1992.

Its export earnings have consistently increased. Between 1984/ 1985 and 1990, EZP exports rose at an annual average rate of over 50% of total export earnings replacing sugar as the main export earner. EPZs in Mauritius have contributed to employment creation in a very impressive way. The number of EPZ firms and number of people employed have consistently increased. The Mauritian government has played an active role in promoting investments and exports. (idem[3] p 12, ibid[1] 13)

xvi] Namibia

It has been observed that EPZs provide little prospects for addressing Southern Africa's economic problems. Namibian SEZ despite generous

concessions and controls on labour unions produced only 400 new jobs in the first 3 years compared to 25,000 anticipated. (idem[1])

Other countries' experiences with SEZs have lessons to offer in this regard. Successes in the issue of winning the trust and participation of the local populace include the Subic Bay SEZ in Philippines, which was established due to the strong support of the people in the region. The Philippines government in its plan for infrastructure development in the zone not only included physical infrastructure but also ensured the utilization of the human resources in the area. The Subic Bay example only goes to show the importance of involving the stakeholders in the geographic region and highlights the proactive measures taken by the Philippines' SEZ authorities.

1.2 SEZs IN INDIA AND CHINA: COMPAIRATIVE PERSPECTIVE

The inspiration behind the SEZ-initiative in India is the articulation of the stupendous economic growth in China over the last 2 decades with SEZs as the stratergy for development.

Eventhough India pursued restrictive import substitution (Inward-looking) policies since independence, government announced in Lokh Sabha in April 1960 to establish the first Free Trade Zone (FTZ) at Kandla (KAFTZ) in Gujarat. The zone became operational in the year 1966-67. India thus acquired the distinction of establishing the first FTZ in Asia and second amongst the developing countries next only to Puerto Rico where Export Processing Zone

(EPZ) was established in 1962. A decade later, the second zone was set up at Bombay and four more EPZs in 1980s at Calcutta, Cochin, Madras and Noida followed by yet another at Vishakhapatnam. The EPZs in India were developed, owned and managed by the Central Government. And the zone units were permitted to processing or manufacturing with project specific value addition for strict compliance. In the absence of conducive macro economic policy frame work, inadequate infrastructure, lack of promotional strategy, the performance was not significant in terms of contribution to exports, foreign exchange earnings, foreign direct investment and GDP. The prevailing scenario was appropriately described as, 'if the EPZs are 'crafted in isolation on an inward looking economy, their performance will not be optimal as is borne out by the Indian experience'. [Das Geeta (2009), Special Economic Zones in India "Lessons from China," p 15, 16, New Century Publications, New Delhi, India]

Chinese development strategy of export-led growth; developing Special Economic Zones as the vanguard in its opening up drives has been, by all account, highly successful.

Das Satyajit (2009) opines that China's economic growth model was a contributing factor in the current global financial crises. Under Deng Xiaoping, Leader of the Communist Party from 1978, China undertook economic reforms and openness which took the economy to greater heights. The centerpiece was economic reforms that combined socialism with elements of the market economy. In embracing markets, Deng famously observes that: "it doesn't

matter if a cat is black or white, so long as it catches mice." Deng also embraced a change in philosophy: "poverty is not socialism. To be rich is glorious."

The economic engine was export driven growth. Special Economic Zones for example in Shenzen located strategically close to Hong Kong were established to encourage investment and industry. The model took advantage of China's large cheap labour force. The strategy benefited from rising costs in neighbouring Asian countries such as Japan, South Korea, Taiwan, Hong Kong and Singapore. China was able to attract significant foreign investment, technology and management and trading skills from countries keen to out-source manufacturing to lower cost locations to improve declining competitiveness. (idem[1])

China converted it self, at least parts of the country into world's factory of choice. It imported resources and parts that were then assembled or processed and then shipped out again. The 'great moderation'ensured growing market for exports. (idem[2])

Export-driven growth has been instrumental for country's rapid economic development. With annual rates of growth in economic output and foreign trade that averaged nearly 10% and 16% respectively during 1978-2000, China's performance has in many ways become the envy of the world, developed and developing alike.

Now, India has embarked upon an ambitious plan to emulate the Chinese model of Special Economic Zones to boost, attract FDIs and thereby accelerating economic progress. The new Export and Import Policy effective from April 1, 2000 was introduced for setting up of Special Economic Zones in the country with a view to provide an internationally competitive and hassle-free environment for exports. And units in SEZ were allowed to manufacturing, trading, reconditioning, re-engineering and service activities.

Eminent economist, Desai Meghnad is of the view that 'specific manufacturing growth strategy would be required for a growth rate in manufacturing at 12 to 15% with an aim of doubling the manufacturing labour force from the present of around 40 million to 80 million over 20years. China achieved such a rate between 1980 and 2000. There is no reason why India cannot do the same'. [Das Geeta (2009), Special Economic Zones in India "Lessons from China," p 16, 17, New Century Publications, New Delhi, India]

In the context that both countries have many similarities though under different political systems, the basic question arises: whether adoption of the concept of Special Economic Zone by India as development strategy for sustainable economic development will be as effective as it is in China. It is worth evaluating the efficacy and scope of the lessons Chinese experience offers for India. (idem[1])

It is worth mentioning that during the hey days of SEZs in India since 2006 policy makers in New Delhi followed what precisely the Beijing regime was experimenting with export promotion, making SEZs a big success. Now, there has been a visible shift from the earlier stand as there is a growing realization that a blind following of the Chinese model of extra-large SEZs may not give desired results.

In China, size does matter. And unlike in India where there's now a cap of 1000 hectare for an SEZ, Chinese SEZs are quite big in scale and the land is state-owned. Therefore, the question of acquisition of land for SEZs does not arise. The state provides necessary financial assistance for the establishment of SEZs. The Xiamen SEZ, for example, is of 131 sq km whereas Shenzhen SEZ developed in close proximity to Hong Kong is of 327 sq km. The Hainan SEZ is as big as 34,000 sq km which in other words is 23 times bigger than the city of Delhi. (The Economic Times on Sunday, December 6, 2009)

Sharma Shalendra D. (2009) opines that the most controversial aspect of the SEZ policy in India is the acquisition of the land. Indian law grants state governments the power of "eminent domain" with relatively little recourse for the property owner to appeal for fair compensation. In some cases, the land acquired for the SEZs has been appropriated from local farmers under dubious means. This has made SEZs a hot-button issue, eliciting massive opposition from various groups and political parties that have demanded extensive curbs on the SEZ initiative.

It is worth mentioning that government of India with the view to boost exports set up Export Oriented Units (EOUs) in 1981 and Software Technology Parks (STPs) in 1991. Exports are given top priority in India, as India needs foreign exchange due to adverse balance of trade. In fact, practice of giving encouragement to exports is followed by almost all nations. Government gives encouragement to export through various schemes. Exports are mainly supported and supervised by 'Commerce Ministry' of Government of India. Export Promotion Councils have been formed for various product categories.

Benefits available to EOU and SEZ are comparable. Among EOU/SEZ, the SEZ unit has to be located at the specified locations where such zones are developed, while EOU unit can be set up at any place declared as 'warehousing station' under Customs Act. There are over 300 such places all over India. Thus, there is very wide choice of location. Even within the factory of manufacturer, a separate unit for EOU can be set up, thus saving considerably in administrative costs. Even use of common utilities is possible. If export orders dry up, conversion of EOU to DTA unit by exit (de-bonding) is comparatively very easy. On the other hand, if a unit is in SEZ, it has to be physically moved out of the zone after exit (de-bonding).

The Export Oriented Units (EOUs) scheme, introduced in early 1981, is complementary to the SEZ scheme. It adopts the same production regime but offers a wide option in locations with reference to factors like source of raw materials, ports of export, hinterland facilities, availability of technological

skills, existence of an industrial base and the need for a larger area of land for the project. As on 31st December 2005, 1924 units are in operation under the EOU scheme.

Software Technology Parks of India (STPI) is a society set up by the Ministry of Communication and Information Technology, Government of India in 1991, with the objective of encouraging, promoting and boosting the Software Exports from India.

The New Economic Policy (NEP) introduced in India in 1991 marked the end of the four decade-old 'inward looking trade strategy' and the beginning of an 'outward looking trade policy'. The NEP introduced in 1991 assigned trade policy reforms a top priority because policy makers recognized that the earlier trade regime (Import Substitution Industrialization) had contributed to wide-spread inefficiencies and corruption had undermined India's export competitiveness[1].

The introduction of SEZ Policy in April, 2000 was an off-shoot of the Export-Import (EXIM) policy, 1997-2002 which intended to promote exports, create employment, attracting foreign capital and advanced technology.

Forty five years ago, India was one of the first Asian nations to experiment with the prototype of to-day's Special Economic Zone (SEZ), when an Export Processing Special Economic Zone was setup in Khandla in Gujarat.

India was ahead of time as Chinese Leader Deng Xiaoping converted a backward fishing village of Shenzhen into an SEZ Policy in 1979.

Eleventh Five Year Plan (2007-2012) elaborates that "in a major initiative to boost export-led growth and motivated by the success of Chinese SEZs, the government replaced the EPZ scheme in 2000. The main difference between an SEZ and EPZ is that the former is an integrated township with fully developed infrastructure whereas an EPZ is just an industrial enclave. Under the new scheme, all existing zones were converted into SEZs. However, the impact of SEZs remained far removed from expectations. In order to provide a significant thrust to the policy, the Government enacted the SEZ Act 2005. The Act became operative in February 2006 after the SEZ rules were framed and notified." In addition, State governments also enacted their own SEZ laws, primarily to cover state subjects. The major feature of the act is that it claims to provide a slew of fiscal incentives, expeditious and single window clearance mechanisms for attracting foreign investment. In addition, the Development Commissioner (DC) is responsible for exercising administrative control over a Zone.

On the basis of ownership, SEZs can be classified into Public Sector, Private Sector and Joint venture SEZs. Aggarwal Aradhna (2006) says that "the 1991 reforms did not result in a sustainable growth in manufacturing and there was a significant slowdown in the second half of the 1990's. Bureaucratic red tape, administrative procedures, rigid labor laws and poor infrastructure are believed to have affected the investment climate adversely in the

manufacturing sector. To address these issues, the government reverted to EPZs with the expectation that if they could effectively be separated from the rest of the economy, then they could provide the engine of growth to propel the manufacturing sector."

Some emerging SEZs in states like West Bengal, Orissa, Maharashtra, Chhattisgarh, U.P and Goa were in serious trouble. For instance, the outbreak of violence at Nandigram in West Bengal has turned it into a text book example of how economic development ought not to take place. It all began with the acquisition of 1000acres of land for the Tata small car project at Singur. The Nandigram confrontation is a carbon copy of Singur. The entire episode of the nightmarish incidents, perhaps, could have been averted, had the state of West Bengal settled the issue by offering a fair deal to the actual cultivators. Many observers have criticized SEZs as land grabs that impoverish the poor.

Yet, in one state, SEZs are coming up rapidly, with no agitations, no disputes. This is the state of Gujarat. It would be more appropriate to look at the enactment of its own SEZ law in 2004, which preceded the announcement of National SEZ Policy in 2006. The original SEZ Policy of the state had norms that really should have been included in the National Policy.

Developed infrastructure was main advantage Chinese government has provided to foreign companies. Even though in India it is the private sector which is supposed to ensure this, government's duty doesnot end there. It is the

sole responsibility of government to provide for external linkages in the form of infrastructure connecting these zones with nearby developed areas/ markets/ transport hubs like harbours, ports etc. India's success largely depends upon government's success to provide this ancillary infrastructure support. [Singh Sanjeev Kumar (ed) (2008), "Special Economic Zones – Revisiting the Policies," The Icfai University Press, Hyderabad, India, p 112]

Apart from the fragile infrastructure in India, acquisition of land for SEZ has met with stiff resistance from land-losers which is suggestive of the fact that government in India should come out with pro-active Land Acquisition (LA) Policyto ensure sustainable development.

a. The notable features of the SEZ law of the state of Gujarat are :

i] Every SEZ Promoter had to be an industrialist, not a builder, ensuring that this was an industrial project and not real estate in disguise.

ii] The Promoter had to have an anchor project of his own in the SEZ. This ensures provision of high-class infrastructure, which a builder might neglect.

iii] The Promoter had to buy land voluntarily from farmers and not expect state acquisition on his behalf. This avoided the heart- burning seen in West Bengal and Orissa. [Kumar Naveen, Ramani VV (ed) (2008),

"Special Economic Zones To Be Or Not To Be,"The ICFAI University Press, Hyderabad, India p 60,]

Swaminathan Anklesaria Aiyar (2007) is of the view that the success story of SEZs in Gujarat owes something to Geography and History. Gujarat embarked on port-led development in the 1990s, encouraging captive and private ports and seeking to link these to industrial parks. The Gulf of Kutch is the only coastal area in India with low rainfall. Farming is tough, so farmers are willing to sell their lands. The state government itself owns vast waste lands, mud flats and marshes along the coast. It has been selling these to developers, without displacing farmers.

Other states have not focused SEZ development on such land. They surely should. West Bengal has triple-cropped land, but not Gujarat. To be noted is that in many states land records are in very bad shape. In Orissa, people cultivating land for decades are not listed in land records. They will get no compensation for acquisition, and so agitate against SEZs. Gujarat's land records are good. So, land disputes are few. (idem[1])

Landless laborers get no compensations, and in some states they fear that they will be jobless after acquisition of land for SEZs. However, low grade farm land in coastal Gujarat has few landless laborers. Mundra Port in Kutch has labour shortage, and imports workers from North India. (idem[2])

Gujarat's experience shows that SEZs can, if properly conceived and executed, be blessings that enrich rather than impoverish local farmers. But clearly Gujarat's experience cannot be replicated in states with very different Geography and History. (idem[3])

It may be pointed out that generally the reactions and responses of the 'would be affected people' due to the setting up of SEZs depict a mixed trend at both inter-state and intra- state levels in India. Therefore, there is a wanton need for examining and evolving a suitable legal framework to protect the people displaced from the agricultural land. If the existing spiral of displacement and consequent destitution of peasantry and other dependents on land has to be avoided, the law on land acquisition has to be drastically amended to limit the scope of acquisition.

The Land Acquisition Act (LAA), 1894 is beset with a plethora of loopholes depriving the affected people of their entitlements by obliterating their rights and interests. It will be more apt to point out some of the dark areas of the LAA, conspicuous for the absence of the element 'Human factor'.

b. LAA 1894 conundrum

A clear separation of 'public purpose' and private interest is possible only if we have a land acquisition law that clarifies the role of both the state and

the private sectors in these matters. The existing law envisages a pivotal role for the state in all land transactions. Accordingly, the state is entitled to invoke the principle of eminent domain and acquire private land for what it construes to be projects that are beneficial to the public. This law, good in intent and bad in practice, has created a skewed land market and price distortions. Hence, the urgent need to enact a new law based on the land acquisition Bill pending in Parliament. It's a travesty that this important legislation has been stalled for so long, especially since land-related disputes have held up industrialization across the country. There is reason to suspect that politicians want the present messy environment to continue since it lets them assume the role of mediators or trouble makers in what ought to be purely-market-dictated transactions. (The Times of India, editorial, "Battles Over Land," August 20, 2010)

c. Major loopholes of the LAA:

i] The Law speaks of only cash compensation, bypassing alternative land or employment opportunity and the like to the affected people.

ii] Current land acquisition (LA) process does not integrate resettlement and rehabilitation.

iii] There is no provision in LAA on tribal and scheduled areas.

iv] LAA currently does not mandate environmental impacts or social impacts that LA may cause.

v] Currently there is no mechanism to deal with a land becoming unfit to be used as a result of acquisition of adjoining land or nearby land. Thus, 'externalities[2], though not intended can leave the adjoining persons or

community and their property valueless. Such externalities do not come under the ambit of LAA. (Monthly Commentary on Indian Economic Conditions Vol. XLVIII No.10, 574, May 2007).

In addition to the above archaic LAA 1894, M.R Madhavan (2009) points out that "there are three major objections to the Land Acquisition Act, 1984. First, the type of projects for which land may be acquired compulsorily. Second, the amount and mode of compensation to the owners of the land. Third, the rehabilitation of the owners as well as others whose livelihoods are affected by the acquisition. These issues are addressed by the Land Acquisition (Amendment) Bill and its companion Rehabilitation & Resettlement Bill".

In the backdrop of controversies and setting up of SEZs, the Central Government has unveiled a new policy which provides for discouraging acquisition of agricultural land for non-farming purposes and setting up a Commission to look into Resettlement aspects. The National Rehabilitation and Resettlement Policy 2007, also entails setting up of a Committee to review and monitor the progress of the implementation of Rehabilitation and Resettlement Schemes across the country.

Modi Renu (2009) points out that "In October 2007, the Indian Government announced a new draft National Policy on Resettlement and Rehabilitation (NPRR), which provides for *inter alia*, 'Land for Land' compensation for the acquisition of land for development purposes and special

economic zones (SEZs) and employment to at least one person from each affected family. However, the new policy draft is yet to get the necessary approvals in the parliament and brought into effect (status in April 2011)."

However, acquisition of agricultural land for non-agricultural use in a project may be kept to minimum. The policy states instead suggesting 'waste land', 'degraded land' or 'unirrigated land' has the option for acquisition.

Bhaduri Amit (2007) points out that a remarkable convergence has taken place among major political parties in India on the issue of industrialization based on SEZ Model. Simply put, almost all political parties in India seem to have opted for embracing the neo-liberal paradigm of attracting private investment by offering a slew of fiscal incentives to the corporate-led growth only to realize a seemingly miniscule employment potential. Despite 60% of our working population living in agriculture, recent five year plans under different governments could allocate less than 5% of planned investment to agriculture. This would, undoubtedly, aggravate the already existing problems of rural poverty and regional disparities in the distribution of income and wealth.

To be noted is that persistent neglect of agriculture in India since long has manifested in food inflation, rural unemployment and poverty and food insecurity. This tells us that agriculture needs priority in economic planning.

Agriculture has a strong record in development. Agricultural growth has special powers in reducing poverty across all country types. Cross-country estimates show that Gross Domestic Product (GDP) growth originating in agriculture is at least twice as effective in reducing poverty as GDP growth originating outside agriculture. Agriculture can be a source of growth for national economy, a provider of investment opportunities for the private sector, and a prime driver of agriculture related industries and the rural non-farm economy. (World Development Report, Agriculture and Development, 2008)

Monthly Commentary on Indian Economic Conditions Vol. XLVIII No.10, 574, May 2007 observes that "the sudden displacement of large number of people is always a traumatic experience as it involves more than physical dispossession from the place of their residence and uprooting them from the pattern and security of their livelihood. It involves dismemberment of social and economic life built over generations. It triggers a chain of impoverishments: landlessness, homelessness, joblessness, food insecurity. The affected displaced poor persons, in particular the tribals, emerge from this process as victims of development. Tribals perceived this development as "war" against them and would consider underdevelopment as "benign".

Deriving a compensation package for the displaced land owners as well as those depending on land for livelihood is a challenge that needs to be addressed at more than just a monetary level.

Almost every aspect of the Indian debate on SEZs is informed by a shared impression of the Chinese SEZ "success". It has been observed that some people in India frequently use the Chinese policy as bench-mark for comparison. Key differences with India's policy often cited include the number of SEZs in China-ostensibly only six in total-the large size of Chinese zones and the fact that the government retains ownership over this land.

In Chinese SEZs, states invest in a big way. So, there's no constraint of fund. In India, SEZs are mostly led by private sector and that's why investors need to find the initial resources before the project becomes bankable. Also, we are a democratic society, and that's why we can't afford to forcibly acquire land for industry.

Yet the Chinese model of setting up basic infrastructure within an SEZ is still learning lesson for India. Thanks to its absorption of foreign direct investment worth about 30 billion, the green field SEZ city Shenzhen is considered to be the fastest growing city in the world. In addition to housing a stock exchange and headquarters of many tech companies, it owns the second busiest port in mainland China.

As the debate over the SEZs continues, it is important to realize that 'for' and 'against' arguments over the model are not enough to prove either side wrong. The model needs to be tailored to suit the local environment and its sensibilities. Only when the Goals and processes of the SEZ policy are aligned,

when evaluation of proposals are based on hard economic criteria and when the government tries to partner with the local community rather than impose its will over it, SEZs in India might be ready for a test of worthiness.

Against a pre-recession tally of 577 approved SEZs, the total number of approved SEZs stood at 580. The number of approved SEZs had fallen to 573 in December, 2009 and to 571 in February, 2010 as some of the developers bailed out of the projects on the basis of perceived commercial inviability. [Daily News Analysis, April4, 2010, Mumbai]

d. Mixed Responses to LA for SEZs in India:

There has been a growing body of literature that examines the LA for SEZs since the second half of the first decade of the 21st century in India. What it conveys is that there have been differential responses from the land owners and farmers to the phenomenon of LA for SEZs and development projects at the inter-state and intra-state perspectives. However, the nearly Pro-SEZ environment in Gujarat and the de-notification of all SEZs in Goa are two extremes. The responses of other states to LA range some where between these two extreme ends. The major impediment preventing the development of SEZs and other development projects on the fast-track has, unambiguously, been the problem with LA for SEZs and other development projects.

Land in Singur in West Bengal and Raigad in Maharashtra is more fertile, but not Gujarat. The intense resistance to LA in these states can be

attributed to the absence of multiple livelihood strategies as it is happening in states like Tamil Nadu. Therefore, the absence of access to other options of livelihoods except farming is the major root cause of resistance against SEZs.

The SEZ model in the state of Goa had become a sensitive issue facing opposition from environmental activists and support from local politicians to the Law Ministry. The Goa government had announced scrapping of all the SEZs in the state. The decision reportedly came after the specially constituted Task Force recommended that SEZs would be "detrimental" to the overall interest of Goa. In fact, there was apprehension of the civil society that setting up of SEZs would encourage migration of labour force from the neighbourhood states throttling the employment prospects for Goans.

Krishnan Praveen and Raghu Deepak (2008) say in the case of Goa, the standard SEZ model needs revision in the light of the thriving tourism in the state. A similar state of affairs in the Lipetsk Region in Russia led to the creation of tourist-centric SEZ. This envisions that a territory and the activity of investors are oriented towards conservation of the natural resources, renovation and use of objects of cultural and spa like treatment centers, medical rehabilitation and relaxation, as well as extraction and use of natural medicinal resources that are available. The stated goals of the Russian SEZ do address the concerns of lobbies like the anti-SEZ one in Goa. With its unique history, cultural heritage and natural endowments such as its beaches, Goa can be developed as a dual purpose destination that offers not only a distinctive

tourism experience, but also creates opportunities for a number of jobs and niche sector growth in the area. For example, the Portuguese influence and the distinctive culture offer numerous opportunities for a tourism–focused investment venture in the form of reconstructions. A similar future investment is also possible in Kerala also for sustainable development.

In view of the above, a more plausible theoretical exposition governing the varying responses to the question of LA for SEZs seems to be befitting by taking recourse to the economic tools viz., the concepts of opportunity cost, reservation price and human capital. In fact, there exists fairly a larger degree of inter-relationship between these concepts which would facilitate the comprehension of the ticklish issue of LA for SEZs and also evolve a proactive LA Policy accordingly.

e. Structural Reasons and Opportunity Cost:

Murugesan.P and Bandgar P.K (2010) "land acquisition for SEZs in India: Theoretical perspective," Southern Economist p 27 vol. 49 No. 7. ISSN 0038-4046 observes that the cost of the foregone alternative is the opportunity cost of the decision. The most common belief that agriculture is the mainstay of the rural folk has lost its sheen over the years in India. When you decide whether to stick to agriculture or shift over to other alternatives of employment one must consider how much the decision will cost in terms of foregone opportunities.

The opportunity cost of agriculture as an occupation has started increasing especially since 1991. The peasant community started moving out of agriculture en masse to other alternative livelihoods. The discernible decline in public investment in agriculture, low productivity and other institutional constraints reflected in sluggish agricultural growth and thus agriculture as a source of livelihood became unsustainable. (idem[1])

We are at the cusp of an era where one can envisage a mass migration out of the subsistence sector[3], and that era is of globalization.

The globalization induced structural transformation has not only eased migration of the rural work force to developed urban centers but also has encouraged migration to tier-I and tier-II up-coming cities (Urbanization of rural areas), albeit increasing regional inequality. The dynamics of growth in the contemporary India has, therefore, contributed to the surge in the opportunity cost of staying in the subsistence sector. (idem[2])

Few states like Tamil Nadu have always been in the forefront in endorsing and implementing various social sector schemes so as to uplift the rural economy in terms of opening up new vistas for multiple livelihood options. This, in turn, has left farming in the wilderness and the consequent spurt in the opportunity cost of agriculture as an occupation. As a result, the land owners and farmers are prepared to exchange their land for the generous compensation offered by the SEZs developers in some states. Thus globalization

induced multiplicity of livelihood options coupled with prompt welfare-centric schemes[4] left agriculture in the lurch reverberating in the escalation of the opportunity cost. (idem[3])

The argument that the package of basic necessities of life should also include "connectivity" through rural roads and telecommunication network has started gathering momentum in most states. This would act as an infallible catalyst for the growth of the rural economy and thereby creating employment opportunities for the rural people. (idem[4])

All these forces, it may be argued, would augur well for the uplift of the rural economy. Thus it can be maintained that the acceleration of economic growth in general, and the urbanization of the rural areas in particular provide multiple livelihood strategies. This, in turn, leads to spike in the opportunity cost making agriculture an economically unviable source of livelihood. The rural people having access to multiple livelihood strategies would be willing to sell land for SEZs at the right offer price without any reluctance. (idem[5])

On the contrary, there is a farm economy where agriculture is the only source of livelihood i.e., the opportunity cost of agriculture as an occupation is zero. Under such situations the landowners and the farmers would exert stiff resistance to sell their land for SEZs. This is because these farmers consider land as a source of livelihood than a store of value. (idem[6])

f. Dependence on Land and Reservation Price[5]:

Reservation price in the context of LA for SEZs is the offer price that the land owner is willing to accept in exchange for land, given his level of wealth, human capital and prevailing market prices. It would be more apt to reveal some of the findings of the field study conducted at Singur by a team of economists headed by Ghatak Maitreesh and Banerji Sanjay (The Financial Express, September 30, 2009, Mumbai). It is more interesting to note that the popular notion that marginal and small farmers trapped in the vortex of appalling poverty having low reservation price and the landed farmers lunging for a higher reservation price for land is fallacious. In reality, it is the other way round. This can be buttressed on the ground that these poor farmers are only specialized in agriculture and the question of alternative livelihoods is totally ruled out. This, in turn, intensifies civil society's resistance/high reservation price in exchange of land for SEZs. Further, land to these farmers is not just an income generating asset but a source of sustainable livelihood for generations. From this it becomes clear that the small and marginal farmers would either resort to unbridled resistance or demand a high reservation price several times greater than the market prices. The young and educated landed people with greater exposure to the outside world prefer to sell land at a relatively lower offer price for the land because they know how to invest money in profitable investment avenues. The illiterate and unskilled small and marginal farmers depending on the farm sector-the only source of livelihood for generations avoid risk[6] by not selling their land for SEZs. (idem[7])

The claim for high reservation price for land is also justified on the grounds of differential rent-concept expounded by David Ricardo, a renowned classical economist. He has established a positive correlation between fertility of land and rent component i.e., higher the fertility, higher the rent of land and vice-versa. (idem[8])

Other factors governing reservation price of land asset include financial condition and education of the land owner, availability of alternative livelihood sources, geographical location, access to water, power, the previous sale price of the adjacent land, transport and communication network etc.

There may be intense resistance despite offering a sale price several times higher than the reservation price. If such resistance persists, the transaction may not go through due to the inextricable influence of the socio-cultural-politico institutions of the civil society. (idem[9])

g. Obsolete Social System and Human Capital:

It is a well known fact that small and marginal farmers account for about 80% of the farm economy. The age-old institution of Joint family system perpetuated sub-division and fragmentation of agricultural land holdings and rendered farming economically unviable. However, the immaculate sense of reverence, emotional and sentimental attachments towards land sustained over generations have had overshadowed economic reasoning. The illiterate farmers having least exposure to the outside world find it difficult to move over to other

occupations is the consequence of low human capital. Thus, low human capital increases reservation price of land that makes acquisition of land for SEZs difficult. (ibid p 28)

The constellation of these forces in the forms of agriculture as an occupation having already approached zero opportunity cost, high reservation price and low human capital reinforcing each other drifts the rural economy to low-level equilibrium trap. (idem[1])

h. Eleventh five year plan (2007-12) and Special Economic Zones:

The challenge ahead lies in appropriately sequencing to sustain the popular support for reforms and reconciling the conflicting interests of the various reforms constituencies. The recent debate about special economic zones (SEZs) illustrates the kind of considerations that have to be taken into account in the formulation of policies. Some of the apprehensions against the SEZs are (a) generation of little new activity as there may be relocation of industries to take advantage of tax concessions (b) revenue loss (c) large scale land acquisition by the developers which may lead to displacement of farmers with meager compensation (d) acquisition of prime agricultural land having serious implications for food security (e) misuse of land by the developers for real estate and (f) uneven growth aggravating regional inequalities. Many of these apprehensions, however, could be addressed through appropriate policies and safeguards. [Economic survey - Government of India (2006-07)]

1.3 OVERVIEW OF THE STATE

Maharashtra occupies the western and central part of the country and has a long coastline stretching nearly 720 kilometers along the Arabian Sea. The Sahyadri mountain range provides a physical backbone to the State on the west, while the Satpuda hills along the north and Bhamragad – Chiroli - Gaikhuri ranges on the east serve as its natural borders.

Maharashtra is the second largest state in India both in terms of population and geographical area spread over 3.08 lakh sq. km. The State has a population of around 10 crore (2001 Census) which is 9.4% of the total population of India. The State is highly urbanized with 42% people residing in urban areas whereas at national level it was around 28%. The sex ratio of the State is 922 as against 933 for India.

The State has 35 districts which are divided into six revenue division's viz. Konkan, Pune, Nashik, Aurangabad, Amravati and Nagpur for administrative purposes. The State has a long tradition of having very powerful bodies for planning at the district / local level. For local self governance in rural areas, there are 33 Zilla Parishads, 351 panchayat samitis and 27,935 Gram Panchayats. The urban areas are governed through 22 Municipal Corporations, 222 Municipal Councils, 3 Nagar Panchayats and 7 Cantonment Boards.

Mumbai, the capital of Maharashtra and the financial capital of India, houses the headquarters of almost all major financial institutions, insurance companies and mutual funds. India's main stock exchanges & capital market and commodity exchanges are located in Mumbai.

The State has well spread road network of 2,37,668 km. road length. All weather roads connect about 97% villages. It has best surface transport facilities and connectivity with sea ports and airports. It has highest installed capacity and generation of electricity in the country. All this has made this state a favoured destination for investment.

The State is well known for its administrative acumen and innovative ideas. The State is first to implement woman's policy and engendering the budget by establishing separate Woman & Child Development Department. It is pioneer in implementing its 'Employment Guarantee Scheme' which is replicated by the Government of India.

Maharashtra has its own spiritual dimensions and known as Land of Saints. Saints of that time helped the cultural awakening of the region along with their spiritual contribution. Monuments such as Ajanta, Ellora and Elephanta caves, Gateway of India and architectural structures like Viharas and Chaityas have attracted people from all over the world. Besides the wonderful monuments, segment mix of population and its cultural aspects makes it intra-national. It has produced many important personalities covering almost every aspect of human

development. The State has sizable contribution in sports, arts, literature and social services. The world famous film industry, popularly called "Bollywood" is located in the State.

1.4 MAHARASHTRA: SOCIO-ECONOMIC PROFILE

On May 1, 2010 Maharashtra woke up to celebrate 50 years of existence as a state. It is certainly a time to celebrate, as Maharashtra has been one of India's most successful states. It is the engine of India's growth, though others- especially neighboring Gujarat has risen in recent years to challenge its supremacy. Much of this success has been the result of the growth of Mumbai, the state's cosmopolitan nerve-centre, and the country's commercial capital.

But that's not the only reality today. Over the years, growth has been spreading to other hubs, and cities like Thane, Nagpur and Pune have entered the big league. Add the other cities and towns, and Maharashtra is one of the country's most urbanized states. Some 42% of the population lives in urban centers, against the national average of 28%.

The Economic Times (2011) quoting the source from the Ministry of Telecommunications & IT, the state has a per capita income of $966 which places the state in the 13th position after Madhya Pradesh.

Shaikh Zeeshan (2011) reports that Maharashtra accounts for 15% of the country's GDP. The state, referred to as the most progressive in the country, has

completed 50 years but is now facing a mid-life crisis. From the towering sky scrapers of Mumbai where residents earn in lakhs, to the tribal areas of Nandurbar and Gadchiroli where tribals earn less than Rs 50 and are severely malnourished. The per capita income at Rs 1.25 lakh in Mumbai is 3 times higher than Gadchiroli or Nandurbar where it is Rs 40,000. Severe disparities exist among the districts and the regions of the state right from areas of health to economic development.

If Maharashtrians have much to be proud of, there are also areas of concern. The sex ratio, for example, is sadly below the national average of 933 at 922 and is probably worsening. Clearly, growth doesn't always translate to enlightenment. In Vidarbha, the state has not yet been able to stem the tide of farmer suicides. The fact that Maharashtra has 55% of its people living off agriculture when the sector contributes only 11% to state GDP tells its own story. This is driving urbanization, as the rural poor flock to the cities for jobs and livelihood. The state's urban centers–Mumbai included-are decaying and infrastructure is abysmal.

The Indian as well as the State economy is showing recovery from the impact of global recession during the current fiscal year.

The goal of 'financial inclusion' is that every citizen of the country has a bank account. From 33 districts (except Mumbai City and Mumbai Suburban

districts) 4,348 villages with population over 2,000 are identified for financial inclusion by March, 2011.

The net irrigated area in 2007-08 was 33.11 lakh hectares showing an increase of 2.1% over previous year.

Maharashtra is one of the favored destinations for Industrial Investment. Total 15,408 industrial projects with an investment of Rs. 5,58,336 crore and employment potential of about 28.17 lakh have been registered with the GOI to set up units in the State till the end of August, 2009. The major share of FDI is in Information Technology Industry (Rs. 12,765crore). Out of the registered projects, 6,627 projects with an investment of Rs.1,47,443 crore have already started their production and employment of about 8.36 lakh has been generated. The Compounded Annual Growth Rate (CAGR) for the last five years for investments in registered and commissioned projects is 14.4% and 5.2% respectively.

There is need to develop old ports and build new, modernized ones- the new ports could be a blessing for the state. The state has ignored a vast variety of natural resources. A survey of the natural resources available in the state should be conducted and a separate department should be set up to utilize the resources in an optimum manner. Tourism is another neglected field. Maharashtra has more scope for tourism than Goa, Rajasthan and Kerala, who earn 60% of their income from that sector. [The Economic Survey of Maharashtra (2009-10)]

The Economic Survey of Maharashtra for 2010-11 "has estimated a growth of 10.5% in the Gross State Domestic Product (GSDP), an increase in fiscal deficit as well as debt, but admits that the state has fallen behind Gujarat in attracting major industrial proposals."(The Indian Express, Mumbai, 23 March, 2011)

According to the economic survey of Maharashtra (2010 to 11) the GSDP, as per revised estimates would grow at 10.5% as against 8.7% during the previous year. Increased agricultural production will help agriculture and allied activities to grow by 12.5% against the growth of 3.1% in the earlier year. Industry is expected to grow by 9.1%. Services sector is expected to grow by 10.9% during the year. (idem[1])

However, the percentage of deficit to the GSDP is expected to increase to 2.4%. It was 4.5% in 2003-04 and had gradually declined to (-) 0.4% in 2007-08. The expected revenue for 2010–11 is estimated at Rs 97,044 crore and the expenditure at Rs 1,04,698 crore, leaving a revenue deficit of Rs 7,654 crore. The revenue deficit during 2009-10 was Rs 12,731 crore, where as the state had revenue surplus of Rs5,77 crore in 2008-09. (idem[2])

The overall deficit of the state government which was Rs 1,83,825 crore according to the revised estimates for 2009-10, is estimated to increase to Rs 2,09,648 crore in 2010 -11. (idem[3])

1.4 SEZs IN MAHARASHTRA

Maharashtra leads the nation with 109 approved SEZs, out of which 15 are operational, according to a chart released by the government two months ago. It was followed by Andhra Pradesh, with 102 approved SEZs and 21 operational ones, followed by Tamil Nadu, Gujarat and Karnataka (Daily News Analysis, Money, April 10, 2010, Mumbai). However, the land audit done by anti-SEZs activists has indicated that more than 50 lakh hectares of fertile land in Raigad, Nashik, Nagpur, Amaravati, Pune and Mumbai-Thane have been earmarked for industry (Hindustan Times, May 1, 2010, Mumbai). The State Government claims they would create more than 69 lakh opportunities for employment and self-employment.

The Konkan region alone accounts for 64 SEZs proposals, including 17 in Raigad alone. Western Maharashtra has 44 proposals, while the industrially backward regions of Mahathwada and Vidarbha have 14 and 9 proposals respectively. The 133 SEZs are proposed to come up over 44,000 hectares. The Mumbai SEZ of Reliance-Anand Jain requires 10,000 hectares. (The Economics Times dated 20th November 2008)

Raigad has 24 SEZ projects on the anvil, of which 11 are formally approved. The 24 SEZs would cover about 16,500 hectares of land, or more than 1/3 of total land to be covered by 147 SEZs in Maharashtra. There is clearly a serious concentration of SEZs and industrial projects in Raigad. This has happned because of the industry's easy access to Mumbai. (The Economic Times, October 1, 2009)

Jore Dharmendra (2010) reports that there is shift of the state's focus and its neglect of agriculture. The story begins with the discontent of the farmers against development projects at the cost of agriculture. In 2009, farmers in Raigad stalled the state's biggest special economic zone (SEZ) because they didn't want to give up their fertile, irrigated land for the project. Similar protests are on across the state.

In Konkan, farmers are opposed to power projects that will generate more than 24,000 MW of electricity. Farmers say these projects will harm the environment and damage their lush mango orchards. (idem[1])

In Vidarbha farmers are up in arms against more than 30 thermal power projects. They are worried the projects will eat into their share of irrigation water. The region has limited irrigation facilities and farmers continue to commit suicide because of crop failure. (idem[2])

The state government has rarely had to deal with such fierce tussles with the farmers. The battle will soon assume war like proportions, say activists. (idem[3])

The reason is simple: the government has not struck a balance between industry and agriculture in the past 50 years. (idem[4])

As industry and the service sector contribute large chunk of the state revenue-87%-successive governments haven't done much to push the

agriculture sector, which used to contribute 32% of the revenue during the days of the green revolution. It also gave the state food security in its formative years. (idem[5])

Over the years, acquisition of fertile farmland for public and industrial purposes such as special economic zones has pushed down the sector's revenue contribution to 11% a year. Budgetary allocation has come down to 5%. (idem[6])

The state policies changed in favour of industrial development even though thousands of farmers across the state have killed themselves, especially in Vidarbha and Marathwada. This despite the fact that 50% to 55% of the population is still dependent on agriculture for survival. (idem[7])

"We are constantly telling the government not to acquire fertile and irrigated land for industry,'' said anti-SEZ crusader N.D. Patil. (idem[8])

"Instead of creating irrigation potential in regions such as Konkan, Vidarbha and Marathwada, the state government has been allotting land to industry,'' said Patil. (idem[9])

In some cases, such as in the Hetavane dam area, the state has notified 6,000 hectares of irrigated land for SEZ. Farmers voted against the project in a public referendum and got it cancelled early this year. (idem[10])

Finances are also hard to come by. Only 10% of the state's co-operative societies do business in this sector, and nationalized banks rarely assist farmers. In the absence of government credit, farmers seek high–interest loans from money-lenders and often are unable to repay, leading to suicides. Over 40,000 farmers in Maharashtra have committed suicide between 1997 and 2008. The ground water table has receded in every block in Vidarbha by at least 3 metres, or 10 feet in a decade. The dams built under the PM and CM packages are on the periphery of the district, and do not help the farmers much. (idem[11])

Agriculture and co-operation expert Budhajirao Mulik said the state should have put in place a Special Agriculture Zone (SAZ) policy before coming out with the SEZ policy. "The state could have used public funds to create SAZs by providing farmers' irrigation, power, roads, processing units and warehousing,'' he said. (idem[12])

Mulik said SAZs have ten times more potential to create jobs than SEZs. He blames the state for not creating enough irrigation facilities. "Fifty years ago, our irrigation potential was 6.5%, now it stands at 17.8%. That's far below the national average of 38 to 40%. If we achieve the irrigation target, we will be able to create one crore jobs." (idem[13])

Creating jobs on farms could also stop the exodus from villages to cities, said Mulik. (idem[14])

At least 55% of the state's total irrigation facilities are used for sugarcane farming, the majority of which is in western Maharashtra, leaving many other regions struggling. (idem[15])

The imbalance has northern Maharashtra, Marathwada, Konkan and Vidarbha up in arms. While some regions are demanding an equitable allocation of development funds, especially for irrigation, regions such as Vidarbha, backed by distressed, desperate farmers, are campaigning for separate statehood. (idem[16])

It is disheartening that the state has 226.6 lakh hectares of farmland, but only 174.7 lakh hectares are being used for farming. In 1960-61 the agriculture sector made up 32% of state revenue; the sectors revenue contribution has dipped to 11% a year. In the past five years, about 3% fertile farmland has been acquired for public, industrial purposes. The gradual shrinkage of fertile farm land for SEZs and other industrial projects is a matter of serious concern for the state. (Source: Hindustan Times, May 1, 2010, Mumbai)

2.0 REVIEW OF LITERATURE

There has been a growing body of literature that examines the issue of land acquisition for development projects encompassing infrastructure, large industries including SEZs since long. The following reviews of some selected projects in connection with the issue of land acquisition are presented.

[i] Phadke Anant (2008) observes that people's struggles against involuntary acquisition of land for various developmental projects are growing in India. Here is a brief story of a recent successful struggle against the acquisition of land for the power generation plants of the TATAs and Reliance, in a remote corner in Maharashtra in the Konkan region. This indefinite 40-day sit-in struggle in Alibag from December 7, 2007 onwards has achieved an important milestone in the peasant struggles against unjust, illegal capture of lands.

The government of Maharashtra has put forward proposals for five thermal power plants within a distance of 5 to 10 km of a total capacity of 7000 megawatts in a narrow strip near Mumbai in the Konkan region. These are all coal-based power plants which are far more polluting than the gas- based power plants. Scores of tonnes of oil and huge quantities of hot water could also be released into the sea everyday and this will destroy the fishery and other aquatic life in the area. The struggle against this imminent eco-disaster began with some educated activists in the area putting forth such facts and figures in front of the villages around Alibag. They produced a video documentary of the ecological disaster caused by power plants in Dahanu and Eklahara (near Nashik). The video documentary was shown in various village meetings. The activists also documented the great potential of further developing agriculture in this area with assured irrigation and inland fishery, especially of the world famous "Jitadahe" fish in that area.

In view of the impending ecological disaster and the erosion of fishery as a source of livelihood of these projects, the people in Alibag decided to continue the agitation against these projects.

On an average about 500 peasants of which more than 60% were women, staged a marathon, round the clock 'thiyya' in Alibag. It continued for 40days till the concerned government authorities agreed to withdraw the land acquisition notice and a written order to his effect.

The whole agitation was purposely kept peaceful, despite provocation. This has been the longest round-the-clock mass 'thiyya' in Maharashtra in recent years and has shown a way to successfully challenge the illegal attempt to acquire land for the benefit of the corporate sector. Thus the Alibag struggle chronicles the victory of the people against attempts by corporate bodies, with the help of the state government, to grab land for a number of coal-based power plants in the area. Had the plants come up, it would have resulted in ecological disaster and loss of livelihood for the fisherfolk.

[ii] Naik Arun Kumar (2010) unfolds that there are ample historical evidences of dams-induced displacement in India since the British colonial period. The first struggle against dam-induced displacement took place in India in 1927 against the Mulshi Dam (hydroelectric project) located in western India, in the erstwhile Bombay Presidency (about 20kms south-west of Poona). The struggle was a great land-mark in the history of involuntary displacement in India.

The project was owned by the corporate industrial house of the TATAs, and was commissioned in 1920. A total of 11,000 people were displaced and alienated from their traditional paddy field from this project. The indigenous people, Malvani men, women and children staged a Satyagraha to stop the work on the dam site, but failed to do so.

At last several hundred people were arrested and the struggle lasted for two and a half years. It was largely due to the colonial British autocratic regime. The most celebrated anti-dam protest in India is the mega Sardar Sarovar Project on the river Narmada. A number of protests were organized under the charismatic leadership of activist Medha Patkar in 1988. The movement is known as Narmada Bachao Andolan (save the Narmada River) supported by the local people. The strategy of resistance was borrowed from the Gandhian Satyagraha including non-cooperation and civil disobedience, refusal to cooperate with project authorities, blocking all project-related works and refusal to leave their villages. Further, the movement was strengthened by extensive studies on social and environmental impacts of big dams. Activists and intellectuals from India and other parts of the world expressed solidarity with the struggle. The Narmada Bachao Andolan was confined not only against the dams constructed over the river Narmada, its influence also spread to other parts of India. It led to the withdrawal of the Rathong Chu project in Sikkim in 1997 and the Bedthi project in 1998. Determined protests have led to the review of the rehabilitation package for Tehri and Koel Karo projects. By ensuring these voices, these movements have succeeded in compelling governments,

both at the central and state levels, and powerful funding agencies like the World Bank to rethink their policies on displacement and rehabilitation.

Apart from this, a close look at the performance of Hirakud Dam clearly reveals the fact that it has under-performed in every aspect and has had large scale socio-economic impacts.

[iii] Nikhade Ashitosh. E (2010) is of the opinion that the basic issue of land acquisition in today's context is whether the land acquired from an individual by government ostensibly for public purpose is being used for the same or not. When land given by an individual either to state or a private agency is used to rake in huge profits and not for the common good, the land owner feels cheated. The fruits of development are in his eyes usurped by the agency without even giving him a token of acknowledgement.

A more reconciliatory, rationale and humane approach would involve the landowners in the development process right from inception and make them legitimate partners in the growth. In today's environment it seems that large scale projects that require massive land acquisition are almost impossible to implement.

In this backdrop, the Navi Mumbai project is worth studying given its scale, the large number of stakeholders involved and its success in achieving the mandate for which the project was formulated. The various stages of

development from inception till date reveal how measures were taken by CIDCO to involve the original landowners (in local parlance called the PAPs or project affected persons) and integrate them seamlessly into the fabric of the city by addressing their needs from time to time.

The Department of Statistics, CIDCO in collaboration with the Tata Institute of Social Sciences carried out a study to assess the impact of 12.5% scheme. The study was designed considering only those Project Affected Persons [PAPs] who had taken the possession of land allotted under 12.5% scheme. This means that CIDCO would provide 12.5% of the developed land to the people who had parted with land to CIDCO, which the people can use according to their whims and fancies. Now, CIDCO is also encouraging the trusts of PAPs to participate in Institution Building by earmarking plots for Schools, Colleges, Community Centers, Gymnasium, etc that shall be allotted and run by trusts formed by PAPs. This shows that the PAPs get due respect and recognition from the body acquiring land.

[iv] Chandrashekhar Prabhu (2008) Comments that land acquisition has become a vexed issue in the wake of converting agricultural lands into industrial enclaves in the recent past. Land holdings in Canada, Australia, U.S.A and other countries are very huge. The size of the agricultural lands brings in the economy of scale and makes mechanized farming easy.

In India the land holdings are vey low and as time passes the holdings will continue to be smaller and smaller. Due to the succession laws, the land parcels get divided and the subdivided portions get smaller. Land acquisition for public utilities, public and private projects, or for accommodating the growing needs of urbanization has always been difficult as it divests the owner of the ownership of his land. When the holdings are sub-divided and small, disputes increase and hence the process of acquisition becomes more difficult.

We have come to a stage wherein any compensation given by the government or by private individuals is considered inadequate as time passes. Therefore, there is need for formulating and implementing an inclusive land acquisition policy. In other words, the farmers who part with their land should be made the stakeholders of the SEZs projects.

The author opines that instead of divesting the farmers from all rights on the land in the process of exclusion through land acquisition an inclusive policy to empower the farmers to gain from the land while participating in the project appears to be the only way out.

[v] Tembhekar Chittaranjan (2008) unravels an exceptional case of for the folks at Dadargaon in Raigad district, SEZ isn't a bad word. Rather, all the 72 families of this hamlet in Pen taluka would approve of it as a blessing in disguise. And it is not very hard to fathom their anxiety as over 150 acres of

their farmland, rendered redundant by the deluge in 1989 and has again come of use.

''The acquisition is actually breathing life into us after the floods left us half–dead,'' said sarpanch Vijay Patil.

Once considered as the rich rice bowl of the state, the panoramic paddy fields of the village were destroyed by the saline waters after the sand bund at the creek near this coastal village breached in 1989. Since then the villagers have been eking out a hand to mouth existence.

On an average, the village would give nine quintal rice every season. "Since then we had been earning some money through fishing and desilting-an average Rs 100 per day. But that was not enough to feed our families,'' said Patil and his friends Shankar Vade and Jagan Thakur. "We can never forget that night in July when sea water destroyed the entire crop turning the paddy fields infertile for ever, taking away the only source of our livelihood. But now after getting compensation against the paddy fields, our living conditions have improved,'' admits Patil.

Dadargaon is the only village that is celebrating the acquisition of their paddy fields. This signifies the fact that the question of resistance is totally ruled out in the acquisition of uncultivable land for SEZs and other development projects.

[vi] Sarkar Jayanta (2009) while reviewing the publication "Transitional Puzzles" authored by Amlan Datta endorses the view that we should be careful while buying simplistic concepts of industrialization.

One of the issues close to the author concerns the course of industrialization best suited for India. Referring to what had happened in Singur, which has come to epitomize the confrontation of two schools-One aggressively supporting industrialization and the other favoring a more people-oriented approach: he warns that a "simple affirmation of the need for industrialization does not take us far in the actual formulation of a correct policy." He cautions that one should not be carried away by the argument that industry offers higher productivity and higher earnings. This does not clinch the issue.

When a plot of agricultural land is transferred from farmers for industrialization, it hurts not just the farmers who work there, but also a large number of marginal cultivators, who toil in that field without owning the land. It would also be naive to imagine that the displaced farmer can be put in and industrial establishment just like that. Industrial employment is a different cup of tea altogether. It calls for a distinct set of skill and habits, which cannot be acquired or imbibed overnight. Quite often, it also involves a paradigm shift in the cultural perception of an entire community. The author hopes that globalization can deliver on its promises. Yet, as it increasingly becomes a one-

way model, which benefits just a few while creating new challenges for many, one wonders if it would ever deliver on its promises.

[vii] Balagopal.K (2007) Portrays that ubiquitous farmers' resistance against land acquisition is the situation everywhere, and this is why people are opposed to land acquisition in the name of development .The poor who depend for livelihood on public land have to just leave it and move. They may be cultivating it without any title, or on assignment or lease from the government, or they may be grazing sheep, quarrying stone, tapping palm toddy, catching fish in water sources, etc. on the land. Those who labour on the land of others also have to move, leaving whatever security that livelihood provided them with. In caste-divided India, each of these is often the occupation of a particular caste, or predominantly of a caste, as agricultural labour is that of dalits. The general disability imposed by caste, that the skill and instruments of other vocations are not easily accessible, adds to the universal woes of forcible dispossession and displacement. There is no uniform and binding right of compensation/rehabilitation for all such project affected persons, as they are called these days, in India. The various state governments either ignore the issue, or pull out whimsical policies to meet the exigencies of tricky situations arising from determined opposition.

The land Acquisition Act, 1894 was less objectionable in its colonial form when its power was confined to acquisition for a public purpose, than its post colonial amendment of the year 1984 which permitted compulsory acquisition

of land for companies two. However, the structure of that law shows that it was intended only for acquisition of small bits of land for purely local purposes like a school or road in a village. It was never intended for massive land acquisition for projects and industries. He argues that a completely new law is needed for such acquisition of land for industries and other development projects.

[viii] Mohanty Mritiunjoy (2007) avers that the compensation package offered by the West Bengal government for Singur has come in for a variety of criticisms. It is important to assess the compensation package from the standpoint of the economic options of owners whose land has been acquired and those who lived off the acquired land.

Even though Singur is a prosperous agricultural area, it is considerably less agrarian than West Bengal in general, where agriculture accounts for 65% of total employment. In the five revenue units where land is being acquired, only 33% of the labour force is engaged in agriculture, 17% as cultivators and another 16% as agricultural labourers. The rest of the working population, i.e., 67%, is employed in non-agricultural occupations.

Land reforms initiated in the early 1980s in West Bengal secured, for all bargadars (sharecroppers), 'use' rights but did not confer 'ownership' rights. Some bargadars registered themselves and some did not. A registered bargadar is expected to meet all investment costs of cultivation and is assured three-quarters of farm output. An unregistered bargadar receives half of farm output

and investment costs are met by the landowner. In return for this investment, however, the unregistered bargadar agrees not to register tenancy. Singur has both registered and unregistered bargadars.

The bulk of title-holders belong to land owning households where agriculture accounts for a small proportion of household income and employment. The shift away from agriculture would explain the high degree of absentee landlordism characterizing the area. For these landowners, given that the government is offering a fair price, their best strategy would be to sell. Their loss in income is more than adequately compensated and they are not dependent upon agriculture for most of their employment .This would explain why so much of the land sale has been voluntary.

Singur is an agriculturally prosperous area where commercially viable farming has taken root. Therefore, there are both owner-cultivators and registered bargadars who use the land-lease market to operate as relatively large farmers and conduct agricultural operations for profit on the basis hired, often migrant, agricultural labour. For this set of farmers the compensation offer would be completely inadequate. The landowner will be compensated on the basis of owned area, which in this case would be substantially smaller than his operated area; and the registered bargadar in any case gets only 25% of land value as compensation.

There are, however, a relatively small proportion of peasant households for whom land is a source merely of subsistence. Whether they gain or lose from the package will depend on whether they find alternative employment after selling their land. And, if there is reasonable uncertainty about being employed, then due to issues related to food security, these peasant households might be unwilling to sell. Without land they would also (apart from looking for work) need to buy from the market grain that they currently grow. And perhaps the worse-off among peasants is the unregistered bargadar who loses access to land and has no claim to compensation either.

For peasants for whom farming is a source of subsistence the best solution is to try and increase this probability through training and job creation. If land is the source of profit then obviously compensation offer is inadequate.

The existing compensation package has elements of both training and job creation. Both these elements should be enhanced substantially, with particular focus upon peasant-households for whom agriculture is the only source of subsistence. An enhanced job creation programme would also take care of interests of affected agricultural labour. Not only would this make the compensation package more equitable, but it would also help isolate the relatively large farmers whose interests are very different from those of peasant farmers.

[ix] **Jamwal Nidhi (2009)** recalls farmers' discontent on land acquisition for SEZ as follows:

"Zameen aamcha hakkachi

Naahi konachya baapa chi"

[This land is ours, not somebody else's]

On September 15, this slogan rent the air of Div village, 100km from Mumbai. Over 300 farmers from eight districts of Maharashtra met at Div in Raigad district to participate in the first-ever audit of special economic zones (SEZs). A Group of non-profit initiated the public audit.

The message was: farmers would not give away their land to industry or government for SEZs. "The government can take my life, but not my land,'' said Dhakibai Thakur, 60-year-old farmer from Raigad's Vadhave village. She made this clear to a panel comprising former bureaucrats, academics, journalists, industrialists-conducting the audit.

"The idea behind the audit is to take people's voice to the government and question the validity of the SEZ Act," said Aruna Roy, founder of the non-profit Mazdoor Kisan Shakti Sanghatan. "Maharashtra's audit is a beginning. Similar audits will be carried out in other states" she warned.

In July 2009, the Mazdoor Kisan Shakti Sanghatan, the Tata Institute of Social Sciences (TISS) in Mumbai, National Centre for Advocacy Studies in Pune and others initiated plans. The organizations identified and gave affected villagers questionnaires seeking their opinion on the SEZ in their area and how it affected their lives. Though 96% villagers voted against the SEZ, the government had not made the results public.

Farmer groups from Nashik and Pune also narrated injustice in the acquisition of land for SEZs.

Thus the farmers protest against LA spread its tentacles almost all over Maharashtra.

[x] Dash Satya Prakash (2009) says that the compensation amount received in lieu of dam-induced displacement was utilized for house construction, purchase of wood, tin sheets, agricultural and homestead lands. The absence of family conflict with regard to compensation indicates the strong bond among family members. Approximately 15 resettled families of the Shirinthorn dam utilized the compensation amount in business, gambling and drinking and spent it without any productive return. Such instances abound in all displacement cases, and thus, it is said displacement impoverishes affected people. The same is true in some parts of India.

As for corrupt practices in the sanction of the compensation amount, people displaced by the dam said that the village leader told them that he would take 20% of the compensation amount to get it sanctioned from the authorities. Since they were ignorant of official procedures, lacked confidence and had no road communication or transportation, they agreed to the proposal. However, none of the villagers have reported to have bribed any government authority. They were not sure whether this amount was paid to any authorities or pocketed by the leader. After resettlement, villagers have witnessed many social and cultural problems. The new social arrangements have disrupted former social relations and changed patterns of interaction among the villagers. The traditional communal ceremony had usually been organized on the river bank, but now could not be held due to the submergence of the ceremonial site and in part, due to social disintegration of the communities. In fact, the families which were relocated virtually lost their livelihoods mainly fishing.

The author also chronicles many concerns of the local people in the case of smelting plant in Prachuap are similar to those in the Posco project in Orissa and Singur in West Bengal. Here too, the local villagers opposed the proposed plants for the sake of the livelihood, agriculture, environment and water. Compensation alone cannot solve the bitter issue of displacement; it requires the participation of the resettled people in the entire process of resettlement management.

From the above literature review it is sufficiently clear that there has been a surge in the civil society's persistent resistance against land acquisition for development projects including special Economic Zones for want of human touch. The resistance against LA has not only become more apparent and pronounced but also has gathered momentum in the second half of the present decade. There is a clear message that the corporate sector as well as the government is hell-bent to develop "industrial enclaves" and other development projects at the cost of most fertile and cultivable land. At the same time the government is indifferent about providing adequate monetary compensation and other R&R package.

Barring few stray incidents of peaceful land deals for development projects across few states, majority of LA for infrastructure, industry and SEZs speaks volumes about the civil society's inextricable protests in India. It has been inferred that the intense resistance of the civil society against SEZs is the manifestation of the proposed acquisition of fertile land and at the same time acquisition of uncultivable and dry land across the states yields to peaceful land deals. The proposed LA for MSEZ promoted by Reliance Industries Ltd., eyeing on fertile land coming under the Hetavane Dam, under-pricing of the fertile land and absence of legal guarantee for sustainable livelihood and financial security culminated in farmers' agitation in Raigad.

3.0 THE PROBLEM TO BE STUDIED:

The SEZ policy has become one of the most hotly debated issues in recent years. Huge protests are being organized by those who stand to lose their land. There has been a scathing campaign against SEZs by politicians, scholars, media and civil society. Of much more concern, however, is the fact that there are differences within the government too.

Though the Ministry of Commerce has attempted to dispel the criticism of the SEZ policy, the fact remains that the SEZ Act was framed without giving adequate thought to most of the impending issues. No exercise was undertaken to ensure that legal institutions are in place for massive land acquisition. No long term strategy was drawn to counter the socio-economic consequences of the scheme. Even amid heavy criticism of the policy, no serious research has been conducted on how SEZs will affect the regional economy, how much fertile land will actually be lost, how much farmers will be affected due to displacement and dislocation. Therefore, there is an urgent need to study on the socio-economic effects of SEZs under consideration.

The study confines itself to the most controversial Mumbai Special Economic Zone (MSEZ) project promoted by Reliance Industries Ltd., in Raigad's Pen Tehshil bringing to its ambit 45 villages. The Raigad District flashed in the news for being the first- ever of its kind in India to go for a referendum on Reliance Industries privately-owned MSEZ to know how many farmers supports and how many are against the MSEZ project. Of the 45

villages of Pen Tehshil, 22 villages come under the Hetavane Dam. Hence these 22 villages took part in the historically significant referendum held on September, 2008 in Raigad.

The most significant part of the study is to unravel the socio-economic rationale embedded under the prolonged and persistent resistance and the concomitant social unrest of the civil society against MSEZ in the Raigad District of Maharashtra. It is worth mentioning here that these 22 villages are surrounded by lush green paddy fields cultivated by the peasant community for generations. Therefore, acquisition of fertile land for MSEZ turned out to be a formidable challenge. The intense resistance of the farming community has been due to the lack of clarity on LA and legal assurance for sufficiently high monetary compensation and R&R package for the sale of land for MSEZ. The proposed low monetary compensation, devoid of legal assurance for sustainable livelihood sources has manifested in the pronounced resistance and social unrest against LA for MSEZ in Raigad District.

4.0 THEORETICAL FRAME WORK

A careful observation of the above developments with regard to the phenomenon of LA for SEZs enables the researcher to relate these issues with the economic tools such as the concepts of opportunity cost, reservation price, the differential rent expounded by David Ricardo, a classical economist and human capital in the context of the issue of LA for SEZs in India. These theoretical underpinnings of economic science and the concomitant field study

conducted in Singur under a team of economists headed by Ghatak Maitreesh Professor of Economics at the London School of Economics and Banerji Sanjay, Reader in Finance at Essex University would suffice to elucidate the socio-economic rationale embedded under farmers' reluctance to part with land for SEZs and also evolve a suitable compensation package for the Project Affected Persons (PAPs). The abstract of the field study conducted by a team of economists is as follows:

The team comprising Ghatak Maitreesh and Banerji Sanjay (2009) narrate their findings as follows:

They visited a rather deserted-looking Singur in August, 2009. They wanted to talk to various farmers, try to understand their reluctance to give up land, and get their reactions to alternative compensation policies. Even though the prospects for industrialization in the area, or for that matter in the state, do not look very bright at the moment, they felt there are lessons to be learnt here that might be useful in other times and places.

In retrospect, the key and somewhat surprising issue in the context of industrialization has become transferring land from agriculture to industry.

Theorists of industrialization, such as Arthur Lewis, focused on capital and labor as the key resources, and concentration on the movement of surplus labour from agriculture to industry as key to capital accumulation and the process of industrialization. As industry offers a much higher expected return than agriculture, the transfer of land to the former from the latter is to be smooth. Given the high expected returns from industry, it should have been easy to compensate those who had to part with their land.

It is true that political forces vitiated the atmosphere and interfered with the buying and selling of land that is normally expected to be mediated through the market. But even then, what was the basis of reluctance (resistance) to sell the land that necessitated coercive acquisition?

Textbook economics suggests that, given his level of wealth, human capital and prevailing market prices, an individual has a reservation price for an asset that he currently owns. If a landowner gets an offer above that price from the seller, the transaction will go through. Otherwise, the owner will leave it in its existing use. Since the expected profit from industry is high relative to the return from agriculture, the offer price for land should be high enough to induce the owners of the land to accept the deal.

In general, one would think that poorer people will have the least resistance to sale (meaning, a lower reservation price) of their land if offered a reasonable price. Because they have less of it, the poor will have a higher value for cash. For example, this would relax borrowing constraints and provide working capital that can be used in some other activity. In contrast, the rich would be expected to have a higher reservation price.

One of the most striking things that they found out from their interviews in Singur is that it is the poorer farmers who are most reluctant to sell their land and the opposite holds for the richer farmers. When they asked the poorer farmers what they would do if offered a price considerably above the market price for their land, they told them that they still would not be willing to sell.

When asked why, they offered several reasons: First, they said that a large chunk of cash was not very useful to them because they do not have the skills and temperament to invest it profitably in non-agricultural uses. Agriculture is the only thing they know well. Second, even if theoretically the money can earn a higher return in the bank compared to agriculture, they are worried that inflation would eat into their savings, and interest rates could go down. Third, agriculture has the big advantage of offering them the guarantee of subsistence. Fourth, they are worried that a lump sum received from selling land might be frittered away by themselves or family members (the "son buying a motor cycle "was a phrase often heard). They asked them if they would prefer a monthly payment system but they felt that they could not trust the government, private buyers, or banks to keep the commitment and continue payments over time.

It seems that to this group of people with minimal exposure to the world outside agriculture, land is not merely an income generating asset but an insurance policy-cum pension plan as well.

Moreover, their own skills are completely specialized in agriculture, and as a result, if they sell their land, they feel they will not have any other option but to work as an unskilled laborer, which is not an attractive option in a labour-surplus economy. It seems that to this group of farmers, cash from the sale of land resembles currency that they do not have the ability to convert to a form that is of much use to them.

They also spoke to some middle-level farmers who were more senior in age. They claimed that agriculture is profitable and the prospect in industry is

more uncertain because companies may go out of business. They have less aversion to selling land that is not fertile.

The group that was most outspoken in favor of selling land were younger, wealthier, landed people who were more educated and had greater exposure to the outside world. Some of them had their land acquired for the project but did not seem very upset by it. They were the most devastated due to the scraping of the car project because as suppliers they were doing very well when the construction work was going on. They felt that agriculture was not profitable and industry was the way of the future.

Their conversations with the farmers suggest some interesting hypotheses. First of all, the true price of land is much higher than what would be dictated by a simple calculation of availability and current market prices. This has nothing to do with the relative profitability of industry or agriculture or the physical scarcity of land. Rather, it is driven by the absence of good insurance mechanisms and financial instruments, and low levels of human capital, all of which make switching to alternative occupations costly.

Second, the distribution of land is important in determining the average reservation price of land. If there is a substantial group of small and poor farmers who for reasons outlined before are reluctant to sell, then the price that would be needed to acquire land for industry would be much higher. Similarly, the reservation price will also be very high for richer landed gentry who are older for two reasons. Possession of larger tracts of land confers personal benefits in the form of local prestige; more importantly, their expected benefit

from switching to non–agricultural occupations is low given their age. In contrast, the reservation price is lower for richer farmers, who tend to be more educated and exposed to the world outside agriculture, especially the younger generation, who has a long time horizon. Therefore, in the context of West Bengal, the success in implementing limited land reform may have, ironically enough, created a distribution of land that makes industrialization more difficult.

As a result of these forces, the economy appears to be stuck in a vicious circle .Because of poverty and low levels of human capital, farmers have had a high reservation price for land as their alternative earning options are limited. The resulting scarcity of land is a major constraint on industrialization, thereby keeping productivity in alternative occupations low, and keeping the economy at a low level equilibrium trap.

They conclude that low human capital increases reservation price of land and makes acquisition for industry difficult and the lack of industry keeps human capital low-a vicious circle. Most in favor of selling land were younger, wealthier, landed people who were more educated and had greater exposure to the outside world. [Ghatak Maitreesh & Banerji Sanjai (2009), "No way out of this plot," The Financial Express, September 30, Mumbai]

5.0 IMPORTANCE OF THE STUDY

Land Acquisition being a more emotional and sensitive issue, would, undoubtedly, create problems in rural India. These problems, to a larger extent

may be solved by extending reasonable monetary compensation coupled with inclusive R&R package to the farmer. This study is expected to be an eye-opener to the government, policy makers and also the SEZs promoters and general public at large.

Land gives the peasants the sense of dignity and security in the society and hence the study would guide the government/policy makers/SEZs promoters to design and implement a socially and economically respectable compensatory package to persuade the farmers during the process of LA for SEZs. The result of the study will also remind the promoters of SEZs to adopt an inclusive approach especially creating social infrastructure, alternative employment, training the manpower and take up the responsibility of teaching and directing the illiterate farmers' and agricultural labourers in channelizing the money received by them as compensation for land in sound investment for ensuring sustainable income flows, which can be perceived as a part and parcel of Corporate Social Responsibility (CSR).

Simply put, the results of the study drive home the fact that it obligates the state to play the role of a facilitator in LA for SEZs projects so as to reach an amicable land deal, which in turn, would pave for industrial development without impinging on the growth of agricultural sector.

6.0 OBJECTIVES OF THE STUDY:

a] To study the concept, growth and performance of SEZs.

b] To examine the extent to which the monetary compensation, Rehabilitation and the Resettlement (R&R) package offered/proposed to

be offered to the Project Affected people [PAP] is justifiable and inclusive enough to ensure sustainable livelihoods.

c] To study the type/quality of land acquired/proposed to be acquired for SEZs in Raigad.

d] To study the socio-economic profile of the population of Raigad District.

e] To unravel the socio-economic rationale behind the civil society's resistance against land acquisition (LA) for SEZs.

f] To study the problems of farm laborers, fisher folk and of those who indirectly depend upon the farm economy due to displacement induced by MSEZ.

7.0 HYPOTHESES:

a] H_0: Rural resistance against SEZs is due to acquisition of fertile land.

b] H_a: There was no satisfactory Rehablitation & Resettlement (R&R) package offered to the SEZ-affected farmers.

8.0 METHODOLOGY:

The study rests on the following methodology.

a] Collection of Primary data:

i] Structured interview schedules were served to the respondents to collect information pertaining to the different facets of the acquisition of land for SEZ.

ii] Information in connection with the issue of LA for SEZs and other non-agricultural purposes was collected by holding informal discussions/ interviews from both affected and would be affected people.

iii] Contacted and collected useful information from experts and also persons having practical knowledge in this field.

iv] Collected oral information from concerned government officials in Raigad.

b] **Secondary Data:** The sources of secondary data comprise

i] The literature on SEZs obtained from Maharashtra Industrial Development Corporation (MIDC), City Industrial Development Corporation (CIDCO) and Government Reports.

ii] Books, Journals, Reports and Magazines.

iii] Daily Newspapers.

c] **Tools of statistical analysis:** The study has used statistical tools such as measures of central tendency, measures of dispersion i.e., standard deviation statistical inferences are drawn by applying Z-score tests and cronbach's alpha.

d] **Area of study:** Raigad District, enveloping 15 Tehshils, comes under North Konkan region. Of the 15 Tehshils of Raigad's 22 villages in Pen Tehshil put up intense resistance against the LA for Mumbai Special Economic Zone (MSEZ) promoted by Reliance Industries Ltd., the major reason for the social unrest unleashed is that these 22 villages are in the command area of Hetavane Dam. However, 8 villages were considered for the study of the various dimensions of land acquisition for SEZ.

e] **Sampling Method and Sample Size:** The study takes recourse to stratified random sampling method with a sample size of 200 farmers selected from 8 villages.

f] **Chapterisation:**

i] Introduction and Research Methodology.

ii] Special Economic Zone-concept, growth and performance.

iii] SEZs in Raigad District.

iv] Analysis of Data.

v] Conclusions and Suggestions.

g] **Limitations of the study**:

i] The major focus of the study is on MSEZ promoted by Reliance Industries Limited.

ii] As the study of all 45 villages of Raigad is practically difficult, only some selected villages coming under the command area of Hetavane Dam in Pen Tehshil would be included in the investigation.

iii] As the LA for MSEZ has ended in stalemate, information will be collected only from the farming community because obtaining data from SEZ developer is a difficult job.

iv] The study covers only the socio-economic rationale behind the stiff resistance against LA for MSEZ.

v] The study centres around the mandatory 70% of land acquisition by the SEZ developer and not concerned with 30% of land to be acquired and provided by the state.

NOTES:

1 Export competitiveness: during 1960-80, the Total Factor Productivity Growth (TFPG) in the organized manufacturing sector witnessed a decline of 0.5% per annum. However, during the same period country's such as South Korea and Japan experienced an annual TFPG of between 3.1 to 5.7%. The major thrust of the NEP erected on the pillars of Liberalization, Privatization and Globalization (LPG) was to expeditiously convert India from a regulated control-bound, inward looking economy into a market-friendly, outward looking one.

2 Externalities: are of two types namely positive and negative. In the present context, externalities connote negative externalities. These negative externalities lead to under pricing of neighboring land due to setting up of a polluting industry or a power plant in the adjacent location. In other words, these externalities render the adjacent unsold land valueless.

3 Subsistence sector: the farmers cultivate land for family consumption, leaving no room for marketable surplus.

4 Welfare-centric schemes: refer to social and economic emancipation measures, MNREGA, Pro-informal sector labour policy etc.

5 Reservation price: brings it to its ambit the minimum sale price of the land asset expected by the different categories of the farmers plus Rehabilitation & Resettlement (R&R) package.

6 Risk: the fear that the monetary compensation received from selling land might be spent and wasted by farmers or family members on conspicuous consumption (as it happened in certain parts of Maharashtra-"the son buying a motorcycle," a phrase most often heard).

CHAPTER 2

SPECIAL ECONOMIC ZONE - CONCEPT, GROWTH AND PERFORMANCE IN INDIA

CONTENTS

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2.16 CONCLUSIONS AND IMPLICATIONS

2.1 CONCEPT OF SEZ:

Ranade Prabha Shastri (2007) defines that "Special Economic Zones (SEZs) are clusters of world class industrial units which manufacture products with a special focus on exports. The concept of SEZ evolved from the original concept of Industrial estate which was a fenced area focused on manufacturing for export purposes. The key objective of setting up Special Economic Zones is to provide an internationally competitive environment for exports and encouraging investment for generation of economic activity, employment and technical knowledge. Globally Special Economic Zones are developed to provide congenial environment to attract foreign direct investment to boost export-led economic growth. Over a period of time, this concept has expanded and evolved to encompass larger areas and increased integration with the local economy. Special Economic Zone is typically an enclave of units operating in well defined area within the geographical boundary of a country where certain activities are promoted by a set of policy measures that are not generally applicable to the rest of the country. These "islands of excellence'' have better infrastructure compared to other areas of the country and special policy measures. In developing economies SEZs are enclaves which provide a world class infrastructure in terms of roads, ports, power, telecom, and improve the overall investment climate of the country. In most countries governments or their agencies have developed such zones by formulating preferential policies and incentives. SEZs are self-governing enterprises, exempt from laws that restrict conversion of land use within their premises."

The concept of SEZ incorporates business planning, including strategic positioning of the Zone in the world market. It ensures that there are backward linkages of SEZs with hinterland or domestic tariff area. It also requires physical planning covering position of essential world class infrastructure. The planning for SEZ requires multidisciplinary expertise in areas of business, economics, finance, legal, urban and infrastructure planning. The principal stakeholders in the SEZs are developers, operators, tenant/units, off zone suppliers, and residents. SEZs are expected to have favorable impact on employment generation and infrastructure creation leading to improvement in productivity. Foreign Direct Investment (FDI) in SEZ is expected to bring managerial skills and transfer of modern technology to host country. (idem[1] p4)

The terms EPZ (Export Processing Zones) and SEZs have been almost synonymously used in economic literature. EPZs are now widely recognized as one of the economic policy approaches that promote FDIs. The basic objectives of EPZs are to enhance foreign exchange earnings, develop export-oriented industries and to generate employment opportunities, technology transfer and better use of domestic resources. The International Labour Organization (ILO) has defined EPZ as "industrial zones with special incentives set up to attract foreign investors, in which imported materials undergo some degree of processing before being re- exported." (idem[2] p4)

Special Economic Zones (SEZs) are growth engines that boost manufacturing and international trade, augment exports, generate employment

and create better infrastructure facilities and thus contribute to overall economic growth. They are intended to make available goods and services, free of taxes and duties, and to provide the best possible infrastructure facilities for export activities. The SEZ Act, 2005 and SEZ Rules, 2006 provide the legal framework and procedure for availing various incentives, facilities and the window service mechanism to ensure a hassle- free working environment in the SEZs. SEZ developers and entrepreneurs do not have to pay customs duties on their imports and local levies on domestic procurements. They have the freedom to get their equipments and inputs from their preferred sources– from international or domestic sources without any license and at minimum of costs. They are also eligible for direct tax benefits although future prospects of availing such benifities are bleak.

A. Objectives of SEZ:

United Nations publication of1985 listed the most common objectives underlying the establishment of zones as following:

i generating foreign exchange earnings;

ii creating employment;

iii attracting foreign capital and advanced technology;

iv acquiring labour management skills; and creating linkages between EPZ industries and the domestic economy.

[Das Geeta (2009), Special Economic Zones in India "Lessons from China,"p 14, New Century Publications, New Delhi, India]

B. Management Structure of SEZ

In India, the SEZs are constituted as departmental undertakings under Ministry of Commerce, Government of India. Each zone is headed by a Development Commissioner (DC), a civil servant, appointed by Central Government. The highest decision and policy making body is the concerned EPZ authority, which is headed by the Minister of State for Commerce in the Central Government. It includes the Secretaries of all concerned Central Ministries and the state government as members along with DCs of the SEZs. (ibid[1] p 47)

The Authority meets periodically to undertake a review of the SEZ and co-ordinate inter-departmental issues.

All approvals, licenses and other matters are dealt with by the concerned SEZ Board, which meets regularly under the Chairmanship of the Additional Secretary, Ministry of Commerce with representatives of concerned Ministries. (idem[1] p 47)

The responsibility for development, promotion and maintenance of SEZ vests with the Central Government in the Ministry of Commerce. The DCs have been delegated authority for the management of the zones including granting permission to functioning of the units. However, the State Governments provide support for power and water supply, economic infrastructure such as housing schools, hospital, certification, approval of building plans, registration as small scale unit and grant of public utility status are other matters which fall under the

purview of the States Governments (sic). But there is no direct involvement of State Governments in the management of the zone. (idem[2] p 47)

The SEZs claim to provide a hassle free environment for day–to–day operation, which is their major strength. Procedures are relatively simple and transparent, as per the present guide line all activities of SEZ units within the Zone, unless otherwise specified, including export and re-import of goods shall be through self certification procedure. Assistant Commissioner of Custom is also available in the zone to ensure expeditious clearance of export and import cargo, as and when required. It not only facilitates sub-contracting and sales in the domestic tariff area (DTA) but also takes care of other allied customs matters heads the custom wing. (idem[3] p 47,48)

Besides SEZs have supportive staff for project evaluation and estate management. Zones also provide pre–establishment support for expediting statutory approvals and clearance required to be given by various state government authorities. The office of the Development Commissioner is intended to be "One–stop shop" for this purpose. (ibid[1] p 48)

The policy also offers various incentives and facilities to the units operating in the zones as well as to their developers of the zones. (idem[1] p 48)

2.2 SEZ REGIME: INDIAN CONTEXT

Aggarwal Aradhna (2006) opines that the 1991 reforms did not result in a sustainable growth in manufacturing; there was a significant slow down in the second- half of the 1990s. Bureaucratic red-tape, administrative procedures, rigid

labour laws and poor infrastructure are believed to have affected the investment climate adversely in the manufacturing sector. To address these issues, SEZs could effectively be separated from rest of the economy then they could provide the 'engine of growth' to propel the manufacturing sector. It was argued that the existing zones could not succeed in attracting investment because of the lack of government commitment to the program, piecemeal reforms policy reversals, poor site selection, failure to provide world class infrastructures, week incentives and poor regulation of zones. In a major initiative to boost export- led growth and motivated by the success of Chinese SEZs, the government replaced EPZ scheme with the 'SEZ scheme' in 2000. The main difference between SEZ and EPZ is that the former is an integrated township with fully developed infrastructure where as an EPZ is just an industrial enclave. Under the new scheme all existing zones were converted into SEZs. However, the impact of SEZs remained far removed from expectations. In order to provide a significant thrust to the policy, the government enacted the SEZ Act 2005. The act became operative in February, 2006 after the SEZs rules were framed and notified. In addition, state government also enacted their own SEZ laws, primarily to cover state subjects.

The salient features of the SEZ Act are governance, attractive incentives and infrastructure in order to stimulate the development of SEZs." [Aggarwal Aradhna (2006)," Special economic zones: Revisiting the Policy Debate," (EPW), November 4, p 4533]

There has been a tremendous rush to set up SEZ since the act came into effect in February 2006. (ibid[1] p 4535) However, the global economic recession proved to be disastrous which resulted in de-notification of SEZs in certain parts of the country.

A look at the growth of SEZs in its sectoral break-up of SEZs since last 5 years depicts the fact that a large number of approvals (61%) has been in the IT sector. The manufacturing sector accounts for only one- third of total approvals. The skewed pattern of the growth of SEZs in favor of IT sector is worrisome. In view of the declining competitiveness of the manufacturing sector, the focus of the SEZs policy needs to be on making India a preferred destination for manufacturing. (ibid[2] p 4536)

2.3 GROWTH AND PERFORMANCE OF SEZs:

Arunachalam.P (ed) (2010) points out that the top five states which are able to attract investment in SEZs are Gujarat, Tamil Nadu, Maharashtra, Karnataka and Andhra Pradesh as more than 90% of the total investment has been made in these states. All other states show less than 10% of the total investment made. There are number of institutional, geographical, legal and economic factors behind the uneven distribution of investment between states. All the better performing states have introduced their SEZ policy well before the enactment of National SEZ Act, 2005. (p 124)

Table 2.1

State-wise Distribution of SEZs

State	Formal approvals	In-principle approvals	Notified SEZs
Andhra Pradesh	109	5	75
Chandigarh	2	0	2
Chhattisgarh	2	2	0
Delhi	3	0	0
Dadra & Nagar Haveli	3	0	1
Goa	7	0	3
Gujarat	45	13	29
Haryana	46	17	35
Himachal Pradesh	0	3	0
Jharkhand	1	0	1
Karnataka	57	9	36
Kerala	28	0	18
Madhya Pradesh	15	7	6
Maharashtra	104	38	63
Nagaland	2	0	1
Orissa	11	3	6
Pondicherry	1	1	0
Punjab	8	7	2
Rajasthan	10	11	8
Tamil Nadu	71	19	57
Uttar Pradesh	34	5	20
Uttarakhand	2	0	2
West Bengal	23	14	12
GRAND TOTAL	584	154	377

Source: www.sezindia.nic.in

Table 2.1 shows that SEZs are concentrated in states like Andra Pradesh Maharashtra, Tamil Nadu, Haryana, Gujarat and Karnataka. The uneven distribution of SEZs amongst the states would further aggravate regional disparities.

Table 2.2

Information regarding seven Central government SEZs in India

Zones	Locations	Area (acres)	Status	Operational w.e.f.
KASEZ	Kandla, Gujarat	625	Multi-product	1966-67
SEEPZ-SEZ	SantaCruz, Mumbai	93	Computers & Jewellery	1972-73
MSEZ	Chennai, Tamil Nadu	262	Multi-product	1985-86
FSEZ	Falta, Kolkata	280	Multi-product	1985-86
NSEZ	Noida, U.P.	310	Multi-product	1986-87
CSEZ	Kochin, Kerala	103	Multi-product	1986-87
VSEZ	Vishakhapatnam, A.P	360	Multi-product	1994-95

Source: Department of Commerce, Government of India.

Table no.2.2 indicates the area (in acres) occupied and the year in which the respective Central Government SEZs became operational. Of all seven Central Government SEZs, Kandla SEZ tops the list year wise and area wise.

Kandla Special Economic Zone (KASEZ) commenced export during 1966-67 and other 6 Central Government SEZs followed suit. By 2007-08, 57 zones in the country have been in operation, seven developed by the Central Government and 12 developed by private and state government initiative and thirty 8 notified as per SEZ Act, 2005.

Table 2.3

Export performance of SEZ developed by the Central government

since 2001 to 2007-08 (INR crore)

YEAR	KASEZ	SEEP-SEZ	MSEZ	FSEZ	NSEZ	CSEZ	VSEZ	TOTAL
2000-01	527.9	5193.7	690.8	520.0	1034.2	304.3	219.1	**8490**
2001-02	476.0	5225.6	7626.0	923.6	992.4	258.5	253.2	**15755.3**
2002-03	729.3	6083.0	819.1	512.4	1014.2	270.4	357.3	**9785.7**
2003-04	807.1	7833.3	1047.6	888.2	1534.1	321.8	436.0	**12868.1**
2004-05	1060.1	8298.6	1377.0	569.2	4266.0	463.0	579.3	**16613.2**
2005-06	1101.1	9192.2	1858.9	525.0	5670.7	696.0	612.7	**19656.6**
2006-07	1482.7	112047.70	2384.0	998.7	6893.0	802.7	749.7	**125358.5**
2007-08	1882.0	11264.7	3046.5	1026.3	16843.4	4471.0	741.3	**39275.2**
TOTAL	**8066.2**	**165138.8**	**18849.9**	**5963.4**	**38248**	**7587.7**	**3948.6**	**247802.6***

Source: Department of Commerce, Government of India.

* Although export data of seven Central government SEZs are available from 1966-67, the export data from 2000-01 to 2007-08 are presented as the year 2000 is considered to be the most significant year because all seven EPZs were converted into SEZs. Therefore, the data are restricted to 8 years only.

Table no.2.3 exhibits that export performance of 7 Central government SEZs from 2000-01 to 2007-08 has been remarkable. It also highlights the fact that Santacruz Electronics Exports Processing SEZ (SEEP-SEZ) export performance has been commendable over these years, although it is the smallest one as compaired to othe 6 Central Government SEZSs.

Table 2.4

Export Performance of other SEZs (excluding Central government SEZs) set up before 2006

(INR crore)

Year	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	Total
Surat SEZ	311.9	280.7	294.5	1539.7	2337.7	5197.4	12294.0	**22256.6***
Manikanchan SEZ	N.A	N.A	N.A	95.9	510.0	1018.0	1775.0	**3398.9**
Jaipur SEZ	N.A	N.A	N.A	5.3	16.2	168.5	296.0	**486.0**
Indore SEZ	N.A	N.A	N.A	55.0	145.9	217.0	338.2	**756.1**
Jodhpur SEZ	N.A	N.A	N.A	N.A	2.1	6.5	30.3	**38.9**
WIPRO SEZ	N.A	N.A	N.A	N.A	95.5	238.6	366.0	**700.1**
Mahindra SEZ (IT)	N.A	N.A	N.A	N.A	75.3	494.9	763.2	**1333.4**
Mahindra SEZ (Auto ancilliary)	N.A	N.A	N.A	N.A	N.A	1.7	41.6	**43.3**
Mahindra SEZ (Textiles)	N.A	N.A	N.A	N.A	N.A	14.3	26.8	**41.1**
Surat Apparel Park SEZ	N.A	N.A	N.A	N.A	N.A	1.6	6.0	**7.6**
NOKIA SEZ	N.A	N.A	N.A	N.A	N.A	1776.0	6230.4	**8006.4**
Moradabad SEZ	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Total	**311.9**	**280.7**	**294.5**	**1695.9**	**3182.7**	**9134.5**	**22167.5**	**37068.4**

Source**:** Department of Commerce, Government of India.

*(Includes export of 1999-2000 and 2000-01 at INR 0.7 crore and INR 622.8 crore respectively)

Table no.2.4 presents the export performance in respect of other Zones developed by State Government/Private. It also indicates that the year-wise over all export growth of these SEZ (excluding central government SEZs) has also been exemplary since 2004-05

Table 2.5

SEZs' Share in India's Export, 1986-87 to 2007-08 (INR crore)

year	Exports	
	India's Total	SEZ's
1986-87	12,452	361
1987-88	15,674	333
1988-89	20,332	514
1989-90	27,658	737
1990-91	32,553	988
1991-92	44,041	1,192
1992-93	53,688	1,379
1993-94	69,751	1,959
1994-95	82,674	2,737
1995-96	1,06,353	3,235
1196-97	1,18,817	3,149
1997-98	1,30,100	3,354
1998-99	1,39,752	5,248
1999-00	1,59,561	6,164
2000-01	2,03,571	8,584
2001-02	2,09,018	16,067
2002-03	2,55,137	10,066
2003-04	2,93,367	13,162
2004-05	3,75,340	18,309
2005-06	4,56,418	22,839
2006-07	5,71,779	34,786
2007-08*	6,24,185	67,088

Source: DGCIS, GOI

*Provisional

Table no.2.5 reveals that the share of SEZs in India's exports has increased at a stupendous rate. It can also be seen that there is positive correlation between India's total exports and SEZs exports from 1986-87 to 2007-08.

Table 2.6

Approved-De-notified* SEZs in India

Sr. No.	States	Approved SEZs	De-notified- SEZs
1	Andhra Pradesh	101	1
2	Chandigarh	2	NA
3	Chhattisgarh	1	NA
4	Delhi	1	NA
5	Dadra & N. Haveli	4	NA
6	Goa	7	7
7	Gujarat	50	1
8	Haryana	46	4
9	Himachal Pradesh	NA	NA
10	Jharkhand	1	NA
11	Karnataka	50	NA
12	Kerala	21	NA
13	Madhya Pradesh	14	1
14	Maharashtra	109	8
15	Nagaland	2	NA
16	Orissa	10	1
17	Pondicherry	1	NA
18	Punjab	10	NA
19	Rajasthan	8	NA
20	Tamil Nadu	69	1
21	Uttar Pradesh	34	1
22	Uttarankhand	3	1
23	West Bengal	24	2
	Total	568	28

Source: Ministry Of Commerce, Business World research, June 22, 2009

*including applied for

Table no. 2.6 tells us that the number of SEZs applied for de-notification is 8 in Maharashtra which is the highest as compared to other states. Of the 568 SEZs approved in India, 28 SEZs in all have applied for de-notification. One of the major reasons can be attributed to the global economic slow down which has ravaged the global economy since 2008.

Table 2.7

Ground realities of SEZs in India

SEZs have seen investments to the tune of Rs. 93,507 and given jobs to 362,650

	Investment [Rs. Crore]	Employment
Notified SEZs	83,450.13	113,426
Pre-2006 SEZs	5,626.24	51,599
Government SEZs	4,430.86	197,625
Total	93,507.23	362,650

Figures are as on Sept 30, 2008

Source: Ministry Of Commerce, Business World research, June 22, 2009.

Table no.2.7 shows that SEZs in India have seen remarkable investment and employment opportunities.

Table 2.8

The SEZs story so far

SEZs with formal approval	574
Notified SEZs	346
Denotified SEZs	29
SEZs seeking extension	16
SEZs not yet operational	236
Area of notified SEZs	39,120 hectares
Total investment	Rs.98,498 crore
Value of exports	Rs.99,688.87 crore

Source: compiled from INDIA TODAY, January 25, 2010.

Table no.2.8 shows that out of 574 formally approved SEZs in India, 346 are notified, 29 are de-notified, 16 are seeking de-notification, 236 are not yet operational and the area notified for SEZs is 39,120 hectares. The glaring difference between formally approved 574 SEZs and the 346 operational SEZs reminds us of the fact that Indian SEZ model has been entangled in a slew of problems. However, total investment and value of exports have reasonably faired well.

Table 2.9

List of De-notified SEZs

Sr. No.	Name of SEZ	place	Type of SEZ	Area [ha]
1	Essar SEZ	Haziria (Gujarat)	Engineering	267
2	Royal Palms India	Goregaon (Mumbai)	IT/ ITEs	26
3	Lahari Infra	Kondakal (Andhra Pradesh)	services	220
4	Maytas SEZ	Pochampalli (Andhra Pradesh)	Bio-tech	14.16
5	DLF	Gandhinagar (Gujarat)	IT/ITEs	10.12
6	DLF	Sonepat (Haryana)	IT/ITEs	10.12
7	DLF	Kolkata	IT/ITEs	10.48
8	DLF	Bhubaneswar	IT/ITEs	10.23
9	Shivaji Marg SEZ	Shivaji Marg (Delhi)	IT/ITEs	10.02

Source: compiled from INDIA TODAY, January 25, 2010

Table no.2.9 reveals that states like Gujarat and Andhra Pradesh account for a vast area of land withdrawal from SEZ projects as compared to other states mentioned in the above table.

Gulbir singh (2009) recalls that "there was a serpentine queue before the commerce ministry to 'denotify' SEZs. As many as 30 promoters, most of whom were builders such as DLF and Parsvnath, had lined up to free their land as the export market has taken a dive, and the future of land acquisition and real estate prospects in these SEZs seem dim. The SEZ Act implemented in February 2006 fast–tracked the setting up of SEZs. Tax incentives and single-window clearances created a stampede. By January 2009, there were more than 800 applications. Of these, 568 formal approvals were granted, out of which 315 projects have been 'notified' having completed land acquisition and other formalities. The largest number-348-are in the IT/ ITEs and electronic sector, while approval has been given for 17 very large, multi- purpose SEZs, some of which encompass 2,000 ha or more.

After the initial 'in principle' approval, the promoters have to acquire vacant, contiguous land within 3 years. Controversy was triggered when the Goa legislature recently passed a resolution 'derecognizing' all the 12 SEZs proposed in the state. While the then Commerce Secretary G. K. Pillai said there was no provision of 'denotification' under the act, the then Commerce Minister Kamal Nath felt the Board of Approval's power of de-notification was implicit. Nath prevailed and the Goa SEZs were denotified. Meanwhile, many SEZs promoters such as DLF and Raheja Universal, caught in the slump, were keen to sell their assets and have, therefore, lined up to 'denotify' their SEZs.

Thus the future for SEZs is uncertain. Hemal Zobalia, executive director Price- water house coopers, says after the initial shake-out, the serious ones will

go ahead with their projects. Land acquisition has become cheaper, making projects more viable, he points out. However, Ganesh Raj, partner-tax and regulatory services, Ernst & Young, who has been tracking SEZs, feels the numbers lining up de-notification will only swell. "Of those who have obtained 'in-principle' approval, not more than 50 will go ahead for notification," he predicts."

Nakhil Gandhi Chairman, Skil Infrastructure (2009) says that in February 2006, after the SEZ rules were notified, there was great rush for setting up SEZs. The faith in this new SEZ-model was evident from the large number of applications that the Board of Approval was required to deal with in every meeting. Hundreds of SEZs were approved in a span of a few months and large investments were committed. Unfortunately, some were down the line, the SEZs policy lost focus and started fading away.

There was a mad rush for SEZ approvals and many non-serious players entered the fray. They primarily saw SEZ as a real estate play. SEZ applications became a tool for acquiring land rather than for creating infrastructure. This cast a shadow over the entire SEZs policy. Soon, there was a raging debate on the incentives structure. The allegations that the government was protecting the corporate big wigs forced the authorities to make the first set of amendments to the SEZs rules. This had two effects- it emboldened critics on the one hand and created uncertainty amongst investors on the other. One of the great games of the SEZ act and its rules had been a robust regulatory frame work. But with the

government changing rules almost as soon as the first set was given effect, the promise of a state policy frame work proved to be a mirage.

Then came Nandigram. It provided critics with the most potent weapon yet. The rationale for developing the fledging SEZs with the most important ingredient they needed to succeed- land. The aftermath of Nandigram saw the Land Acquisition Act itself being questioned, and executive instructions were issued that barred state governments from assisting SEZ developers from acquiring land. It proved to be the final nail in the SEZ coffin. Industrialist had enough problems due to the financial meltdown without adding the SEZs baggage to their woes. So, today we have reached a situation where the queue of developers waiting to get their SEZs de-notified is almost as long as the queue made by the same developers just two years ago to have their SEZs notified.

In all this, the country has suffered. China has demonstrated that SEZs can ensure large scale economic development. Shenzhen is one such example- from a less than 250 sq. km. region, it exports goods and services worth over $ 90 billion. The question is why can't India replicate the China success story? Indian SEZs if well managed could easily add 1.5%-2% to the country's GDP.

It is believed that there is still hope provided we retain our original vision of SEZs as large-scale integrated infrastructure projects. However, the revised Direct Tax Code (DTC) poses a potential danger to the growth of SEZs in India. Land acquisition has become a vexed issue. A pro-active land acquisition policy is the need of the hour which would facilitate an amicable land deal for SEZs.

This would give a green signal for sustainable industrial development, creating vast employment opportunities and give a leg up to economic growth.

Table 2.10

Impact of Green shoots of economic recovery on SEZs

1	SEZs with formal approvals	579
2	Notified SEZs	335
3	SEZs with in-principle approvals	147
4	Total area for the proposed SEZs [sq km]	1,990 [0.066%of India's total land area]
5	Investment on state/ private SEZs set up before 2006 [Rs.Crore]	6,657.58
6	Employment created by State/ Private SEZs set up before 2006 [persons]	55,890
7	Employment created by Government SEZs [persons]	1,96,922
8	Total employment [persons]	3,87,439
9	Employment [as on March 31, 2009]	1,34,627
10	Total investment [as on June 30, 2009]	1,04,589.3
11	Exports [2008-2009 Rs. crore]	99,689
12	Exports 2009-2010 [Rs. Crore as on June 30, 2009]	42,501.76
13	Overall growth of exports [percentage in five years 2004-2009]	620

Source: compiled from The Economic Times on Sunday, December 6, 2009, Mumbai.

Table no.2.10 reveals that a meager 1990 Sq.km (0.066%) of the total land area in India is proposed for SEZs. However, SEZ developers have rapacious appetite for grabbing fertile land and land with sound infrastructure, which is amply evident from the ubiquitous protest of the civil society at large.

Table 2.11

TREND IN INDIAN EXPORTS OF SEZs

Year	Export (Rs. In crore)
2000-01	8552
2001-02	9190
2002-03	10053
2003-04	13854
2004-05	18309
2005-06	22840
2006-07	34614
2007-08	66638
2008-09	125950

Source: Arunachalam.P (ed) (2010) "Special Economic Zones In India" (China's Way of Development) pp.75

Table no.2.11 depicts the fact that the absolute growth of exports of SEZs has been increasing over the years, albeit global economic recession and other hurdles.

Table 2.12

Value And growth rate of Exports from SEZs

Year	Value of exports from SEZs (Rs crore)	Growth rate (percent) (over the previous year)
2003-04	13,854	39
2004-05	18,314	32
2005-06	22,840	25
2006-07	34,615	52
2007-08	66,638	93
2008-09	99,689	50
2009-10 (up to31.12.2009)	1,51,785	NA

Source: Economic Survey- Government of India (2009-10)

Table no.2.12 exhibits a mixed trend i.e., except for 2004-05 and 2008-09, the percentage share of SEZs' export from 2005-06 to 2007-08 has recorded spectacular export performance. However, value of exports shows steady growth of SEZ export in absolute terms.

Table 2.13

Performance of SEZs in terms of Macro Economic Indicators

Export from SEZs in 2008-2009	Rs. 99,688 crore
Export Growth in 2008-2009	36%
Projection of export for 2009-2010	Rs. 1,10,000 crore
Total employment generated as on 31.03.2009	3,87,439 persons
Total increment generated since February 2006	2,57,735 persons
Total private investment as on 31.03.2009	Rs. 98,498 crore
Incremental private investment after coming into force of SEZ Act 2005	Rs. 98,498 crore

Source: Economic Survey- Government of India (2008-2009)

Table no.2.13 talks about certain Macro economic indicators such as exports, incremental employment and investment since 2006. The data is suggestive of the fact that there has been robust growth in terms of the above macro economic indicators.

Please note that exports from these regions crossed Rs. 2.20 lakh crore (The Financial Express, June 26, 2010, Mumbai)

Table 2.14

Benefits of SEZs outweighing fiscal concessions

Figures in crores

Scheme	**2005-06**	**2006-07**
Advance License	13,261	17,610
EOU/STP	10,277	13,651
EPCG	5,332	8,648
DEPB	5,650	4,873
SEZ	1,070 (2.84%)	2,146 (3.99%)
DFRC	815	824
DFIA	NA	530
DFCEC	585	1,266
Target Plus	500	3,120
Vishesh Krishi and Gram Udyog	60	800
Served from India scheme	40	300
Total	37,590	53,768

Source: The Indian Express November 13, 2007, Mumbai.

Table no.2.14 points out that the revenue loss on account of SEZs in 2005-2006 was just 2.84% i.e., Rs. 1,070 crore which has increased to 3.99% i.e., 2146

crore in 2006-07. More importantly, on the Department of Revenue estimates that SEZs will cause a revenue loss of Rs. 175,847 crore between 2005-10, the study conducted by independent think tank, Cuts International, notes: "It must be understood that this revenue loss is notional as there would be no revenue if these SEZs are not put in place. The estimation of revenue loss has been made by assuming that the same amount of investment and additional economic activities would have been generated if the units are located outside SEZs and do not avail any benefits from other export promotion scheme- a heroic assumption, indeed!

2.7.1 Benefits from SEZs surpass fiscal concessions:

A study commissioned by the Department of Commerce to assess the potential costs and benefits of Special Economic Zones has dismissed the entire debate over revenue losses due to the fiscal sops extended to SEZs by the Departments of Revenue and Commerce.

"Many of these tax exemptions are already offered to Export Oriented Units and Software Technology Parks till 2009," the study notes. In fact, impressed by the transformation in areas where new generation SEZs have been set up such as Bangalore, Hassan and Sriperumpudur, the study's authors have stressed that "these SEZs have created a tremendous local area impact in terms of direct employment, emergence of new (formal and informal) activities, changes in consumption pattern and social life, human development facilities such as for education and health care," adding that "overall, the expected benefits of SEZs outweigh expected costs."

An interesting finding on the employment pattern of the SEZ units surveyed is that nearly 40% of workers are women and 76% of those hired are local people. In fact, new generation SEZs (formed after the SEZ Act, 2006 came into being) employ far more women at 55% of the workforce as compared to the old Export Promotion Zones like Kandala that have been converted into SEZs, where women constitute 30% of the work force. The new SEZs are also creating more jobs for semi skilled workers as compared to the EPZs.

Interestingly, the study based on interviews with different stakeholders and visits to 14 of the 27 SEZs operational by the first half of 2009 found that though the SEZ Act vests powers of the Labour Commissioner into the SEZ Development Commissioners, in many SEZs in Cochin and Jaipur, inspectors from the State Labour Department are also visiting SEZ units.

Another contentious issue the report has dwelled on is the size for SEZs with no upper cap in the SEZs Act, 2005, was to allow SEZs to develop world class infrastructure.

However, the study argues that the two subsequent decisions by the Empowered Group of Ministers on SEZs headed by External Affairs Minister to cap the maximum size of SEZs at 5,000 ha and leave the issue of land acquisition to the Private Sector Developers "are contradictionary."

"The government cannot reduce the SEZ - related land acquisition to a contract between a land owner and a developer, and yet put a ceiling on the land so acquired," the report stresses.

On the criticism that SEZs could aggravate regional disparities in economic development, the report concedes that of the 234 formal approvals in 2009, 70% are in 6 states – Andhra Pradesh, Gujarat, Haryana, Karnataka, Tamil Nadu and Maharashtra.

Except Tamil Nadu, the other states are already significantly industrialized- and the report has suggested that government should encourage SEZs in places "hither to under developed" since it "may not be possible to limit the number of SEZs" in the current political economy. No authentic cost-benefit study is available to evalute the socio-economic viability of SEZs in India.

Table 2.15

GDP Growth: Exports from India (General and SEZs) (Rs. In crores)

Year	Overall Exports	Value of Physical Exports of SEZs	% of SEZs exports Share in overall performance	% of Growth rates of SEZs Exports*
2003-04	293376(15.0)	13854	4.72	39
2004-05	375340(27.9)	18314	4.87	32
2005-06	456418(21.6)	22840	5	24.7
2006-07	571779(25.3)	34615	16.51	52

Source: www.sezindia.nic.in & EPW current statistics: July 26- Aug 1, 2008

*Over the previous year

Table no.2.15 shows that the value of physical exports of SEZs has been on the rise from 2003-04 to 2006-07. However, percentage SEZs' export growth in percentage terms does not show steady growth as such.

Table 2.16

Year- wise progress in exports from SEZs Units in India

Year	Export (Rs. Crore)
2000-01	8552.30
2001-02	9189.60 (07)
2002-03	10053.40 (18)
2003-04	13853.58 (62)
2004-05	18309.00 (114)
2005-06	22839.53 (167)
2006-07	34787.47 (307)
2007-08	66638.00 (679)
2008-09	90416.00 (957)

Note: figure in bracket indicate growth rate

Source: www.sez.nic.in & Report on Currency and Finance

Table no.2.16 displays that there has been marked spurt in SEZs exports from 2000-01 to 2008-09. However, the percentage increase in SEZ exports has gained steam from 2004-05 to 2008-09.

Table 2.17

Year-wise Share of SEZs Units in total Exports from India

Year	% share in Total Exports from India
2000-01	4.2
2001-02	4.4
2002-03	3.9
2003-04	4.8
2004-05	5.1
2005-06	5.6
2006-07	6.8

Source: www.sez.nic.in &Report on Currency and Finance

Table no.2.17 exhibits the increasing significance of SEZs units in India. At present 105 zones are operational, where 2,761 units have received permission to set up there projects. Total investment in these zones is estimated at Rs. 1.28 lakh crore and the number of workers employed is close to 490,000. More significantly, these units are now accounting for an increasingly larger share in India's total merchandise exports.

Table 2.18

Export values from Chinese SEZs (1979-2004)

(Million US$)

SEZ	1979	1980	1985	1990	1995	2000	2004	Average annual growth rate (%)
Shenzhen	9	11	563	8,152	20,527	34,563	77,846	44.7(1979-04)
Shantou	NA	251	257	831	2,128	2,596	2,545	10.1(1980-04)
Zhuhai	9	13	33	489	2,115	3,646	9,039	31.3(1979-04)
Xiamen	NA	NA	25	781	3,479	5,879	13,651	39.3(1985-04)
Hainan	NA	0.18	1.15	4.71	8.30	8.03	10.93	18.6(1980-04)
Total (US$ 100 million)	NA	NA	8.79	102.57	282.57	466.92	1,030.92	
Sources: Ranade Prabha Shastri (ed) (2007), p 86, The Icfai University press, Hyderabad, India.								

Table no.2.18 shows that comparing the export performance of China's SEZs with India, needless to say, India's SEZ performance has miles to go to touch Chinese standard. Therefore, drawing conclusions by looking at India's SEZ performance alone over the years may not serve any purpose.

The intention of inserting the above table is to show the simmering inefficiency and underperformance of India's SEZs to reach China's standards although the table doesn't fit in this chapter.

The recent statistics reveal that there are about 580 SEZs with formal approvals, 335 notified and 147 SEZs with in-principle approval. Maharashtra leads the nation with 109 approved SEZs, out of which 15 are operational followed by Andhra Pradesh with 102 approved SEZs and 21 operational one which is followed by Tamil Nadu, Gujarat and Karnataka.[Murugesan.P & Bandgar P.K (2010)," Land Acquisition For SEZs in India: Theoretical Perspective" Southern Economist, August 1].

Mukherjee Nivedita (2010) opines that the impact of the global economic slowdown, political resistance to land acquisition and lack of clarity on tax policy drives developers to pull out of SEZs. It is the favourite Mantra of policy makers, politicians and India Inc and they never tire of prescribing it as a driver of economic growth and employment generation. Tragically though, for all the chants, once a top item on the infrastructure agenda of the Essars, DLFs and Parsvnaths, SEZs are now off the priority list of corporate investments. There is a varitable queue of companies asking for extensions, resizing and de-notification of proposed projects. Atleast 10 big developers have got de-notifications, allowing them to withdraw from the projects, and of about 240 SEZs that are yet to become operationalised, about 20 are waiting to be de-notified.

In December 2009, the Union Ministry of Commerce revealed what was widely speculated-some of the most talked- about SEZs were on the pending de-notification list. Among those looking to pull out are DLF, Essar and Parsvnath. (idem[1])

Companies across sectors, size and segments formed serpentine queue with applications before the Board of Approval, committing mega bucks and plants from Ambala to Mangalore. If Reliance Industries talked of pumping in Rs. 30,000 crore into SEZs, DLF sought to make an investment of Rs. 31,000 crore in 4 units in Punjab and Haryana and others such as Bharat Forge, Videocon, Suzlon, etc., were ready with over Rs. 1000 crore each for SEZs places like Pune and Mangalore. Even the lack of clarity in norms and government flip-flop till a year back did not dampen the enthusiasm of the SEZs developers. As a result a mind boggling 110 operational SEZs handling businesses from bio-tech to IT/ITEs and other services, 574 approvals, 346 notifications, and investments worth Rs.98,498 crore across 39,120 ha of land. (idem[2])

It is this mad rush for SEZ approvals that also brought many non-serious players into the fray for whom SEZ applications became a tool for acquiring land rather than for creating infrastructure. Now fear of being seen as indulging in a company, real estate play has led the government to tighten the frame work and change rules, shattering the dream run of corporate India. As a result, atleast 10 big developers have got denotification, allowing them to withdraw from the projects. Of course, the loss from this pull out could well be in thousands of crores and lakhs of potential employment opportunities. (ibid[1] p 40)

Interestingly, the world over, SEZs were created by government to draw investments to regions and sectors with public funds. China's successful SEZs were initially capitalized with government money. India though is unique, the

idea here was to bring in private sources and management to create an ecosystem for growth. The Rs.110,000 crore from 2006-09 poured into SEZs has all come from private sector. The rush though has now turned into a logjam i.e., investments have also slowed down substantially. This was something already expected that this was bound to happen with the global slow down affecting the SEZs plans of major players. The main attraction of the industrial houses clamouring for SEZs project a few years ago was the export potential. Essars SEZ Hazira Ltd, which invested close to Rs. 8,000 crore in 4 manufacturing units in Hazira, has sought permission to pull out of the project due to global meltdown and the inability to achieve its export target. (idem[1])

There is no doubt that the SEZs have a lot of advantages, but world class infrastructure will reap benefits only when the government gets its act right anytime soon. (ibid[2] p 41)

The deceleration in the growth of these enclaves is due to the following factors:

a. Land acquisitions, political friction, lack of pro-active rehabilitation policy and clearance delays have hurt timelines.

b.Global recession and shrinking global growth has hit demand, affecting exports and investments.

c. Direct tax code, (DTC) fearing withdrawal of tax sops, developers have gone into cancel mode.

d. Red tape, lack of clarity in policy and bureaucratic resistance to regulatory changes has hit new projects.

e. Policy hurdles and rigidity to switch over from exports to domestic markets has made SEZs unviable. (ibid[3] p 40)

SEZ story had been phenomenal of success for the last 5 years. The government had approved about 580 SEZs till now of which 300 had been notified and another 90 were to be done by the year end (2010). Investments worth Rs. 1.5 lakh crore have been made in these zones.

The SEZ Rules provide for different minimum land requirement for different classes of SEZs. Every SEZ is divided into processing area where only the SEZs units are set up and a non-processing area where a supporting infrastructure is to be created. The SEZ Rules also provide for simplified procedures for development, operation and maintenance of the SEZs and setting up units in SEZ, single window clearance both relating to central as well as State Government for setting up units in an SEZ and simplified compliance procedures/ documentation with emphasis on self-certification.

As on May 13, 2009 as many as 568 SEZs have been accorded formal approval and 318 SEZs have been notified. The benefit derived from SEZ becomes crystal clear from the export performance, employment creation and investment generation.

The Special Economic Zones (SEZ) policy supported by the SEZs Act, 2005 and SEZs Rules, 2006 is intended to make SEZs an engine of economic growth supported by quality infrastructure complimented by an attractive fiscal package, both at the Central and State levels and with the Single-window clearance mechanism. It means attractive fiscal incentives coupled with hassle-free investment environment gave a boost to exports. The process of globalization has enhanced the relevance of SEZs, which have become an important component in the export-led industrialization strategies (outward looking trade policy). Thus the outward looking trade policy started playing a paramount role in promoting the manufacturing sector and also enabling an amicable investment climate by attracting Foreign Direct Investment (FDI).

2.10: THE SECTORAL BREAK-UP OF SEZ APPROVALS

Patel Chintan (2010) brings forth the fact that "the largest number of SEZ approvals has been in the IT sector. Merely 30% of operational SEZs under the SEZ Act of 2005 are manufacturing (including multi-product) in nature. Nevertheless, manufacturing SEZ exports contributed to more than 75% of SEZ exports in 2009, exhibiting sectoral performance and latent demand. Increasing cost competitiveness of Indian companies and access to diversified labour pools coupled with owners on foreign trade indicate long- term potential in manufacturing SEZs.

So far, India has been reckoned as the world's back office and its growth has been attributed to the service boom. The second stage of development will be investment- led, for which manufacturing SEZs are expected to be vital. Exports from such SEZs have posted 22% growth over the last 2 years in line with growth in overall merchandise exports. Plausible explanations are high- quality infrastructure, competitive costing mechanisms and incentives awarded. However, current figures are still less than the manifold growth that manufacturing SEZs can help achieve.

India's total FDI inflows into such SEZs (approximately Rs. 5000 crore) accounts for only 1% of total FDI flows, vis-à-vis 20% in China that being said, it would be unfair to dismiss their potential on the account that they are minuscule as compared to their Chinese counterparts.

Evolution of SEZs in India indicates that sector emphasis showed a marked deviation from manufacturing to services during the IT boom, which coincided with the SEZ Act formulation. In lieu of the new stipulations and minimal 10 ha land requirement for IT- SEZ there was a land rush, evident from the fact that more than 60% of the notified SEZs belong to IT/ ITEs. Only a handful of operational manufacturing SEZs under the Act 6, posted exports, given their long gestation periods. Therefore, this will help to address the roadblocks and identified success factors resulting in boosting investors' confidence and stakeholders' participation in such set-ups.

If we look at the challenges faced by this sector, a major concern is the requirement of large contiguous land parcels measuring more that 100 ha vis-à-vis 10ha required for IT SEZs. Aggregation of large contiguous tracts of land has been for most reason for the failure of the majority of the manufacturing SEZs. State Industrial Corporations can play a key role in resolving this issue by helping to identify suitable land, acquire it from owners and award it to companies through a bidding process. Even from a regulatory stand point, various stakeholders regard laws draconian and vague, hence treading cautiously.

It is felt that in case of manufacturing SEZs government- driven incentives would benefit the regions in attracting long–term investment percolation and employment generation. In addition to this, strategic location assessment with product- fit will help in allaying the investors' fears associated with gestation period and margins. Even in a downturn year like 2009, manufacturing and trading have contributed close to 50% of SEZ exports demonstrating the viability of manufacturing SEZs as long- term economic instruments.

2.11 SEZs STATUS IN MAHARASHTRA

Table 2.19

District wise SEZ status in Maharashtra

No.	District	Notified	Formal App.	In-Principle App.	Total SEZs
1.	Pune	15	33	5	53
2.	Raigad	8	13	12	33
3.	Mumbai	8	20	1	29
4.	Thane	9	13	7	29
5.	Nashik	1	3	2	6
6.	Aurangabad	5	7	2	14
7.	Nagpur	3	3	2	8
8.	Kolhapur	NA	2	NA	2
9.	Nanded	1	1	2	4
10.	Sindhudurg	NA	NA	1	1
11.	Ratnagiri	NA	4	1	5
12.	Satara	1	2	NA	3
13.	Solapur	1	NA	NA	1
14.	Latur	1	1	NA	2
15.	Osmanabad	NA	NA	1	1
16.	Chandrapur	1	2	NA	3
17.	Akola	1	2	NA	3
18.	Amaravati	1	1	NA	2
19.	Yavatmal	1	1	NA	2
20.	Dhule	NA	1	NA	1
21.	Chandrapur	1	2	NA	3
	Total	58	111	36	205

Source: www.indiaenvironmentprotal.org.in

Table no.2.19 brings to the fore that Pune District tops the list in the total number of SEZs with 53 followed by Raigad, Mumbai, Thane and Aurangabad. The district-wise distribution of SEZs is highly skewed in favour of the already developed districts like Pune, Raigad, Mumbai and Aurangabad. The skewed distribution of SEZs points to the facts that the already industrialized states attract very huge amount of investment, perpetuating regional inequalities in Maharashtra.

Table 2.20

SEZs in Maharashtra: Types of SEZ, Land Requirement and Investment

Sr. No.	Name of SEZ	Category	Land requirement [in hectare]	Land acquired	Proposed investment [Rs. Crore]	Current investment [Rs. Crore]
1	Maha Mumbai [MSEZ]	Multi-product	10,000 spread Over 45 villages	1,943 ha	10,000	600
2	Navi Mumbai [NMSEZ]	Manufacturing and pharma	2,100	2,100	15,000-20,000	NA
3	Rewas Port [Raigad]	Multi-product	2,000	577.4	3,000	NA
4	Videocon Reality and Infrastructure [Adgaon, Aurangabad]	Multi- product	404.7	202.3	7,000	NA
5	Videocon Reality and Infrastructure [Wagholi, Pune]	IT and electrical	1,011.7	NIL	NA	NA
6	Videocon Reality and Infrastructure [Navi Mumbai]	Semiconductor Technology	121.4	NA	NA	NA
7	Mahindra Reality [Karala, Lonavala]	Multi-product	1,000	NIL	NA	NA
8	Indiabulls Infrastructure[Raigad]	Multi-product	5,000	500	NA	NA
9	Indiabulls Infrastructure [Nashik]	Multi-product	1,214	NA	NA	NA
10	Bharat Forge [Rajgurunagar, Pune]	Multi-product	1,416	NA	1,500	NA
11	Lodha Developers [Thane]	Information Technology	32.4	32.4	1,000	1,000
12	Marathon Reality [Panvel, Raigad]	NA	1,000	NIL	NA	NA
13	Maharashtra Airport Development [Mihan, Nagpur]	IT, Manufacturing and Aviation	2,086	1,578	NA	NA
14	Parsvnath MIDC Pharma [Nanded]	Pharma	150	150	NA	12.48

Source: www.livemmint.com

Table no. 2.20 reveals that Maharashtra has the distinction of having the largest number of SEZs as compared to other states. The recent statistics reveals that Maharashtra leads the nation with 109 approved SEZs, out of which 15 are operational.

The central SEZ Act is in place since 2005 when it was notified, Maharashtra has received more than 140 proposals for SEZ either formally approved or approved in- principle. Absence of state legislation on SEZs has not really hampered the progress of SEZs in Maharashtra though the states like Gujarat, Tamil Nadu and Haryana which have their own SEZ Act have demonstrated its utility. In fact, SEZs in Maharashtra have witnessed ups and downs since the SEZ rules were notified since 2006.

A. Maha Mumbai Special Economic Zone (MSEZ) – Raigad.

Promoters: Mukesh Ambani, Chairman & Managing Director of Reliance Industries Ltd., and his close associate Anand Jain.

Status: The MSEZ is the mother of all SEZs in India. It has faced constant agitations by farmers over alleged forceful land acquisitions. On June 5, 2009, the Supreme Court rejected MSEZ's plea for an extension of the land acquisition process beyond the stipulated two years. MSEZ has so far signed agreement with 3,800 farmers for 1943 ha. Actual acquisition for land agreed for is yet to happen.

B. Navi Mumbai Special Economic Zone (NMSEZ) - Dronagiri, Kalamboli, Ulve in Navi Mumbai.

Promoters: Reliance Industries Ltd., and City and Industrial Development Corporation (Cidco)

Status: Not a victim of land acquisition issues as the entire 2,100 ha was allotted by Cidco. Land filling is complete and the boundary wall has been constructed. The economic downturn though competed the promoters to change the SEZ's focus to manufacturing and pharma-based development from information technology (IT/ITEs). The project was to be fully developed by 2014 but may not stick to the dead line because of the change in the format. The SEZ is close to the Jawaharlal Nehru port, India's largest as well as to the new international airport coming up between Panvel and Ulve in Navi Mumbai.

C. Rewas Ports, Raigad.

Promoters: Reliance Industries Ltd. and Mumbai Maritime Board.

Status: A union government on June2, 2009 extended the land acquisition process for the project by another year. The SEZ has so far managed to acquire only 28.87% of the land required because of protest by farmers. It has obtained approval for transferring the remaining land.

D. Videocon Realty and Infrastructure, Adgaon, Aurangabad.

Promoters: Videocon Realty Ltd. a unit of Videocon Industries Ltd.

Status: Company says it needs some more time to acquire the remaining land. Venugopal Dhoot, chairman of Videocon Industries, says the firm has been finding it difficult to persuade farmers to sell their land even after offering market prices. Negotiations are on. The firm expects the project to generate employment for 40,000 people.

E. Videocon Realty and Infrastructure, Wagholi, near Pune.

Promoters: Videocon Realty Ltd. & Infrastructure Ltd.

Status: The Union Government denied extension for the land acquisition process after the company failed to acquire any land in the two years since obtaining "in-principle" approval for setting up an SEZ. This project saw stiff resistance and agitation from the local farmers and suffered another setback when Nationalist Congress Party chief and Union Agriculture Minister Sharad Pawar said in 2007 the government would not support the SEZ. Dhoot said the company is still persuading farmers and trying to make the SEZ work. However, all efforts ended in vain.

The rollback on SEZ is being seen as a move to appease farmers who are angry with the Congress- NCP government for taking away their land to develop industries. Violent protest by villagers and political reasons are what prompted the government to change the decision. This meant farmers could neither sell their land nor develop it for any other purpose. Videocon chairperson Venugopal Dhoot said the company is now being given alternative land in Saswad Taluka in the district. The state government has proposed

Videocon SEZ in early 2007. It required 1,821 ha from villages Wagholi, Kesnand, Bakori and Lonikand. Farmers apposed the SEZ from the outset. They agitated at the district collector's office in April 2007 and attacked Videocon employees who visited Wagholi for measuring land the next month. The protests forced the government to stay the proposed SEZ in November 2007.

F. Videocon Realty and Infrastructure, Navi Mumbai.

Promoters: Videocon Realty and Infrastructure Ltd.

Status: The project has fared better than Videocon's other SEZ projects in Maharashtra. Land acquisition is on without any hurdles so far.

G. Mahindra Realty, Karala, Lonavala.

Promoters: Mahindra Realty Developers Ltd.

Status: Received "in principle" approval for setting up an SEZ in 2006 but land acquisition has not started yet because of farmers agitation.

H. Indiabulls Infrastructure, Raigad.

Promoters**:** Indiabulls Infrastructure Development Ltd.

Status: The firm has been able to complete only 10% of its proposed land acquisition so far. The Union Government on June2, 2009 granted it a one-year extension for the land acquisition process. Indiabulls Infrastructure had got "in principle" approval for the SEZ in October, 2006.

Gagan Banga, Chief Executive of Indiabulls Financial Services Ltd. Said the land acquisition cost per acre has been about Rs. 20 lakh and the company is continuing the negotiations with landlords and trying to rope them in as partners in the project.

I. Indiabulls Infrastructure, Nashik.

Promoters: Indiabulls Infrastructure Development Ltd. And Maharashtra Industrial Development Corporation (MIDC)

Status: Because of its partnership with MIDC, the firm could acquire the land before it approached the government for an "in principle" approval for the SEZ. The government agency has a 12% stake in the project. Banga says the firm is currently developing infrastructure for the SEZ and will build a power plant in it.

J. Bharat Forge, Rajgurunagar, near Pune.

Promoters: Bharat forge Ltd. and MIDC.

Status: Automotive components firm **B**harat Forge tied up with MIDC for an SEZ that is estimated to attract investment worth Rs. 25,000 crore and generate 1,20,000 jobs.

According to the Anti-Maha Mumbai SEZ Committee, only 3 out of 7 villages to be covered in the project have agreed to sell their land so far.

K. Lodha Developers, Thane.

Promoters: Lodha Developers Pvt. Ltd.

Status: This is one of the private SEZs to complete the land acquisition process within the deadline. The real estate developers took 18 months to buy all the land required.

L. Marathon Realty, Panvel, Raigad.

Promoters: Marathon Realty Ltd.

Status: The Mumbai-based developer scrapped the project after receiving "in principle" approval from the union government. Managing Director Mayur Shah said the firm didn't think it was feasible to develop the SEZ because of the economic downturn. It didn't proceed with land acquisition.

M. Maharashtra Airport Development, Multi-Model International Hub (Mihan), Nagpur.

Promoter: Maharashtra Airport Development Co. Ltd. (MADC) - Mihan is a joint venture formed by Airport Authority of India (AAI) and MADC

Status: Half the total land required, MADC has so far got 1,578 ha notified, which means it still needs to acquire the balance area. The SEZ estimates it will generate Rs. 40,000 crore in annual revenues and provide employment to some 120,000 people directly and another 230,000 people indirectly.

The Mihan project is beset with a plethora of problems which has virtually stalled the progress of Maharashtra's much trumpeted Mihan and

SEZs proposed adjacent to the Nagpur airport. The Maharashtra Airport Development Company implementing the project is yet to acquire land for building the second runway at theinter national airport. While the rehabilitation township for the SEZ affected villages is ready, the state government is yet to shift the project-effected people (PAP). The government is finding it difficult to acquire land of expectations of people have increased over the years. The Chief Minister Ms. Prithviraj Chavan said the government was looking at two options of financial compensation and handing over 12.5% of developed land as resettlement package. Thus land acquisition has been proving difficult as expectations of project-affected persons (PAPs) have increased over the years. The government is still to work out the compensation package of PAPs.

The 4,450 ha project has 2 components- a multi-model air cargo hub and a multi-product SEZ over 2,086 ha. The state officials associated with Mihan at Mantralaya and sources at the (AAI) in Nagpur admit that unless multiple government agency resolves a host of contentious issues, the project has the green future. "The problem with Mihan is that it is dependant on several government agencies which hardly have any co-ordination among themselves. Investors who have booked land in adjacent SEZs are loosing faith because Mihan is not showing progress."

The multiplicity of agencies associated with Mihan has been a major bottleneck. The AAI is involved because it runs the Nagpur airport. Besides, MADC, a state government arm dedicated to the development of airports, is the

nodal agency for Mihan. The defence ministry has been a party to the project since Nagpur airport also has a dedicated Gajraj project of the Indian Air Force. Now the director general of civil aviation (DGCA) has a key role to play since it is licensing authority for new airports.

Mihan India, or MIPL, was formed in August 2009 and the AAI transferred the airport assets including land to the new company. The MoU between MADC and AAI also called for transferring the ground staff of the AAI to MIPL. But the staff had refused to work under MIPL. This confrontation has created an interesting situation. Though the AAI has handed over the airport to MIPL, the former is still running the show as MIPL has no staff and resources. So far, the only positive news has been that of land acquisition and MADC is in procession of 3,280 ha of the planned 4,450 ha. However, the state government and people affected by the project have not agreed to a mutually acceptable rehabilitation and compensation package. Farmers and residents in a couple of villages adjoining Nagpur have been protesting against the protest. MADC is also awaiting response from the defence ministry over a proposal to handover the land under the IAF's Gajraj project.

There have been a few other worries for Mihan. Boeing, which has bought land to set up a maintenance, repairs and overhaul (MRO) facility, at the airport, has not followed up its plan so far. Similarly, Duke Aviation, another company that had promised to set up an MRO depot at Mihan, is learnt to have shelved its plan.

N. Parsvnath MIDC Pharma, Nanded.

Promoters: Joint Venture between Parsvnath SEZ Ltd. a unit of Parsvnath Developers Ltd. and MIDC

Status: So far Parsvnath has paid Rs. 12.48 crore to MIDC for the land. Pradeep Jain, Executive Chairmen of Parsvnath Developers said the company may look at raising money through private equity funds, though talks with various private equity fund failed last year for the company's other SEZ projects. This SEZ is currently in the name of MIDC and has to be transferred to Parsvnath MIDC Pharma SEZ by the SEZ Board of approval. Once that is done development and leasing activity will begin at the location, said Jain.

Source: www.livemint.com

In fact, there was recession in the IT sector since 2007, not just in Maharashtra but even states such as Andhra Pradesh and Karnataka. In all the states there is a slow down in the IT sector. It appears that attracting fresh investment will take a long time. A decade ago, the situation was different. Then the IT sector was booming, but now, it's a disturbing trend as far as fresh investment is concerned.

Between 1995 and 2000, there was rush for the IT sector, but now from official records it has been confirmed that well over 30 lakh Sq m. of premises under construction or constructed, is surplus.

As per current statistics, there are 144 SEZs in the state with an investment of Rs. 184,384 crore. The land area is 45,738 ha with the capacity of generating jobs to the tune of 6,436,355.

Credit goes to the state of Maharashtra for having initiated certain important innovative steps in the growth of SEZs, albeit these initiatives did not click. The rural India has been left behind even as urban Indians embraced economic liberalization and reaped its benefits. Rural India has slipped into debt and distress while urban India is all about glitzy malls and tower blocks. Farmers are committing suicide in some parts, in others, like West Bengal, small landowners are worried that their holdings will be gobbled up by big industrialists ,leaving them with nothing.

But should that always be the case? Not necessarily there are examples where this has not happened. The entrepreneurial efforts and imagination of the farmers in villages around Pune, who have formed companies and given a new twist to the ambiguous connotation of FDI (foreign Direct Investment) by turning it into farmers direct investment are indeed exiting and the rest of the country should be celebrating their initiative. Here local farmers have given their land to the new cooperative and turned into shareholders in a company that will make productive use of their lands. Such innovative ideas could manifest in the form of tech-parks, residential colonies and townships will come up which will be sold for a profit. Thus, farmers in Pune have set an example as to how to maximize the value of the land and offer an opportunity to those who may not want to continue as farmers. This shows that collective enterprise can

go a long way in improving the conditions of the farmers. This has a lesson for other states to learn and come out with such innovative initiatives.

2.12 FARMERS' INNOVATIVE STEPS IN PUNE:

More Manoj (2008) "narrates certain novel developments of Avsari Khurd village in Pune. This village is situated some 40 km from Pune, about 1,500 farmers were planning to set up an SEZ of their own. Not foreign direct investment, but farmers' direct investment. Avsari Khurd, a prosperous village off the Pune- Nashik highway, is seeking special economic zone (SEZ) status for itself and has already submitted a proposal to the Union Commerce and Industries Ministry. The prime reason why Maharashtra's farmers are suddenly corporatizing themselves is the fear of being dispossessed by with business houses. According to Sopan Bhor, Coordinator, Maharattra Chamber of Commerce, industries and agriculture (MCCIA), these efforts were taken to save their land from going into the hands of big industrialists and save themselves from displacement. Bhor was the one who mooted the idea of converting Avsari Khurd, a village off the Pune-Nashik highway, into a special economic zone (SEZ)."

Hardikar Jaideep (2007) tells about "A case study of Avsari Khurd village in Pune "where farmers are getting savvy with some out side help."

Bhor, 72, sketched out a detailed plan for the SEZ and brought all Avsari farmers under one umbrella. He is also from the same village and he could see

acquisition coming to them sooner than later. These efforts, it was believed, would make them self-reliant, self-sufficient and save themselves from displacement. (idem[1])

Bhor who has had vast experience in industry and politics, has this rhetorical question to ask: "why should the government acquire our land and hand it over to someone else? We, the farmers, are also capable of doing business, and we have shown, there is an alternative, this way we'll keep with us the benefits that would have gone to a developer." (idem[2])

Avsari villagers sensed an opportunity in adversity when the government announced plan for an international airport at Rajguru Nagar, 20 km from the village on the same highway. With major companies and multinational joining an acquisition spree around the airport sight, Bhor knew they had to act quickly. (idem[3])

Arun Bhor, a former Sarpanch, said that there was a sense of disbelief among industrialists and planners about the farmers' plan, but "we have experience and expertise" in every field. "We have human resources in all sectors- from automobiles to IT and from dairy to horticulture and floriculture. So everybody can start some or the other ancillary company, apart from being a part of the main company."(idem[4])

The SEZs plans, housing architecture, infrastructure work and construction will be carried out substantially by residents of Avsari, the farmer-shareholders said. (idem[5])

The government, we were sure would have acquired our land and handed it to big corporate bodies. We did not want to loose our land said Rahul Abhang, a young farmer. After several meetings the villagers decided to pool in about 3,557 acres of land and form a company that is seeking to be declared an SEZ. The remaining 2,695 acres of irrigated land will be retained for agriculture activities to meet the food and vegetable demand of the SEZ and for exports, said Bajirao Shinde, a shareholder. The land, to be leased by the farmers to their own company is itself capitalized at Rs. 900 crore. "Our shareholding has been decided in proportion to our land holding," he said. (idem[6])

As far the landless labourers in the villages, they are to be given shops to start their own services and set up residences. They will also be employed in smaller companies, if required. The number of landless labourers is, however, not to large. (idem[7])

The villagers believe that their proposal is viable, workable and sustainable. "You come after five years and see it for yourself," quipped Devidas Kshirsagar.

One of the options before the villagers was to form a co operative-structure that is very common in Maharashtra. But, the villagers chose to form a company, given the regulatory restrictions operating in the case of co-operatives. (idem[8])

Marpakwar Prafulla (2008) says "the Pune farmers' ambitious plan to set up a SEZ could not take-off soon, following their inability to submit even the basic information prescribed by the Centre's Board of approval. A senior official from the industries department said that they received their first application on July 3, 2007, for setting up an SEZ at Ambegaon village in Pune District. Subsequently, we had asked the promoters to submit specific information as prescribed by the board of approval (BOA). However, there was no response from the farmers' side according to the norms, if there is no response in 3 months, we would close the file."

2.13 POST-LAND SALE SCENARIO IN MAHARASHTRA:

Mumbai Mirror (November 2, 2008)Correspondents Suryavanshi Sudhir and Khot Tanaji met some of the farmers in Pune and Khed and spoke to them about coping with their new found prosperity after selling land to SEZs. The responses of a few farmers who they met are as follows:-

A. More Mithun for Babu Pardhi

With the recent sale of his 24-acre land for the development of Special Economic Zone (SEZ) Babu Pardhi, 82 of Takurwadi in Khed Tehsil (Pune),

traded his hand–to–mouth existence of a daily wage earner (Rs. 70per day) to a life of leisure. His sons had to forego their education and join their father in farming. But things changed after he handed over his land for Rs 8.60 lakh per acre.

He purchased his first wrist watch, a few mobile phones for his grandsons (who are also school drop-outs) motorcycles, a TV set and a DVD player. On procuring the latter, the family went out and rented a clutch of Mithun Chakravarti classics, while the ladies cottoned in on K- soaps. Naturally , next on their agenda was a mega shopping spree , with the women going over –the –top with silk saris and jewellery.

"I will construct a new pucca house,'' says Babu, pointing to his ramshackle living quarters at a distance. Insurance agents and investment dealers are making several rounds of his house trading their wares. "I don't know how to deal with these people. We are illiterate and do not know who to trust. "How do I ascertain their authenticity?'' He has simply put away Rs. 10 lakh in the bank and given Rs 1.50 lakh to a villager to help him by a tractor. "It makes me happy: earlier issue to borrow money from the local saukar, now they come to me for small loans,'' he says.

Jijja, Babu's daughter–in–law, sounds an alarm as she notes that the family cannot survive without the farm. She says, "I have got jewellery and sari, but these things will not produce jawar and bajri. I think the money earned in

SEZ will not stay for a long time, given the way every one is flushing it down. I am sure tomorrow we will starve for food again and start begging.'' She used to work on the farmland, while now she is a homemaker, watching Babu's school dropout grandsons Sitaram (18) and Subhas (20) brandishing their new motorcycles, on a daily petrol allowance of Rs 500. "I asked them to return to a school, but they are not interested,'' says she. " The SEZ has changed our life we have lost our ancestral land, who will feed the future generations?''

B. Investment wary Vilas Pardhi

Vilas Pardhi's story is not as optimistic. He says that following the sale of land, his relatives swindled all the money, giving him a paltry Rs 2 lakh, as against the 10 lakh due to him. He bought a second –hand Tata Sumo and started a small business of ferry services.

Vilas's livelihood was dependant on his custard apple farm. During the monsoons, he would sow bajra and jawar that sustained him through the year. Lack of irrigation facility was a lacuna in farming, and he did not have enough money to dig wells. Today, there is some money, but no land "I have started constructing a pucca house, but do not have enough funds to complete it. The SEZ has changed our relationships –one brother is ignoring the other's need. Clashes and differences are spilling over,'' he says. "There are cars and vehicles around, and every other day there is news of someone or the other meeting with an accident. There is disharmony among the villagers.''

Vilas's two sons study in an English medium school, and he wishes for them go to a boarding school in future. "But that is after they grow up and learn to do their work independently,'' he says. He feels that the money may have done the family more harm than good for now. It has made his wife a complete wastrel, for one. She used to work hard on the farmland in the past, but today only sits at home watching television.

He feels that when the money was disbursed by the government, officers should have come up to the villagers and taught them sound investment.

C. Tamasha Patron Balumaruti Jadhav

Of the Rs 54 lakh he earned on the land sale, Balumaruti Jadhav, 48, a road contractor in Khed, bought a Scorpio and floated tamasha mandals by investing Rs 30 lakh. He is good dancer and performs three to four filmy songs at the tamashas. He has a crew of around 50 artistes , and each artist gets paid Rs 12,000 per month, while each show rakes in Rs 50,000 .I have invested a large sum in the tamasha and hope to recover it soon,'' says Balumaruti, flicking off a speck of dirt from his new Woodland shoes.

"I willingly handed over the land, given that it was not fertile ; in fact for many years we did not incur anything from it as there is lack of irrigation facility,'' he says. "However, using the SEZ money, I have a good chance to flourish the tamasha and purchase machinery, I want to be the top contractor in Khed.''

Before the family came into prosperity, the children would walk 4 km to school. Balumaruti still has over 34 acres of land has decided to purchase more land and has decided to purchase more land in Ahmednagar district. It is open knowledge that Takurwadi residents are wealthy now, and most of them live in the perpetual fear of being murdered. "To protect ourselves, we keep traditional weapons like the gilor (stone throwing weapon). It can help combat 10 people at one go,'' he says.

D. Vinod Retawade looks for new livelihood

Vinod, 20, has studied till class 10. With the nine lakh he received recently, he purchased nine buffaloes, each at a price of Rs 15,000, and brushed aside any possibility of higher education. Many youths are highly educated, but still struggling to get jobs. It is better to work in our own farm. Now, we have lost land in SEZ. So, we have turned to livestock. "I will survive by grazing these buffaloes and selling milk,'' reasons Vinod.

Vinod fears that given the 4000-odd acres of land is covered under SEZ, "this will not leave him with enough space to graze his cattle.'' "We may have shifted to another means of livelihood, but my father is a farmer who knows of no other occupation .We have decided to purchase a piece of land. So that we can cultivate crops and look after our animals. We are looking to buy more land in the neighbouring village as future investment,'' he says.

"The SEZ ruined the topography of our village. Natural hillsides and lakes will give way to concrete jungle. In our village, there are people without a wife, but nobody is without vehicle,'' he says.

E. Laxman Dudawade moves up the liquor ranks

Laxman Dudawade, 18, does not know what the family will do with the Rs 17 lakh they received recently. Laxman's father used to work in the Public Works Department, and has not been to work since coming into money three months ago. "I am a Class Five drop-out, I cannot count a bundle of notes; I get too confused. My father bought two Bajaj Pulsar motor cycles, each worth of Rs 65,000 for my brother Ram and me. We are popular in the village now, and know for sure that if we get into a sticky situation, our father will bail us out with money.''

The brothers while away their time frequenting beer bars. They have graduated from drinking tadi to Romanov Vodka. Laxman says that he keeps his two-wheeler spanking clean, although he drives it without an official license. "I am not scared. If the police ask for license, I offer them money. They are more interested in that than taking me to jail,'' he says. "I roam with the bundles of notes on me.'' While earlier, the family would struggle to meet their expenses, today Laxman spends at least Rs 200 at a trained city barber and uses expensive cosmetics. "I am enjoying my life and having masti with friends. Life is cool for me.''

2.14 MAHARASHTRA SEZs Bill, 2010:

The bill, called the Maharashtra Special Economic Zone and Designated Areas Act, 2010 seeks to create an "enabling environment" for the management and administration of SEZs. A tax holidays for 25 years, complete control over governance of the area, privatization of water and electricity with the right to determine its rates and no jurisdiction of laws governing labour and land. This would be the new provision and freedom the state government plans to give developers of the 205 special economic zones (SEZ) that are coming up across Maharashtra. The SEZ bill proposes to extend benefits available to SEZ to other industrial areas in the state.

The provisions of the Bill, when compared to the central SEZ Act passed in 2005, are more favorable to private developers. The state Bill allows developers not to pay Value Added Tax (VAT), sales tax or any state tax for 25 years, as compared to 5 years in the Central Act.

"Most SEZ projects cover large tracts of land and share proximity to real estate havens. This is a back door entry to privatization," said anti-SEZ activist N. D. Patil.

Ghadyalpatil Adhiram (2010) reports that, Maharashtra's proposed SEZ Bill, however, may not get passed because the government is not very keen on pushing through the legislation which it knows could trigger strong protests, not only by anti-SEZ lobbies that also the opposition parties. The government

wants a comprehensive discussion on this bill but not acrimonious protest inside or outside the house.

2.15 ISSUES AND CHALLENGES AHEAD:

A. Global meltdown and withdrawal from SEZs:

Five years down the lane the proposed islands of prosperity have entered into a realistic zone. Hit by the global economic downturn and protests over land acquisition in various big ticket SEZs, private developers have slowed down their momentum whereas some others have even decided to withdraw their commitment on setting up SEZs altogether.

B. Imperfect picture:

Sharma Shatanu Nandan (2009) points out that, the first look at the existing SEZ numbers paints a robust picture. According to the Commerce Ministry's official data , exports from these zones in FY 09 was quite impressive at Rs. 1,04,589.3 cr and employment of 3,87,439 persons could convince the investors that there is no going back on SEZ as many of those indicators could be used for political gains. (The Economic Times on Sunday, December 6, 2009, Mumbai)

Yet, a closer look at some of these numbers tells us yet another story. Out of about 100 operational SEZs, most are under the IT/ITEs category, but these too are being developed by real estate players. Also, governments' SEZs are employing a far bigger number of people than their private counterparts. (ibid[1])

In fact, many SEZ developers are still finding the policy statement susceptible to political pressure and occasional turns and twists of India's policy framework. (ibid[2])

S G K Kishore, CEO of GMR Infrastructure's SEZ business, explains that if a domestic or a foreign investor wants to put in huge resources for developing a large SEZ, they should find a sense of consistency in the policy at least for 10 years. The government needs to send a signal to investors that incentives for SEZs do remain. The investors are here not for one year or two years. The investors must be able to force what happens in the next 10 years. Already, acquiring land has become a problem. On the top of it, proposed DTC may take away a lot of tax advantages forcing the developers wonder whether SEZ policy is for long-haul investors or not. (ibid[3])

Some economists even choose to slam the government for its failure to make a clear- cut vision for big –ticket SEZ investors. Dr Rajiv Kumar, director and chief executive of Indian council for Research in International Economic Relations (ICRIER) feels that the ministry of finance has at times given conflicting signals for SEZ investors. (ibid[4])

We did a detailed cost – benefit analysis to find out that the net welfare impact of SEZs would be positive. My point is that as long as the net benefits are positive, we should fully go with it. But the finance ministry refused to publish our extensive study on SEZ though it did not reject it either. With the proposed

new direct tax code, it has again aired confusing signal whether tax benefits for the SEZs will remain or not. (ibid[5])

Finance ministry officials working in the revenue department say on the condition of anonymity that implementing the new code in the current format is a distant dream, and hence one should not read too much into it. But for long –term investors in SEZs, the direct tax code proposals have sounded an alarm on whether the SEZ Act in its present form remains unchanged or not. (ibid[6])

C. Land acquisition for SEZ: The major problem

R C M Reddy, CEO of IISFS Cluster Development Initiative, however, feels that despite having trouble thanks to the global economic downturn, the SEZs will continue to flourish. The SEZs have gone through a lull now but it will get a momentum soon. After all, the developers themselves are the enterprises which mean they would continue to invest if they find the long –term story intact. The only problem for the big–ticket SEZs is on acquiring of land which has some ambiguity. (ibid[7])

D. Government support for SEZs despite lack of infrastructure:

In fact, incentives for SEZ could have been done away with if all physical infrastructure including developed land, education, electricity and roads were available in the outskirts of city and roads were available in the outskirts of the big cities. As many of the SEZs are coming up in the interiors mainly because of

cheaper cost of land, experts feel, there is a need for more certainty on key components of the policy. As Dr Kumar from ICRIER says the government must make up its mind. "If you are convinced that SEZs are important tools for India's industrialization, support it whole –heartedly. And support it for the next 10years without any ambiguity. No one should forget that SEZ policy has the support of the Prime Minister himself,'' he emphasizes. The final verdict will come when economic recovery gets a momentum and allows developers to invest and make many of these projects bankable. And that's where there will be a differentiation between land grabbers and real investors. (ibid[8])

There was great hope when the SEZ Act was enacted in 2005, and along with the rules, brought into effect in February 2006. This was the culmination of a long exercise that began with the Export Import Policy of 2000, and which over the years had led to disparate pieces of executive orders, press notes, government regulations that informed the basis of the SEZ framework. With the SEZ Act and rules being promulgated, all these bits and pieces were consolidated and given effect as a cogent legislation–a comprehensive regulatory framework that simplified tax laws, administrative procedures and also provided necessary incentives for industries and services to grow. (The Economic Times on Sunday, December 6, 2009, Mumbai)

More than mere consolidation or rationalization of stray policy matters governing the SEZ fundamentals, this Act for the first time provided a robust regulatory framework that derived its legitimacy from the highest source of

authority in the land. It was believed that this was as firm a foundation as was possible to have, and entrepreneurs, both from India and abroad, could now make investment decisions knowing that they were doing so on a foundation that was firmly anchored. No wonder that hundreds of SEZs were applied for and approved in a span of a few months, and large investments were committed. (ibid[1])

E. Discrimination in favor of corporate development paradigm:

Clearly, there were some who saw this as a means of shortchanging the common man- if something was so popular with the business community, it was safely being presumed that it could not be good for the common man. So, a debate began on the incentives structure– why did these enclaves require a separate treatment? To its credit, for sometime, the Government of India resisted these pressures, and argued that if India was to find its rightful place at the high table of world community, it needed to boost its industrial base. If that meant identifying small areas that could receive the concentrated dose of infrastructure and other inputs needed to achieve this end, SEZs were the logical way to go. Considering India's size and complexities, the resources were just not there to provide the same treatment to the entire country. But, as the allegations of the government protecting corporate bigwigs continued getting shriller, the compulsions of coalition politics and the need to be seen as pro-poor forced the central government to make the first set of amendment to the SEZ Rules. This has two effects–it emboldened the critics on the one hand, and created uncertainty amongst the investors. With the Government changing rules

almost as soon as the first set were given effect , the entire premise of stability and robustness was shown to be a mirage. (ibid[2])

Nandigram crystallized the till then nebulous issues into a very tangible one- land. It provided the critics with the most potent weapon yet-the rationale for depriving the fledging SEZs with the most important ingredient they needed to succeed–land. The aftermath of Nandigram saw the Land Acquisition Act itself being questioned, and executive instructions being issued that barred state governments from assisting SEZ developers acquire the land that was needed to set up the SEZs. (ibid[3])

F. SEZs exports- immune to global economic recession:

The vexed issue of land acquisition coupled with global economic downturn proved to be the final nail in the SEZ coffin. Industry and service sector entrepreneurs had enough problems due to the financial meltdown–without adding the SEZ baggage to their woes. So, today we have reached a situation where the queue of developers waiting to get their SEZs de-notified is almost as long as the queue made by the same developers just two years ago to have their SEZs notified.

And in all this, the sufferers have been the country, the Indian economy, and consequently the "aam admi'' in whose name the entire thing was orchestrated. No one seems to care that even during the darkest days of the current economic recession, when Indian exports as a whole were shrinking, it was the SEZs alone that registered an over 30% increase in exports. Where it not

the much maligned SEZ, our economic situation would have been worse. It might still not be too late to reverse this trend.

G. The revised Direct Tax Code (DTC) and SEZs:

Sarkar Ranju (2010) reports that, Hemal Zobalia, Executive Director, KPMG the new code would result in lot of rush to corporate to establish operating units in SEZ before March 31, 2011. "As regards existing SEZs developers DTC had provided for grandfathering provisions i.e. protecting the deduction for the unexpired period after DTC. However, a similar provision was not there in the proposed DTC which is now sorted out in the revised discussion paper. Thus, even the existing SEZ units will be allowed to avail their tax benefits for the unexpired period post DTC," Zobalia said. Exports from these enclaves reached to Rs. 220,711 crore in 2009-10, up 121.29% from the previous financial year.

The Commerce Ministry has apposed the government's decision to withdraw tax benefits to new units in SEZs in the revised DTC. The draft, though has given tax sops to units which will be operational by March 31, 2011.

A senior official in the ministry said the amended proposal had not addressed the issue fully and this will create uncertainty among SEZs developers and impact SEZs investment. The Commerce Ministry will raise this issue with the Finance Ministry soon.

In the revised DTC draft, the government allows tax benefit to units "already operating in SEZs for unexpired period." Tax benefits are normal even for 15 years but many SEZs, which have got approval from the government are still under construction. So, units in these SEZs will be able to start operations only after April 1, 2011 which is the cut-off date for getting the tax benefits for the unexpired periods. There are over 450 approved SEZs which are yet to be constructed. On the other hand, revenue secretary said the continuation of profit-linked tax concessions to SEZ units is not possible. The government introduced the concept of SEZ in 2005. Under this, any unit operating from SEZ will get tax benefit on export income. Developers of SEZs also get tax benefit against investment. According to the provisions, a company operating from an SEZ will get 100% tax exemption for first 5 years of its operations. For the next 5 years, 50% of the income will be tax-exempt. It will get tax exemption up to 50% of the ploughed-back profits for the following 5 years.

So, SEZ developers are a worried lot now. If all the space of a SEZ is not sold before April 1, 2011, and a unit starts operation in it after April 1, 2011, it will not get tax benefits. In that case after April 1, 2011, it would be difficult for the developers to sell space in SEZs to companies. An industry source said developers are now in a dilemma whether to invest in SEZs.

The source added that this will also affect the growth of the manufacturing sector in the country. In 2009-10, units operating from SEZs exported goods and services worth Rs. 220,000 crore. It has attracted investment

worth Rs. 150,000crore so far and has given employment to over half a million people in the country.

H. Another SEZ controversy:

There is something odd about India's export numbers. While the government focuses month after month on the rapid growth in exports (on the 2009 base and on the 2008 base, the 2010 numbers continue to show that exports have shrunk), the even greater success story that has been reported is the doubling and more of exports from the new SEZs. Exports from 111 such zones touched $49 billion in 2009-10. It shows an increase of 123% from the $22 billion earned in the previous year. Some of this very rapid growth would be on account of the fact that the zones are still in the process of getting up and running. What is odd, therefore is not the export figure for the zones but that for the rest of the country. Total export last year, $176 billion, were about 5% lower than in the previous year. If you take out the SEZ numbers for the two years, then non- SEZ exports fell from $163 billion to $127 billion- a sharp drop of 22%.

We can give two explanations. The first is that export performance outside of the SEZs, in the domestic tariff area (DTA), has been pretty disastrous; it is hard to recall any previous year in which exports fell by anything remotely like 22%. Indeed, non-SEZ exports in 2009-10 were at the same level as three years earlier ($129 billion in 2006-07). The law on SEZs was passed in 2005, and it took some time for the government to start clearing the zones after the controversy over land acquisition and related issues. It was only

after this that the zones could start functioning. So, it is safe to assume that hardly any of the exports that took place in 2006-07 would have been from SEZs.

The alternative explanation would be that the surge in SEZ exports points to diversion of trade from the DTA to the SEZs-something that policy is supposed to prevent. If there is such diversion taking place, then the country is not gaining much on the export front, in terms of additional dollars earned, while the government is losing tax revenue.

The issue gains new currency because advocates of the DTC have argued that the continuation of tax exemptions for SEZ units would undermine the effectiveness of the new direct tax lows. Defenders of the SEZ scheme, on the other hand point out that the cost of preventing the exports sector from a virtual collapse in 2009-10 was a paltry Rs.5,200crore by way of income tax revenues, and Rs. 3,200crore of indirect tax revenues, which is that the government lost on account of the tax concessions given to SEZ units. If the numbers are correct (the total cost being less than $2 billion), then the argument would be in favor of the SEZs. But that does not take away the urgent need for the government to undertake a detailed examination of what is the real additionality achieved in exports through the SEZs. If the bulk of such exports are, in fact, not a result of diversion from the DTA, the country faces a serious export challenge in the DTA that the over-all export numbers mask.(Business Standard Volume.XIV, Number 280, 9 July (2010).

Table 2.21

Estimates of revenue forgone in SEZs, 2005-2010

Items	Rs. in crore	
	Finance Ministry	**Commerce Ministry**
Revenue forgone on raw materials used for exports	77792	Nil
Direct tax loss on export profits from SEZs	55531	22913
Indirect tax loss on investment in SEZs	40164	10512
total	173487	33425

Source: Srinivasan and Sundaram, 2008

Table no. 2.21 reveals that there is difference in the estimates of revenue forgone in SEZs (2005-10). This is due to difference in methodology adopted by the finance and commerce ministry.

I. Obstacles in the offing

Murugesan.P (2010) is of the view that among a number of blockades in the growth of SEZs in India, the revised DTC seems to add fuel to the already existing deterrents. The future of as many as 469 SEZs, that have been approved but yet to become operational, appears uncertain, with the DTC, which is likely to replace the Income Tax Act of 1961 in 2011, denying tax exemptions to new units in the SEZs. (idem[1])

The uncertainty will affect even operational SEZ because not all of them have been occupied by units. SEZ units currently enjoy 100% income tax

exemption on export income for the first 5 years, and 50% for the next 5 years. They also get exemption on 50% of the ploughed back export profit for the 5 years after the first 10 years. (idem[2])

This will deter new investments by the promoters who have received formal approvals from the Ministry of Commerce after acquiring land for their projects, warn L.B. Singhal, Director General, Export Promotion Council for EOUs and SEZs (EPCES). "It really amounts to closing down a scheme, which has given export of Rs. 220,711.39 crore, investment of Rs. 148,488.62," he says. His council has for long been urging the government to continue the tax concessions provided to different SEZs units and EOUs under the Income Tax Act. (idem[3])

While this development has unsettled the SEZs developers, a new search report by DTZ India, of the London based global real estate advisory firm of DTC, reveals a significant decline in development interest of SEZs. Titled DTZ insight: special economic zones in India-expanding contours, the report mentions that while SEZs had a head-start in 2006-07, there were now several instances of de-notification (exits) and downsizing. At present there are 578 formally approved SEZs in the country, 353 of them having been notified. Of these 111 are operational as on March, 2010. Some 2,850 units have received approval in these SEZs. (idem[4])

Formal approval is given when the promoter has land free of all encumbrances to set up SEZs. Developers having land parcels with clear titles can also directly file for formal approval, which is valid for 3 years which time the developer should implement the project. Notification marks the final stage in the SEZ approval process, where the identified area is granted the status of an SEZ for the purpose of all exemptions, drawbacks and concessions. All benefits under the SEZs Act are effective only once the SEZ is notified. According to the current practice an SEZ is deemed operational even if at least one unit starts exporting goods from the SEZ. (ibid[1])

Developers who's interest has been waning in SEZs have sighted the economic slowdown and liquidity crunch as reasons for their inability to execute their SEZ plants, says Priyankar Bhikshu, head,India Research, and Shveta Mahajan, assistant research manager, author of the report. According to them, key policies issues of the SEZ debate in India are the implementations of DTC, inconsistencies between the SEZs and Income Tax Acts, a lack of state commitment and support, and limited clarity on an exit strategy. "As policy ambiguities continue to limit growth and expansion for investors and potential incumbents, we expect a stable and clear policy regime to provide a much needed impetus for expanding the contours of SEZs in India." (ibid[2])

Tantri Malini L (2010) says "although the SEZ policy of the government in the present context has been advanced as an engine of growth, apprehensions abound with regard to their performance standards. There is also a fear that the

incentives- led SEZ policy in India may lead to a rise in the demand for imports without an equivalent increase in exports shattering the trade balance of the country. However, there is hardly any empirical evidence to either substantiate or reject this hypothesis. In this context, an analysis of the trend in the import intensity of these special enclaves can be helpful in examining the effectiveness of SEZ policy over the EPZs regime.

It has been observed that there has been, on an average, a spike in the import intensity of SEZs exports during 1986-87 to 2007-08, which is detrimental to the trade balance. This adds fuel to the already widening current account deficit in the balance of payments in the previous two years.

Sachdeva, J.K. (2010) says that as the import intensity of agricultural production is low, the earnings from exports outpace the outlay on exports. The low import intensity of agricultural exports, it is believed, can offset to certain extent the adversity of increased import intensity of SEZs exports particularly after the new policy was announced in 2000-01.

J. Commerce ministry entangled in the vortex of so many interferences

There has been a continuous tussle between the Finance Ministry and Commerce Ministry over the freedom of investigation agencies to enter SEZs to probe economic offences. While the commerce ministry wants to insulate the SEZs units from the 'interference' of various intelligence agencies like the Central Bureau of Investigation (CBI), Enforcement Directorate of Revenue

Intelligence as well as pesky officials dealing with law and order, narcotics and environment, the finance ministry wants to ensure that there is no safe haven in the country that is not accessible to agencies looking into white collar crimes. Analysts fear that the Finance Ministry stand could lead to a dilution of the SEZ spirit. (Business India, Enforcement rights, p 36, June, 14-27, 2010)

At the time of its launch in April 2000, a SEZ policy was envisaged as a solution to the bureaucratic tangle of a multiplicity of controls and clearances required for companies to function, the absence of world- class infrastructure and an unstable tax regime. The policy was meant to attract larger foreign investments into India and promoting export-led growth. Section 22 of the SEZ Act originally provided that any designated government authority could carry out investigation or search in the zone, or in a unit, with 'prior information' to the Development Commissioner (DC) the sole official responsible for the zone. (idem[1])

In 2009, the government diluted the rights of the enforcement agencies by inserting a fresh provision in August, where by 'prior approval' from the DC was made mandatory. Three months later in November, 2009 the commerce ministry affected the first flip- flop by empowering enforcement agencies. On May 7, 2010 the ministry withdrew the freedom it gave to intelligence and enforcement agencies to enter SEZs and investigate offences or carry out search and seizures, without securing any permission from the SEZ's DC. (idem[2])

As per the Finance Ministry's interpretation, all its agencies can enter SEZs without the DC's permission. However, the DC has been entrusted with all the powers of regulating and controlling the SEZ as per the SEZ Act. The absence of clarity in the interference of various intelligence agencies in the function of SEZs calls forth the clarification from the court. Thus, there is need for clearly defining the functions of the DC and other enforcement agencies to ensure smooth functioning of SEZs. (idem[3])

K. Calibrating the use of fiscal sops granted to SEZs:

Murugesan.P (2010) says as a reply to the reactions exerted upon by the supporters of SEZs with regard to the revised draft DTC, the government has started an exercise to ascertain whether and how these tax sops are being misused by the zones. Finance Minister Pranab Mukherjee has written to all the concerned departments to bring to the table all the cases of violations and tax evasion or tax avoidance by SEZ developers. (ibid[1])

As per the revised discussion paper on DTC unveiled recently, the new code which will kick in from April 2011 would allow for grandfathering of tax sops for all SEZ notified till then, but new zones would be deprived of the benefit. The idea is to ensure the SEZ developers do not misuse the tax holidays which they enjoy under current regulations. (ibid[2])

As earlier reported by The Financial Express, there have been many instances of SEZ units importing finished designer jewellery and plastic waste

in violation of DGFT rules. Some of them also export power to Domestic Tariff Area (DTA), forcing the finance ministry a 16% import duty on such power sales in this year's budget. Many SEZ units are not net foreign exchange earners and find ways to circumvent this obligation. (ibid[3])

The DTC proposal to take away the incentive of profit-linked deductions for SEZs has disappointed the industry. The interest in SEZs already seems to be waning as evidenced by the drop in number of fresh applications. Many SEZs have queued up to get them de-notified. (ibid[4])

From the above, it may be inferred that the future of SEZs in India seems to be bleak. There are a spate of stumbling-blocks such as land acquisition, lack of clarity in SEZ policy, undue delay in the execution of the project, absence of adequate monetary compensation and amicable R&R policy for the PAPs, indifference and neglect on the part of the SEZs developers to recognize the land losers as stakeholders of the project and the repugnant revised draft DTC would, undoubtedly, dent on the sustainable growth of SEZs in India.

L. Defending tax breaks to SEZs:

Murugesan.P (2010) observes that there has been strong support for continuing tax concessions to SEZ for ensuring sustainable industrial growth in the country. Khullar Rahul (2010) commerce secretary strongly feels that the tax breaks have contributed in a big way to robust investment and export growth. SEZs have attracted investment to the tune of Rs. 1,05,000 crore in the past five

years compared to just Rs. 4,000 crore up to 2005. The justification for tax breaks for SEZs arises due to the phenomenal increase in SEZ exports to the tune of 120% during 2009-10 as compared to 5% increase in the last fiscal. (ibid[1])

SOFTWARE lobby Nasscom has also come out with strong appeal for the continuity of tax benefits on SEZs in the DTC. Nasscom President Som Mittal said that a SEZ policy should be continued to encourage the balanced regional development. "The DTC just simplifies things and gives the world a message that India is a country easy to do business with. Our software exports are around $60 billion and we have scope to expand further. SEZs are one way of encouraging exports", said Mittal. (ibid[2])

He added, "We created SEZs just a few years back and the policy should have continuity. SEZ is a great way to encourage investment not only in tier- I but also in tier two cities. It is important for the government to take a long term view on SEZs and it should be provided in the DTC and not grand-fathered." He also revealed that Nasscom is already preparing a paper in this regard and will present its views to the government. (ibid[3])

Rajagopalan TNC, (2010) a regular columnist on 'EXIM Matters' in Business Standard is of the view that the SEZ scheme seems to be in trouble. The revised draft of the DTC does not envisage continuation of the Income-Tax concessions for units that may be setup after the end of the current financial year. The government must quickly review its present SEZ policy. Beyond a stage, encouraging investment in duty-free enclaves by giving attractive tax

breaks merely diverts investment and gives progressively lesser and lesser social benefits.

M. IT Department: Seeking Parity on software parks and SEZs

The Commerce Ministry, battling for retaining the income tax breaks given to special economic zone (SEZ) developers and units on the one hand, the department of information technology has told the Finance Ministry to treat IT industry on par with SEZ developers. The IT department claims that the income tax breaks to STP units came in a staggered way - three years ago, these tax breaks were extended till 2011. In fact very few investors prefer STP units unlike the case of SEZs, which enjoy tax break for 15 years.

The Finance Ministry, which feels that no profit- linked exemption is to be given under the new DTC, has decided to set up a committee under the chairmanship of M. K. Gupta, Director General of Audit (Custom's & Central Excise) to look comprehensively into the desirability of tax and duty exemptions to SEZs.

Business Standard (31/7/2010), Mumbai reports that units located in SEZs are likely to retain the income tax concessions even after introduction of the DTC. A compromise is being worked out by the commerce and the revenue department though the continuation of tax dispensation will come with certain riders for units in the duty- free enclaves as well as SEZs developers.

2.16 CONCLUSIONS AND IMPLICATIONS:

A. Harmonious Growth Initiative:

Murugesan .P (2010) Quotes from the waste land Atlas of India 2005 and points out that 17.5% of the country's 3,166,414 Sq Km surveyed area was found to be waste land. Therefore, a more appropriate development strategy is one which has a vision of developing both agriculture and industry simultaneously. This calls forth concerted efforts from all angles to convert the huge amount of waste land into 'industrial enclaves' without hurting the growth of farm economy. It would be more appropriate to quote China when Chinese leader Xiaopimg found merits in converting a backward fishing village of Shenzhen into an SEZ policy in 1979. This meticulous initiative has lessons to emulate in countries like India.

B. Amendments to the Archaic LA Act, 1894:

The varying responses to LA for SEZs drive home the lesson that the 'would be affected people' due to the setting up of SEZs depict a mixed trend at both inter-state and intra-state levels. Therefore, there is a wanton need to examine and evolve a suitable legal framework to protect the people displaced from the agricultural land. If the existing spiral of displacement and consequent destitution of peasantry and other dependents on land is to be avoided, the law on land acquisition has to be drastically amended to limit the scope of acquisition of fertile land as it happened in Singur in West Bengal and the social unrest in the Raigad district of Maharashtra. It is hoped that a suitable legal framework would take cognizance of the theoretical maxims of economic

science to bring about an amicable LA policy to achieve sustainable industrial development in India. (idem[1])

Barring the two contrasting experiences of Gujarat and Goa, the emerging SEZs scenario in India is to a larger extent shaped by the subtle structural reasons on the one end and the infelicitous underdeveloped subsistence farm sector on the other end. However, the illiterate farmers are not to blame; the fallacy lies in chronologically accumulated policy fatigue inhibiting social and economic emancipation of the dependents on the subsistence sector. This leads to the perpetuation of inextricable resistance or demand for high reservation price to sell land for SEZs. Only when the goals and processes of the SEZs policy are aligned, when evaluation of proposals are based on hard economic criteria and when the government tries to partner with the local community rather than impose its will over it, SEZs in India might be ready for a test of worthiness. (idem[2])

C. Underperformance of Exports or Trade diversion from DTA to SEZs

There is something odd about India's export numbers. While the government focuses month after month on the rapid growth in exports (on the 2009 base and on the 2008 base, the 2010 numbers continue to show that exports have shrunk), the even greater success story that has been reported is the doubling and more of exports from the new SEZs. Exports from 111 such zones touched $49 billion in 2009-10. It shows an increase of 123% from the $22 billion earned in the previous year. Some of this very rapid growth would be on

account of the fact that the zones are still in the process of getting up and running. What is odd, therefore is not the export figure for the zones but that for the rest of the country. Total export last year, $176 billion, were about 5% lower than in the previous year. If you take out the SEZ numbers for the two years, then non- SEZ exports fell from $163 billion to $127 billion- a sharp drop of 22%. (ibid[1])

D. It is time to end the largesse

The counter argument to continuing tax sops is that section 10A benefits were available write from 1981, Software Technology Parks of India from 1994. However, tax concessions can not continue in perpetuity. But, whenever the government tried to curtail the benefits to this sector, there was a hue and cry in the name of the need for continuing the sops for some more time (usually 10 years) for this 'fledging industry'. In fact, the tax sacrifice for this sector has ballooned. The budget papers for 2010-11 indicate that only direct taxes forgone for the STPI units alone would be Rs.14651 crore for the year 2009-10. From this it becomes clear that continuing the tax sops in a sustainable manner would deplete the coffers of the government. (idem[1])

E. Oligarchic capitalism

Industry's rapacious appetite for cheap land is at the root of many of the land owners' protest that pit development against the rights of the poor. Therefore, there is wanton need to find ways and means to reverse this trend. The dismal truth about development in India is that the much needed

development projects, are often created at the expense of the poorest people in the country. They become development's victims rather than its partners. This process has become more intense in the past decade of heady growth. In the recent past, Mukesh Ambani's attempt to acquire 140 sq km of farm land from 22 villages in Raigad in the state of Maharashtra refused to sell him the land. One noticeable detail is that much of the anger generated is when land is acquired at very low rates by the government for large industrial houses- Mukesh Ambani or Tatas or Laxmi Mittal. These are really oligarchies that have an overreaching influence on government decisions. (idem[2])

Last year (2010) the Asian Development Bank (ADB) in a study, *India 2039*: *in an affluent society in one generation,* noted: "There is a risk that India will evolve towards a condition of oligarchic capitalism, in which the market and political power of major corporations will become a drag on long-term growth". It added that this model "is potentially disastrous, as it could bring into disrepute the entire system and launch popular backlash that will be difficult to contain". How true that sounds today. (ibid[1])

The discussion paper on a National Manufacturing and Investment Zone (NMIZ) Policy prepared by the Department of Industrial Policy and Promotion (DIPP) is said to create a new island of lawlessness with bountiful concession offered to manufacturers- and this is after the creation of over 580 SEZs allover India which offer large tax concessions. Although it aims at increasing the share of manufacturing sector from the existing 15%-16% to 25% of GDP by 2022, the

new initiative has offered unjustified concessions to the manufacturing sector. The underlying logic behind NMIZ is exclusively meant to boost the performance of manufacturing sector and SEZs as instruments of increasing exports. (idem[1])

F. Imperative for SEZ Policy overhauling

NG Jounior Luwang (2008) has unraveled certain loop-holes in the existing SEZ policy. According to him one serious flaw in India's present SEZ policy is allowing service sector SEZ units. India's service sector, which otherwise is accounting for more than 50% of India's GDP, does not need SEZ concessions for its growth. Just as China has used SEZs for its 'manufacturing sector' export earnings, India too should follow suit by focusing more on it weaker sector, i.e., manufacturing industry. India, being already a software gaint with impressive export earnings of around $18 billion, software industry does not need SEZ fiscal incentives to withstand global competition. As regards fiscal incentives, same fiscal incentives are given to both SEZ developers and SEZ units, which obviously is a major policy lacuna. Therefore fiscal incentives to service sector SEZ units need to be disposed with. Another policy fallacy is that for sector-specific SEZs, the prescribed size is much smaller – for SEZs in electronics, hardware, information technology, software, biotechonology, non-coventional energy sector, gems and jewellery sector, the prescribed minimum area is just 10 hectares; for free and ware housing SEZs, it is 40 hectares. India's SEZ policy does permit SEZs as small as 10 hectares. From this it becomes clear that small size SEZs are incompatible with scale economies.

In fine, we can say that no clear-cut authentic study has been undertaken so far to test the economic viability of SEZs in India. The only probable solution is to revamp the SEZ Policy in order to achieve sustainable economic development.

According to Subramanian Baskar (2011) "on the negative side, a major issue is the proposal to levy the minimum alternate tax (MAT) on SEZ developers and units operating out of SEZs. This will impact the attractiveness of SEZs in the export bases. Besides, this step is seen as an inconsistency in policy. The SEZ Act of 2005 came into effect in 2006 and provided a tax holiday of 10 years for SEZ developers and SEZ units. SEZs have been a big success story- the SEZs set up after the SEZ Act of 2005 currently account for more than 53% of total exports from all SEZs .Exports from these 'new' SEZs have grown exponentially from just over Rs 5000Cr in 2007 to 08 to over Rs 117,30Cr in 2009 to 10."

There are still more than 400 SEZs in India which are yet to reach the operational stage. With more than 500 operational SEZs in India, there could have been a very strong chance of India emerging as an export hub for many sectors. However, with the proposed DTC to come into effect, there will be minimal benefits for tenants or developers to be part of SEZs, going forward. (The Financial Express 9 March, 2011)

Khapre Shubhangi (2011) reports that "of the 144 SEZs which were approved only 62 have materialized. The biggest road block has been land acquisition which has often led to cost escalation of projects or forced investor to withdraw from the state."

Singh Annapurna (2010) reports that the National Manufacturing Policy, which aims at increasing the share of manufacturing in the economy to 25% from 16-17% currently likely to be ready by December, 2011. In China manufacturing contributes 45-50% to GDP. The new manufacturing policy addresses the issue of increasing sector-wise contribution to GDP and talks of creating manufacturing and investment zones with planned industrial townships.

CHAPTER 3

SEZs IN RAIGAD DISTRICT

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CHAPTER 3

SEZs IN RAIGAD DISTRICT

3.1 INTRODUCTION:

Raigad district is also like Thane district, a part of North Konkan. It is spread just adjoining to the district of Mumbai to its east and south-east across the Thane creek. It is spread from the Patalganga river basin in the north to Savitri river in the south. It is very recently being linked closely to the location in between Mumbai by Konkan- Goa highway, Mumbai-Pune express-way and the new Konkan railway.

On account of its nearness to Mumbai and the location in between Mumbai and Pune, this district enjoys the advantages of the proximity to two large city-markets. It has ample water resources and the plain area. It has therefore developed the giant projects of mainly the chemical plants. The "Thal-Vishet" fertilizer plant near Alibag, IPCL Nagothana chemical complex and the huge Patalganga-Rasayani organic chemical plants are the examples of its gigantic leap in chemical industries during the wave of decentralization of industries out of Mumbai.

Unfortunately, the same plants have given rise to various problems of land and soil pollution, water pollution of the river Patalganga and the air pollution in the northern part of this district.

Raigad was originally known for salt pans and as the granery of rice. However, due to industrialization and due to increasing non- agricultural lands for urbanization, it is declining in its importance as "green- belt". However, in central and south Raigad district, it has regained its value due to "Kal-irrigation project" in and around Mangaon. But at the same time, the overall irrigation and monoculture practices are the likely problems for soil- degradation.

Coastal belt of Alibag has favourable sites for coastal resort places and for the development of tourism. The direct launch-service from Gateway of India to Revas/ Uran / Mandava etc. also favours this activity of tourism and associated farm- houses near Kihim, Revas, Avas, Alibag and others. Some of the island forts like Janjira and Alibag, the hill fort of Raigad and also the coastal land forms of HariHareshwar near Shrivardhan, clean and broad beaches etc. add to the natural beauty of a natural landscape that attract tourists.

Khopoli at the foothills of the western ghat has developed as the majour industrial town at the gap. Its site in the valley bottom, surrounded by the hills is not favourable for chemical plants and hence suffers from air-pollution. Southern part of Raigad district is not yet developed economically but shows the signs of following the footsteps of its counterpart in the northern section of the district. (Map Work In Environmental Studies, Ninth revised edition, July 2004, Manan Prakashan, Mumbai)

It may be observed that MSEZ promoted by Reliance Industries Ltd., Navi Mumbai Special Economic Zone (NMSEZ) a Joint Sector Venture promoted by CIDCO and Mukesh Ambani and other SEZs are concentrated in the developed central and northern parts of Raigad.

Table 3.1

Raigad district at a glance: Geographic and socio-economic profile

Geographical area	7148 sq. km.
River	Gangadhari, Surya, Savitri, Kundlika, Kal, Patalganga, Shrivardhana, Mahad, Poladpur,Tala
Temperature	40.7^0 to 17.9^0 C
Average rainfall	3794 mm
Talukas	Karjat, Panvel, Uran, Khalapur, Alibag, Pen, Rohe, Sudhagad, Murud, Mangaon, Mhasale, Shrivardhan, Mahad, Poladpur, Tala.
Villages	1851
Towns	19
Grampanchayat	808
Municipalities	11
Police St. and out posts	51
Population	2205972 (2001 census)
Male	1116821
Female	1089151
Literacy	17.32%
Area under agriculture	180426 ha
Industrial estates	Taloja, Roha, Patalganga, Mahad, Usar, Nagothane, Pen- Khopoli, Mangaon.
Medical institutes	39
Primary	780
Secondary	230
Higher education	71
Road length	417.21 km
Electrified villages 1851	Towns 19
places of Historical importance	Alibag, Kuda, Kol, Khadsambla, Gharapuri.
Forts	Alibag, Avchitgad, Karnala, Sudhagad.

Source: Compiled from "Intellectual's Sandarbh Maharashtra State & Districts at a glance set in 2 Vol. I"- International Book Bureau, 2004 Bhopal-462026 (edited by K.K. Sharma)

Table no.3.1 depicts that there are 15 talukas and 1851 villages. There are 808 Grampanchayat and 11 mulicipalities. According to 2001 census the size of population in this district was 2205972. The land under cultivation was 180426 hectares. The prominent industrial estates comprise Taloja, Roha, Patalganga, Mahad, Usar, Nagothane, Pen-Khopoli and Mangaon. Alibag, Kuda, Kol, Khadsambla and Gharapuri are the places of historical importance. Alibag, Avchitgad, Karnala and Sudhagad are forts of historical importance and have potentials to develop into spots of tourist attraction.

3.2 RAIGAD: SEZ PROFILE

The total land area in Raigad amounts to 7148 sq.km. Riagad has, over the last few years, seen a flood of companies interested in setting up SEZs move into the district. The district currently has 33 SEZ proposals spread over 50, 000 acres of land (2.5 acres = 1 hectare). Of the 33 SEZs 8 are notified, 13 are formally approved and 12 are approved in-principle.

Although there are 33 SEZs, there are only 4 SEZs in Pen Taluka and 1 in Alibaug in prominence. They are:

1. Maha Mumbai or Mumbai special Economic Zone (MSEZ), a private SEZ promoted by Reliance Industries Limited (RIL)

2. Navi Mumbai Special Economic Zone (NMSEZ) promoted by a Nodal Agency, CIDCO and RIL, a joint venture.
3. Jawaharlal Nehru Port Trust (JNPT) SEZ, Panvel and
4. Maharashtra Energy Generation, a subsidiary of Reliance Petroleum Ltd (RPL) in Shahapur, Alibaug.

Of the above four SEZs, NMSEZ and JNPT have experienced smooth sailing because NMSEZ is Joint-Venture and JNPT is Port-based. In other words, land acquisition for these SEZs does not pose any problem. The problem of land acquisition has hit MSEZ and RPL. Of these two SEZs, MSEZ has met with intense land acquisition problems in Raigad district. The severity of the land grab from the farmers in Raigad flashed in news when the first-ever referendum took place in Div village. Therefore, the study confines itself to the issue of land acquisition for MSEZ in Raigad.

Maharashtra Energy Generation a subsidiary of RPL is setting up a 4000-MW thermal power project over 1,052 hectares at Shahapur. The state government has signed MOU with RPL.

Shahapur is also up in arms against RPL under the leadership of Bharat Patankar who is the member of the committee appointed under Maharashtra Project Affected Persons (PAPs) Rehabilitation Act.

Farmers are opposing the plant since it will run on coal rather than gas as promised earlier. Many had pointed out that the original MOU signed by the state government with the company was gas-based project.

3.3 MUMBAI SEZ: EARLY HISTORY

The ambitious plan to replace 45 villages along the Raigad coast, India's largest SEZ has moved a step forward with the State Government approving a rehabilitation package proposed by the developers of SEZ and putting it out for public feedback.

In 2003, the Ministry of commerce had given initial approval to the plan to develop an 14,000 ha "Mumbai SEZ" effectively by a self-sustained city, with officers, residences and commercial areas backed by rails, roads and air links-proposed by a group of developers laid by Mukesh Ambani's Reliance Industries. But there have since been large scale protest by local villagers who put up stiff resistance to giving up their land for the project. Of the 45 villages along the Raigad coast, farm lands of 22 villages come under Hetwane Dam. The land which MSEZ proposed to acquire is more fertile and people continue to cultivate the land for generations. Therefore, the anti-SEZ agitation mounted in this region.

3.3.1 Anti-SEZ struggle in Raigad

The district currently has 33 SEZ proposals spread over 50,000 acres of land. While the government estimates that only 50,000 people will be affected

by SEZs in Raigad, more than 2 lakh people are directly or indirectly dependent on local economies and would thereby be impacted by such projects.

Reliance Industries Limited (RIL) is one company which has proposed to setting up a multi-service SEZ in Raigad. RIL has sought to acquire approximately 14,000 hectares of land for its Maha Mumbai SEZ. Local residents, who largely belong to the adivasi Katkari tribe, the Koli (fisherfolk) community and the OBC Aagri community, currently use this land for agriculture, salt production and grazing.

Villagers in 22 villages in Pen and Uran talukas in Raigad began opposing RIL's Maha Mumbai project as soon as land acquisition notices were served in 2006. Protests against the SEZ were led by local farmers, workers' unions, civil society groups, and organizations such as the 24 Gaon SEZ Virodhi Sangarsh Samiti, Jagtikikaran Virodhi Kruti Samiti, Peasants and Workers Party, National Alliance for People's Movement, Janata Dal, Samajwadi Jan Parishad and Rashtra Seva Dal.

The first agitation of farmers was organized by the local Pen Panchkroshi Sheti Bachao Samiti - Committee to save the farmland and National Centre for Advocacy Studies (NCAS) 24-25 June 2006 at Bardawadi near Pen. This initial meeting was attended by various organizations in the Konkan region, including representatives of National Alliance of People's Movement (NAPM), People's Political Front (PPF) and Shoshit Jan Andolan. Those present at the meeting

began planning a detailed campaign against RIL, intended to widen the struggle against Maha Mumbai SEZ by involving affected people throughout Maharashtra and India.

Local activist Arun Shivkar expressed the spirit behind the meeting: “There is no question of increased compensation for the land – we just do not want to give our land to Reliance.” Ganesh Thakur reiterated this sentiment, noting "we have given our land for development for public purposes, especially roads, harbours, airports, railways, dams, and schools…we will do that even now, but we will not give our land to private companies.”

"The Government of Maharashtra was initially responsive to these protests against the RIL promoted SEZ. On 12 December 2006, a people's delegation led by the Jagtikarn Virodhi Kruti Samiti met the then CM Mr. Vilasrao Deshmukh and Rehabilitation Minister Mr. Patangrao Kadam in Nagpur during the winter session of the Maharashtra Assembly. Government officials assured the anti-SEZ delegation that irrigated and agricultural lands connected with the Hetwane Dam would not be acquired for development projects. They also gave their word that the government would not acquire land without prior consultation with landowners. Despite these announcements, no action was taken to withdraw the project acquisition notices.

Following this failure on the part of the Maharashtra Government, the Jagtikikaran Virodhi Kruti Samiti organized a state level Jagar Yatra from 3-12

January 2007 to create and build public awareness on these issues relating to Maha Mumbai and other SEZs in the region. The *Yatra* covered Raigad, Mumbai, Pune, Aurangabad, Parbhani, Nanded, Chandrapur, Amaravati and Nagpur districts. Leading activists, farmers, labourers, and others participated in the Yatra, chanting slogans like 'Repeal the SEZ Act' and 'save our sovereignty'.

On 14 February 2007, the 24 Gaon SEZ Virodhi Sangarsh Samiti organized a relay hunger strike to further protest government inaction on unjust land acquisition for RIL's Maha Mumbai SEZ. The strike lasted until 5th March and helped persuade the state government to again promise action on the issue. On 23 March 2007 in a Rasta roko in Raigad, government officials told leaders of the Peasants Workers' Party and the Jagtikikaran Virodhi Kruti Samiti that the matter of forced land acquisition would be discussed in a Cabinet Meeting. Whilst activists expected a hearing on the issue, the government avoided any public discussion and instead issued a notification under the LAA stating that the land at Pen and other areas would be acquired for Maha Mumbai.

In addition to failing to respond to protests about land acquisition, the Maharashtra State government also failed to follow its own procedural policies. After having issued initial land acquisition notice section 4 (1) to farmers of Raigad on 9 June 2006, the state government was supposed to have issued a second notice within the year. The farmers were glad that their opposition to

government policy had stalled the land acquisition process but there were also apprehensions that the government's delayed response could as well mean that the government was up to some tricks against the farmers. On 21 June 2007, approximately one thousand farmers gathered to express their continued opposition to RIL's SEZ to force a response from the government and to set at rest the exact government position on the issue. Protestors, who were part of the Anti-Land Acquisition and Anti-SEZ Committee (ALAASC), demonstrated against the government by burning land acquisition notifications in front of the Special Land Acquisition Office at Pen. The protest was organized under the leadership of Prof. N.D Patil, Mr. Mohan Patil, Mr. Manav Kamble, Ms. Ulka Mahajan, Ms. Vaishali Patil, Ms. Surekha Dalvi, Mr. Ganesh Thakur, and Mr. Dhariyasheel Patil.

At the protest, ALAASC member and senior lawyer Surekha Dalvi explained that the Maha Mumbai SEZ "is a government sponsored land grab by the rich and powerful. Already we are engaged in a struggle against such serious land related issues as implementation of Land Reforms and the restoration of Dali, or eksali lands in Konkan or on adivasi lands in other forest-land area. And here the government has been allotting large tracts of lands, mostly by acquiring through Land Acquisition Act and passing it on to the private parties." Ulka Mahajan, the national convener of NAPM, further argued, "When the government has been cutting subsidies for farmers, workers and middle classes, then when it cannot assign a fraction of funds for rural

employment guarantee scheme, the public distribution system is being dismantled. The people will not take it lying down."

Some farmers protesting with ALAASC expressed more intense frustration and anger over the SEZ issue. Mr. Ganesh Thakur claimed, 'the government is supporting SEZ companies … and using government as an instrument to suppress farmers'. According to Thakur, opposition to SEZs would 'show our Aagri Bheja [anger]', and force the government to be accountable. Ms. Ulka Mahajan shared Thakur's sentiments and listed many promises broken by the government. She noted that the government had promised farmers water from the Hetwane Dam, but subsequently refused to build canals. The government began canceling local irrigation projects in order to maintain water supply for the SEZ and to ensure easy land acquisition. Although the government was refusing people their land and water rights, Mahajan emphasized that villagers 'will not give our mother land to any private company, whatever may happen'. Mahajan was joined by other farmers in chanting slogans, like: "Aamacha bhat aamacha masa Reliance gal ghaltoch kasa! Denar nahi denar nahi aamchi kali aai denar nahi! Aamacha ladha nayayasathi manoos mahnhun jagnyasathi" (roughly translated as: Our rice and our fish. How dare Reliance throw a bait! We will not give our land which is like our mother. Our struggle is for justice and life with dignity.

Protests against RIL Maha Mumbai SEZ continued until 18 July 2007 at Pen, with almost 17 farmers and activists joining Professor Patil in an indefinite

fast. The activists demanded that their 22 villages be excluded from the SEZ; that section 6 (1) of the land acquisition notification be scrapped; and that canals immediately be built on the Hetwane dam. On 24 July, the then Deputy Chief Minister Mr. R. R. Patil and Mr. Patangrao Kadam, on behalf of Chief Minister Vilasrao Deshmukh, promised that the government would exclude the 22 villages from Maha Mumbai. The protesters called off their hunger strike on the evening of 24 July in the presence of Medha Patkar, Prof. N.D. Patil and hundreds of farmers from Pen.

One year later, the government again failed to uphold its promises and the Jagtikikaran Virodhi Kruti Samiti organized another Rasta roko at Vashi Naka on 17 June 2008. During the Rasta roka, hundreds of farmers were arrested. Officials also arrested Prof. Patil, who declared that he would begin another indefinite fast in Mumbai against the apathy and broken promises of the Government of Maharashtra.Prof. Patil - an 82 year old with serious kidney related health problems - began his indefinite fast on 24 July 2008 at Aazad Maidan Mumbai. As his health deteriorated, he was admitted to J. J. Hospital, where he continued his fast.

To support Prof. Patil, farmers from Raigad, Pune, Gorai, Aurangabad, Dhule, Nandurbar, Beed, Nanded, Kolhapur and Nashik joined the fast. Amongst those who undertook the fast were Mr. Pannalal Surana, Mr. Dada Samant, Mr. Manav Kamble, Mr. Maruti Bhapkar, Mr. Janardhan Patil, President of the 24 Gaon SEZ Virodhi Sangharsh Samiti, Mr. Ganpatrao Patil

MLA from Sangola, Mr. Vivek Patil MLA from Panvel and Uran, Mr. Gajanan Khatu leader of Lokrajniti Manch, Mrunaltai Gore, Medha Patkar leader of the Narmada Bachao Andolan, Mrs. Neelima Patil the Zilla Parishad President of Raigad and more than 2000 anti-SEZ activists. For three days, activists and others chanted slogans, sang songs and made speeches against Maha Mumbai and other proposed SEZs.

On 24 July 2008, the then Chief Minister Mr. Vilasrao Deshmukh met a delegation of farmers to discuss the RIL SEZ. The hour long discussion revealed that the CM had been misled by his Revenue and Water Resources Secretary. They had told Mr. Deshmukh that irrigated land from the Hetwane Dam did not overlap with land being acquired for Maha Mumbai. Farmers explained that 22 villages in Pen come under the command area of Hetawane Dam and the government should not take their land. Upon learning this, the CM offered to bring the issue to the Legislative Assembly.

3.3.2 Raigad farmers protest against MSEZ

On 25 July2008, the issue of land acquisition for RIL's Maha Mumbai SEZ was finally raised in the Legislative Assembly. Pressured by activists and farmers, several MLAs insisted that the 22 villages in question be excluded from SEZ immediately. Questions were raised in the Assembly by the legislators of the Peasants and Workers Party, Communist Party of India, Shiv Sena, and Bhartiya Janta Party. Both the Revenue and Water Resources Ministers participated in the discussion, which concerned their Ministries. However, in

the absence of the CM the Ministers were unwilling to make a definite announcement and the opposition stalled the work and led a walk out of the Assembly.

26 July, 2008 marked the concluding day of the monsoon session and the third day of the indefinite fast. The Maharashtra State Government, under pressure to end the Assembly session, announced a decision on the Maha Mumbai SEZ. After the Revenue, Rehabilitation and Water Resources Ministers consulted, the Assembly announced that they would exclude the 22 villages from RIL's SEZ. Pressure from opposition parties in both the lower and upper houses of the legislature and the protesting farmers had persuaded the Government to respond to farmers and activists.

3.3.3 Individual farmers' reactions:

1. **Dilip Mukund Patil, Pen, Raigad, MSEZ**

"I have a land holding of 4 acres, all of which was slated for acquisition by the government. There are 12 members in my family and all of them depend on agriculture for their basic income. I grow paddy, vegetables like cucumber and okra. My income is supplemented by fishing that I carry out on a pond constructed in my farm.

There has been a lot of false propaganda from the side of the government and also the company. An agent of the company went around telling the people that there is no use of agriculture. In fact, an organization organized an eye

camp in the village and the agent went around taking down information regarding details of land holdings, types of crops, annual income etc. This was later made available to both the land acquisition office and the company office.

When a Parliament Committee came to Maharashtra, the District Collector (to show his loyalty to the company) refused to tell us about the Committee's programme and whereabouts. However, we found out the venue and when we reached there, the Collector was already present in the hall with the company's local agents who pretended to be farmers from Raigad. The real farmers were not invited while the Collector himself accompanied the agents. We exposed this fact before the Committee. The next day again we were fooled. The Committee was supposed to come to Raigad the next day. We were waiting for them in Khalapur, where the meeting was to take place. But the committee was deliberately misguided and taken to some other place. When we called up the Chairperson of the Committee and insisted that they should come to Khalapur, we were threatened.

Around 50-60% of the people in my village have already sold their land. Those who sold haven't got any compensation as yet. What about the intervening period of time between the sale of the land and the proposed development?"

2. Rajan Zemse, Pen, Raigad, MSEZ

"I have a total land holding of 3 acres. Of this 6 gunthas of land fall under the SEZ and are slated for acquisition. I earn an annual income of Rs. 2.5

Lakhs. Apart from cultivating land, I also engage in fishing and TV repairing. In the beginning assurances of employment were given by the government and this made all of us happy. However, as the implications of the SEZ dawned on us, we are convinced that this is not going to benefit us. Government is spreading propaganda saying that the SEZ is for development purposes. There are 99 cases opposing SEZs in the courts. The government's role in land acquisition has been that of mediator for the company and it has been deceptive.

SEZ is not good for the environment. The company will be emitting water, air and other pollutants and polluting the environment. The life forms in the sea will be destroyed by the pollution emitted into the sea. The water for cultivation will be diverted to the company. The government has lost the trust of its people. They should have taken the people into confidence. Instead, they function as puppets in the hands of the company. They no longer remain people's representatives.

If a similar amount of investment was given to the farmers, they would take care of their own development and make an SEZ of their own. Farmers can determine what their development would entail. If the government can give conclusive proof that the development they have planned will benefit the country and also us, then we would happily part with our land. The livelihoods of not only the landowners but also other communities living in the villages like the Adivasis are under threat."

3. **Thakubai Thakur , Pen, Raigad, MSEZ**

"I am 72 years old. And I grow paddy on my land. A 100 people get employment in my land throughout the year. All these people will be rendered unemployed if the SEZ were to come up. The role of women in the struggle against SEZs is very important and has been amply shown by their persistence through several protests and even during the hunger strikes. This particular land is created and protected by our forefathers for generations. The agricultural community is known for this contribution. One acre of land provides 28 quintals of rice. Raigad is the rice bowl of Maharashtra and it is already an SEZ, an SEZ of rice. The livelihood of the farmers is under threat and a secure alternative has not been provided. 95% of the people have voted against the SEZs in the referendum conducted by the government."

4. **Arun Shivkar, Pen, Raigad, MSEZ**

He is an activist working with farmer's organization. His presentation was on the ways in which the people's right over water from the Hetawane Irrigation project was violated.

"The dam was built in 1981. The canals have been dug and about 75% of the work is over. People have been waiting for the last 27 years to get water for irrigation. Due to lack of funds the work could not be completed in time. After the announcement of the SEZ, the district officials received orders in writing to stop the work.

After several protests and especially after the 6-day protest fast by the farmers, the Maharashtra government assured to exclude the irrigated area from the SEZ. (As per central government's policy on SEZ) 22 villages from the SEZ area come under the command area of the Hetawane Dam project. However, the assurance was not implemented. The second assurance was given by Chief Minister after Mr. N.D. Patil went on indefinite fast. But the Chief Minister announced that the opinions of the farmers will be sought.This would help government take decision on LA for MSEZ.

Meanwhile, the High Power Commission by the Government of Maharashtra, changed the water distribution plan on 18th December 2007. This was not disclosed to the media or to the public. The decision includes giving more water to industries and Navi Mumbai and reduces the original water allocation meant for irrigation. The original allocation was 88 million cubic meters which was reduced to 30 million cubic meters. This was deceiving the farmers. If this decision was taken in 2007, why did the government announce the referendum process at all?

5. Kusumtai, Pen, Raigad, MSEZ

"There are 9 members in my family. All of my 4 acres of land is being acquired for the SEZ. We receive about 65 quintals of rice per year and use 21 quintals for our own consumption and sell the rest. Even in the barren land some vegetables are grown. The market price for one guntha is 4 lakhs. Money compensation and employment have been verbally promised and claimed but there are no written assurances. Compensation is a one time income and is not

comparable to the land that is being acquired considering that land is a perennial resource. And this land is the true wealth of the farmers. The onetime money compensation, however, does not stay and will be used immediately and then we will be left with nothing. When the agent came to tell me about the SEZ and to sell the idea to me telling me about the compensation package, I told him "you give me your land and I will give you mine." He was rendered speechless.

This land has been handed to us from generations of farmers who have worshipped this land and tended to it well. We are also blessed in being near the sea and having well developed road and railways. We do not need an SEZ in this area for our development.

Since there is no employment that has been guaranteed, the compensation money will be invested and we will, not only be rendered homeless and destitute, but also, we will be begging in the streets."

6. Ganesh Thakur, Village Vadhav, Pen, Raighad, MSEZ

"I am a farmer, a fish worker and a small time entrepreneur. I was myself employed in the MSEZ Company as an agent. After getting acquainted with the company's plan and intention, I decided to quit and join the struggle.

Every farmer was forced to transfer their power of attorney to the name of the company representative, Mr. Satish Vaidya. The agreement states that the farmer is selling the land because it is not good even for cattle grazing. This was

done deliberately and the farmers were forced to withdraw their objections filed under Section 5A of Land Acquisition Act. These agreements were not explained or read out before the farmers. The farmers were compelled to sell the land because of the compulsory acquisition process, since 2006. No other transaction was allowed. Hence the needy farmers could not raise money through banks or cooperatives, but they could make transactions only with the company.

However, these farmers who have sold lands to MSEZ, don't want SEZ to come up, they have also expressed their opinion through the opinion poll. But the results of the opinion poll have not been taken into consideration and the final awards have been declared by the present collector. The collector who had refused to conduct this process in such a hasty manner was immediately transferred and a new officer was brought in the district." [The Reactions of The Farmers are taken from the Report on People's Audit of SEZs in Maharashtra Div Village, Pen Taluka, Raigad District, September 15, 2009- Compiled by Sumanya Velamur, People's Audit Secretariat, Tata Institute of Social Sciences (TISS)]

3.3.4 Raigad Farmers' Ire over LA for MSEZ

Resentment against the Mumbai Special Economic Zone (MSEZ) has been building up in Pen, Uran and Panvel talukas of Raigad district, where over 10,000 hectares of land across 45 villages were to be acquired. Thousands have

filed objections to the land acquisition notices, asking why their lands and livelihoods should be sacrificed to promote world trade.

Chirner, the land of Satyagraha and freedom fighters, is the largest village to be affected, with over 1,400 hectares set to be acquired. "We sent the British packing but they seem to have come back in the guise of Reliance," says Yeshwant Narangikar who made a special placard for 'martyrs' day, asking Reliance to go away. The first time people heard about the project was through a notice in a local paper, on June 19, 2006, which clearly stated that land was being acquired under the Land Acquisition Act 1894, for a public project – the SEZ. Neither the company nor the government bothered to inform the villagers about the project.

Each village has set up a farmers' action committee, and two umbrella organizations are spearheading the struggle against the SEZs. Says Savita Subhash Thakur, a gram panchayat member from Chirner, "If we give up our land, what we will eat? They will not give us any jobs and finally we will have to give up our homes. People are willing to sacrifice their lives to oppose this SEZ. Our land is productive and fertile – Why should we give it up to a private company?''

Like most people, Hiraman Patil of Pirkon village thought SEZ was the name of the company that was going to set up a factory in the area." People did come to survey our village and they kept asking us for various details. They

probably worked for Reliance. But now we don't allow anyone to enter, "He says, A massive Morcha in September in Navi Mumbai has only strengthened people's resolve not to give up their land. About two truck loads of people from Pirkon went to the demonstration.

"People here are clear that they don't want to give up their land-we don't want this money. When we give up land for godowns at the nearby Jawaharlal Nehru Port Trust (JNPT), we at least get jobs as compensation. Can this SEZ give all of us jobs, "asks Patil a leader of a political party. Most people in Pirkon have registered their objections to giving up their land." Whose side is the government on? Why they are giving a private company so many concessions, asks Patil.

In Vashi village, Pen taluka, Raigad district, the farmers' thoughts are far from suicide. Vashi is among the 24 villages in Pen taluka faced with the prospect of its fertile agricultural land being acquired for the Mumbai SEZ. Resistance to the project is fierce here; no official from Reliance can set foot in this part. Already, Vishesh Arthik Shetra Hatao Sangharsh Samitis (Action committees against the SEZ) have been formed in every village. "We will commit hatya (murder), not atmahatya (suicide) like the farmers in Vidarbha, "says Jaywant Madhvi, a Vashi farmer.

The region has witnessed many militant agitations. Over the last two decades, farmers have been fighting for water from the Hetwane Dam. Instead

of the promised water, they have been offered an SEZ. Janardhan Mhatre, a 72-year old Gandhian from Vashi Village has been leading the Antyodaya Chalval farmers 'struggle for water from the dam for the past 20years. There are 52 villages in the command area, of the Hetawane Project, which was proposed in 1980 to irrigate around 5,750 hectares in the area, apart from providing drinking water to Pen and Navi Mumbai. Although the region enjoys good rainfall and is famous for its rice, farmers here get only a single crop without irrigation.

According to Mhatre, the government has served land-acquisition notices for the SEZ in over 20 of the 52 villages. He claims this is illegal. "There is a law that land located in the command area of an irrigation project cannot be used for any other purpose, "he explains. Since 1983, work has been in progress on the dam, and already Rs 221 crore has been spent on it. Villagers who took out a Morcha to the dam authorities in Kalwa on June 21, 2006 were told in writing that no one could sell land in the command area and that it could not be used for any other purpose without the express permission of the irrigation department. But, at an August 18 meeting between district officials in Raigad and activists, an official clarified that 20 villages in the command area of the Hetwane Dam were being acquired for the proposed SEZ. If that happens, all the money spent on the irrigation plan will go waste.

Farmers in the region have their own plans to develop their area once they get water. Mhatre says that if they have irrigation, sugarbeet, a five-month crop could be grown and sugar could be produced locally if the government sets up a processing factory. Also, they could grow Basmati if irrigation is

assured. ''Instead of an SEZ, why not a special agriculture Zone (SAZ) for us? Wouldn't that be more useful?" he asks. Fishing is also a major activity here, and that could be another focus for economic development.

On the drive from Vashi to Mothebhal, lush green paddy fields stretch as far as the eye can see. In the distance are the hills of Uran. In Vithalwadi, on the coast, the fields are nine feet below sea level. People fear that once the SEZ comes up, the inevitable land fields will have an adverse impact on their houses.

In Mothebhal, too, people are hostile. They suspect every vehicle that enters the area and treat Reliance with disdain. Uppermost in their minds is the drinking water problem. Kusum Mhatre, a former panchayat member says:" There is no drinking water and sometimes we have to walk up to Vashi, 8kms away, for water. In the summer we have to buy water," she adds. Most of the 1,200 farmers who have got notices for the SEZ oppose the land acquisition. Eighty–five year old Ramubai Patil still works for a living. 'I am a landless labourer and live by myself. What will happen to people like me? Generations have lived off agriculture, but suddenly the government feels it's all wrong, '' she says. Bhaukamal Mhatre and others say: "we will shed blood but not give up, our land. Once we give this up what do we have?'' Most people in the area are small and marginal farmers; about 30% of them are landless. "I do not think the SEZ can give us any jobs-we don't have the skills or the education they require. So, finally, we will be displaced from here," says Mhatre.

The mystery surrounding SEZ s and the arbitrary manner in which land is being acquired without even the semblance of a public debate, have caused a lot of resentment among the already beleaguered farming community. This must be corrected soon if India is to live up to its claims of being a democracy. No democracy can allow large projects to be initiated without a public debate and without the participation of affected people in the discussion and decision – making. If the SEZ Act goes against these democratic principles it needs to be revised, if not repealed. Laws are meant to serve the interests of citizens, not only to enrich industry and encourage world trade.

Villagers as well as anti–SEZ activists accused the state government of acting surreptitiously. "The issue related to Reliance's rehabilitation package came up for discussion at the Maharashtra rehabilitation authority's February 6 meeting," says Pratibha Shinde of Nandurbar-based Punarvasan Sangharsh Samiti who is a member of the authority. "I opposed the package since the state government had promised to relieve 22 villages in Pen of the SEZ. It was decided that the final decision would be taken after studying the proposal and vetting people's comments on the issue. But there is a discrepancy in the minutes of the meeting that read that the authority has accepted Reliance's package. This has angered people." [Report on People's Audit of SEZs in Maharashtra Div Village, Pen Taluka, Raigad District, September 15, 2009-Compiled by Sumanya Velamur, People's Audit Secretariat, Tata Institute of Social Sciences (TISS)]

3.4 THE FIRST-EVER HISTORIC REFERENDUM AGAINST MSEZ IN RAIGAD:

Legislators proposed a referendum to determine whether farmers wanted to sell their land to RIL. The government notified the Forest and Revenue Departments to prepare the referendum and provided one month notice to the 30,000 land holders in the Pen Block. On 21 September 2008, the government held the referendum and 6,199 of 30,000 farmers filed their opposition to the Maha Mumbai SEZ. Since each of these voters held an average of three plots of land, approximately 2/3 of all land owners actually opposed selling land to the SEZ.

On September 21, 2008, amid tight police security, 22 villages in Pen taluka of Maharashtra's Raigad district took part in a referendum on Mumbai special economic zone (MSEZ). Initial reports suggested the majority voted against the SEZ .But there are fears about the referendum's legal standing.

The state government initiated the process in August 2008, to find out whether farmers were ready to part with their land for the Rs 40,000 crore SEZ. Official statistics say 6,151 farmers (about 75% of the total farmers) owning over 3,000 hectares (ha) in these 22 villages voted. Some were keen to sell their land provided better land price was offered.

The government decided to hold the referendum, the country's first on an industrial project, following protests and hunger strikes. Anti-SEZ activists

are happy with the initial results. "Our statistics indicated that over 85% of people voted against the SEZ. The government has to exclude these villages from the proposed SEZ," said Surekha Dalvi of Shramik Kranti Sanghatana, a local anti-SEZ group.

Reports also said that the state government was planning to declare the area of 22 villages as' green zone' if the verdict went against the SEZ.
While citizens clearly voiced their opposition to RIL's Maha Mumbai SEZ at Pen, the government has not yet declared the result of the referendum. However, the referendum itself has provided hope for many across India who are demanding similar votes before the establishment of development projects in their communities.

3.4.1 Dadargaon in Raigad: An exception

Chittaranjan Tembhekar (2008) says that SEZ is not a bad word for the folks at Dadargaon in Raigad district. Rather, all the 72 families of this hamlet in Pen taluka would approve of it as a blessing in disguise. And it is not very hard to fathom their anxiety as over 150 acres of their farmland, rendered redundant by the deluge in 1989 and has again come of use.

"The acquisition is actually breathing life into us after the floods left us half–dead,'' said sarpanch Vijay Patil.

Once considered as the rich rice bowl of the state, the panoramic paddy fields of the village were destroyed by the saline waters after the sand bund at the creek near this coastal village breached in 1989. Since then the villagers have been eking out a hand to mouth existence.

On an average, the village would give nine quintal rice every season "Since then we had been earning some money through fishing and desilting –an average Rs 100 per day. But that was not enough to feed our families,'' said Patil and his friends Shankar Vade and Jagan Thakur.

"We can never forget that night in July when sea water destroyed the entire crop turning the paddy fields infertile for ever, taking away the only source of our livelihood. But now after getting compensation against the paddy fields, our living conditions have improved,'' admits Patil.

Dadar Gaon is the only village that is celebrating the acquisition of their paddy fields. Forty–four villages are opposing Reliance's Navi Mumbai and Maha Mumbai SEZ.

3.4.2 Role back SEZ

Thousands of farmers from 22 villages in Pen taluka of Maharashtra's Raigad district blocked the National Highway from Mumbai to Goa on June 17 to protest the upcoming Maha Mumbai Special Economic Zone (MMSEZ).

Reliance's Navi Mumbai SEZ plans to acquire 45 villagers in Raigad district to develop the 10,000–hectare SEZ. 24 of these villagers are in Pen, 20 in Uran taluka and one in Panvel taluka.

"The 22 villagers in Pen are in the command area of Hetawane dam, hence legally their 6,500 ha of irrigable land cannot be acquired," said Ulka Mahajan of Shoshit Jan Andolan, a Raigad–based civil society group. "The Centre mandates not to use irrigable land for SEZ development,''says Ganesh Thakur of Wadvali village in Pen. "In July 2008 the state government assured us that our farmlands would not be acquired for SEZ. It is now rolling back on its commitment and has accepted Reliance's rehabilitation package,'' Mahajan said.

According to Reliance, its rehabilitation package is attractive: about Rs 10 lakh per acre (0.4ha). This apart, the landholders can buy back 12.5% of the land once developed at a rate decided by the government. Those who do not want to buy will be paid Rs 5 lakh per acre as one–ime payment. There is a third option as well: a monthly payment Rs 5, 000 per acre. The package also offers provision for employment, vocational and technical training of one person per project–affected family; and an investment of Rs 90 crore in the civic- infrastructure of the affected villages.

3.4.3 SEZ who? Not the farmers

"Zameen aamcha hakkachi

naahi konachya baapa chi''

(This land is ours, not somebody else's)

On September 15, 2009 this slogan rent the air of Div village, 100km from Mumbai. Over 300 farmers from eight districts of Maharashtra met at Div in Raigad district to participate in the first-ever audit of special economic zones (SEZs). A Group of non-profits initiated the public audit.

The message was: farmers would not give away their land to industry or government for SEZ. "The government can take my life, but not my land,'' said Dhakibai Thakur, 60-year-old farmer from Raigad's Vadhave village. She made this clear to a panel-comprising former bureaucrats, academics, journalists, industrialist-conducting the audit.

"The idea behind the audit is to take people's voice to the government and question the validity of the SEZ Act ,'' said Aruna Roy , founder of the non–profit Mazdoor Kisan Shakti Sanghatan. "Maharashtra's audit is a beginning. Similar audits will be carried out in other states'' she warned. (Jamwal Nidhi, "SEZ who? Not the farmers," Down To Earth, October 1 – 15, 2009, p 24)

3.4.4 Brains behind the initiative

In July this year, the Mazdoor Kisan Shakti Sanghatan, the Tata Institute of Social Sciences (TISS) in Mumbai, National Centre for Advocacy Studies in Pune and others initiated plans. The organizations identified and gave affected villagers questionnaires seeking their opinion on the SEZ in their area and how it affected their lives. (idem[1])

"The questionnaire was in Marathi. If a farmer was illiterate, volunteers assisted. Discussions were held and reports compiled. Villagers presented the reports to the panel at Div,'' said Surekha Dalvi; advocate and land rights activist involved in planning the public audit. (idem[2])

Maharashtra has the largest number of SEZs approved in the country-202-and was the groups' obvious choice for the first audit. The decision to meet in Raigad was symbolic. "Farmers here have put up a bold front in the past and are opposing Reliance Group's Mumbai SEZ Ltd," said Roy. "It was because of their stiff resistance the state held a referendum on SEZ. Though 96% villagers voted against the SEZ, the government has not made the results public,'' she added. (idem[3])

"The situation is grim. The government must pause and ponder,'' said Swapna Banerjee - Guha, professor at TISS, after hearing out farmers at the day-long audit. "We will compile our report and release it soon,'' she said. (idem[4])

Audits will next be organized in Goa, Gujarat, Andhra Pradesh, Tamil Nadu, Karnataka, Orissa and West Bengal. Activists and farmers will then go to Delhi and demand dismissal of SEZs. "We do not want SEZS pushed from one district to the other. People's concerns are the same across the country,'' said Ulka Mahajan of SEZ – Virodhi Sangharsh Samiti, Raigad. (idem[5])

Kumkum Das Gupta (2009) Hindustan Times, Mumbai August 14, says that land will be India's next big battle. Referendums could help ensure farmers have a say in how the tussle is resolved, and prevent from becoming casualities of war.

The columnist vividly describes the vexed issue of land acquisition in Purulia, West Bengal. Land is becoming the next great battle field for India, as industry marches forward and lonely farmers cling to the only asset they have. Land is currently a state subject, making the acquisition process random and arbitrary. The result: Violent protest that force corporate houses to retreat, or generations of farmers left with no livelihood and only–fast dwindling cash as compensation. She says, "Make referendums compulsory in all land acquisition deals involving 100 or more families. This will give each landowner a chance to be heard and prevent individual farmers from being misled or pressurized."(idem[1])

The government should act as mediator, helping villagers keep abreast of issues and land rates while working to get both sides to reach a mutually beneficial agreement. (idem[2])

Next, the government must create a separate Ministry of land. Currently the Land Resources Department of the Rural Development Ministry is the nodal body for land acquisition and resettlement and rehabilitation matters. A new ministry could take a holistic view of acquisition and resettlement issues. (idem[3])

Finally, it must bring in a new central land use policy and transfer and act as a uniform code for all states. (idem[4])

Between 1947 and 2000, 20-60 millions lost their land to industrial projects 568 special economic zones had been approved across India, as of January 2009. (idem[5])

The land acquisition act that currently regulates procedure is 116 years old and was framed during British rule, when land owners were seen as subjects. The columnists say that the National highway 2, surrounded by green fields of paddy connects two Bengals–the Bengal of Singur were furious farmers refused to give up their land for a factory that would build the world's cheapest car, and the Bengal of Raghunathpur , 200 km away, where they have agreed to give up land for a steel plant. On the one side we see the new India with developers of industries and infrastructure projects and on the other side the impoverished farmer resisting acquisition of farmland for development projects. There is mixed reactions amongst farmers as far as land acquisition for development projects is concerned. In other words, there are some farmers who

say that farming is not easy here because the soil quality is bad. Therefore, it is better to sell land. At the same time there was resistance also against land acquisition. (idem[6])

It may be recalled that the land acquisition act (LA) is 116 years old. Two new Acts are in the offing–the Land Acquisition Amendment Bill, 2007and the Rehabilitation and Resettlement Bill, 2007. Both took into how private companies can acquire land and what should be the role of the State, and rehabilitation and compensation parameters. But these two bills are yet to see the dawn of the day. Therefore, it is must to go for referendums compulsorily in all land acquisition deals involving 100 or more families. This would enable the people affected to organize themselves to demand details of the deal, the compensation on offer and then, make an informed decision on whether they wish to give up their land. The referendum processes must also be used as a price discovery mechanism and not just about whether the project should go ahead. Land acquisition procedures need to undergo drastic change. (idem[7])

3.4.5 MSEZ filing petition in the court

Mumbai SEZ Pvt. Ltd had filed a petition in the Bombay High Court on September18, 2009 for scrapping the referendum. The company claimed it had invested Rs 573 crore in the project. Reliance claimed it had deposited Rs 110crore as interim compensation for land acquisition and rehabilitation. It termed the referendum illegal. B G Kolse Patil, retired justice of the high court, who is supporting the farmers' cause, agreed that the referendum was neither

part of SEZ Act 2005, nor did it have the Centre's approval. "But it is an important exercise and it is about time that the government legalized such referendum,'' he said. He feared the referendum might be dismissed on legal grounds. But activists are optimistic. "There is also no ban on referendum. It is a part of the democratic process. If Reliance does not withdraw its petition, we will fight it out in the Court,'' SEZ Dalvi of the anti–SEZ group.

Unhappy with the compensation offered by the company, Mumbai SEZ Private Limited, in which Reliance Industries Limited is a major stateholder, Madwi said, "The company's offer of Rs 10lakh per acre (0.4 ha) as compensation.

An offer price of Rs 10 lakhs per acre (0.4 ha) no longer satisfied the farmers. It was calculated that if we keep this money as fixed deposit, we will earn Rs 80,000per annum as interest alone. It claims that we need not work for the rest of our lives. If that is the case then why doesn't Ambani put all his money in fixed deposit and live off the interest?'' In Kaleshari, villagers had banned entry of media fearing 'misreporting.' A village elder admitted that villagers were suspicious of all outsiders. "This is our last chance to throw out the SEZ,''said 70-year–old M N Thakur.

The villages had Pro-SEZ people too. "This is a joke. A ballot should always be secret but here the voting forms were distributed by a day in advance and some people forced farmers to vote against the SEZ,'' said D M Mhatra a Kaleshri resident. "We are not supporting the SEZ blindly. We want Rs 1 crore

per acre as compensation and 12.5% of our acquired land should be returned to us as developed land free of cost within two years,'' he added hinting that many of them were open to negotiations.

When the Down To Earth (DTE) correspondent tried to speak to more pro-SEZ farmers, a group of village youth attacked her and verbally abused her, forcing her to leave the village. Police forces were hardly a deterrent for the youth who claimed it was a matter of life and death for them.

3.5 HETAWANE DAM PROJECT: CONUNDRUM

People are not appeased. "The Rs 360 crore Hetawane Dam project is almost ready and it is time for us to benefit from it. Instead, Reliance is forcibly acquiring our land, offering just Rs 10 lakh per acre, when the market rate is Rs 60- 70 lakh per acre,'' said Thakur.

Pen taluka in the Raigad district of Maharashtra envelops 45 villages. Of the 45 villages 22 villages come under the command area of Hetawane Dam irrigation. However, these 22 villages are yet to avail of the dam irrigation facilities for agricultural purpose in spite of long over due and apathy of the concerned authorities.

One of the main reasons for the prolonged agitation against the MSEZ has been the continued delay on the part of the concerned authorities to provide irrigation facilities to these villages. If the farmers in these 22 villages

have access to irrigational facilities the fertile land owned by them would have yielded more than one crop in a year. It is mainly this reason that has triggered farmers in these villages to come to the forefront and put up stern resistance against LA for MSEZ.

Maharashtra rehabilitation Minister Patangrao Kadam has said that the government had not yet "accepted'' Reliance's proposal. N D Patil, a senior Peasants and Workers Party leader who is spearheading the protest, however warned of going on hunger strike if the government did not take back the SEZ proposal.

The state government has recently scrapped MSEZ and will ask RIL what it plans to do with the land which it had purchased in Raigad for SEZ. (The Times of India, April 22, 2011, Mumbai)

3.6 INTRODUCTION TO NAVI MUMBAI AND NAVI MUMBAI SEZ

Navi Mumbai is a city on the west coast of the Indian state of Maharashtra. It was developed in 1972 as a twin city of Mumbai, and is the largest planned city in the world, with a total area of 344 km and 163 km² under the jurisdiction of the Navi Mumbai Municipal Corporation (NMMC). Navi Mumbai lies on the mainland on the eastern seaboard of Thane Creek. The city limits stretch from Airoli near Thane in the north, to Uran in the south. The length of the city is almost the same as that of Mumbai. The Vashi and the

Airoli Bridges connect Navi Mumbai to Mumbai. A new link between Nerul and Uran is under construction. The costliest and most developed areas of Navi Mumbai are Vashi and Nerul. As a result, Vashi is known as the king of Navi Mumbai while Nerul is considered as the queen of Navi Mumbai. Navi Mumbai has a population of 2,600,000 of which approximately 800,000 come from Nerul and about 700,000 from Vashi with the remainder from Belapur, Sanpada, Airoli, Ghansoli and Koparkhairne and surrounding areas.

Navi Mumbai is a part of NMMC. NMMC is also rated amongst the richest corporations in Asia. Navi Mumbai is the only Indian city to be featured in the National Geographic Channel's *Super Cities of the World*.

1. CIDCO mooted an idea of setting up of SEZ over an area of 4377 ha in Navi Mumbai in the year 2000, which was concurred/ recommended by the Government of Maharashtra (GoM) & a proposal was put up to GoI for approval.

2. GoM declared CIDCO as Nodal Agency to set up SEZ in Navi Mumbai.

3. The GoI accorded approval-in-principle to GoM/ CIDCO's proposal of setting up Navi Mumbai Special Economic Zone over an area of 4377 Ha in February 2002.

4. The GoM directed CIDCO to implement the NMSEZ project through Joint Sector Venture & further directed that the Strategic Partner/Investor to be selected shall hold majority stake.

Source: http://en.wikipedia.org/wiki/Navi_Mumbai.

Table: 3.2

Details about NMSEZ

Sr. No.	Node (Navi Mumbai)	Area proposed(ha)
1	Dronagiri	1777
2	Ulve	400
3	Kalmboli	350
4	RPZ	1850
Total		4377

Table no. 3.2 points out that of the 4 nodes of Navi Mumbai Recreation Park Zone (RPZ) has been proposed to be developed in in 1850 hectares, followed by 1777 hectares for Dronagiri, Ulve 400 and Kalamboli 350 hectares respectively. This indicates that area wise importance to Recreation Park Zone is a welcome sign.

As per the directives of the Govt. of Maharashtra, CIDCO through Global bidding process selected a Preferred Bidder/Strategic Investor Consortium, which formed a company named M/s. Dronagiri Infrastructure Pvt. Ltd (DIPL) & the said company is registered under Companies Act 1956.

Table: 3.3

NMSEZ- location and area

Sr. no.	Node	Area (ha)
1	Dronagiri Ph I	450
2	DronagiriAdditional Phase II	800
3	Kalmboli	350
4	Ulwe- water front	80
5	Ulwe- South of property Airport	162
Total		1842

Table no. 3.3 demonstrates that there is provision for Ulwe-water front admeasuring about 80 hectares and Ulwe-south of property air port of 162 hectares respectively. This is something distinct from other nodes of Navi Mmbai.

1. DIPL & CIDCO together have created/established a Special Purpose Company (SPC) in the year 2004 named M/s. Navi Mumbai SEZ Pvt. Ltd (formerly known as M/s. Navi Mumbai SEZ Development Company Pvt. Ltd) with 74% & 26% stakes in the SPC, respectively.

a. Shareholders Agreement executed

b. Development Agreement executed

c. As per Development Agreement NMSEZ project area is 2140 Ha.

2. The SPC has the right to plan, design, construct, market, operate & maintain, administer & manage the Navi Mumbai SEZ. SEZ will come under control of Development Commissioner.

3. CIDCO has up till now handed over 1842 Ha NMSEZ project area to the company detailed below.

4. The SPC is entitled to the status of Special Planning Authority under Clause No.40 of MRTP Act 1966.

Source: www.cidcoindia.com

NMSEZ despite being a Joint-venture is not free from villagers protest. Villagers from Kalamboli protested against the ongoing work at the Navi Mumbai Special Economic Zone (NMSEZ) by obstructing the work process. Villagers from the neighbouring gaothan of Tembhode have threatened to disrupt work again at the NMSEZ if Reliance officials do not come up with a permanent solution for drainage of rainwater that will flow towards a nearby road and the village, from the land that will be developed at NMSEZ. According to the villagers the land that was allotted for the SEZ was being levelled by being filled with sand and stones. (Hindustan Times, Mumbai August 14, 2009)

They said that the land after filling with sand and stones would be at an elevated level and would make the nearby villages vulnerable to flooding during monsoons. The villagers added that during the monsoons, their houses and the road would be submerged under the water which will flow down from the NMSEZ. (idem[1])

The protest was organized by the local people who had also taken a delegation of villagers to meet CIDCO authorities in Belapur. CIDCO has stake in the SEZ. However, this meeting did not produce any results. Upset at being snubbed, people agitated outside the NMSEZ. The agitation turned violent and the demonstrators allegedly pelted stones at the land–fill site. According to the police the protestor also set an office at the NMSEZ on fire at Kalamboli. The villagers have now said they will not allow a wall, already under construction, to be built unless the drainage problem is solved. (idem[2])

3.7 JAWAHARLAL NEHRU PORT TRUST (JNPT) SEZ, PANVEL

(Kaul, S.K, Chief Manager (Administration) and secretary JNPT (2010) opines that the port-based SEZ will be a pioneering project, The Times of India, July 28, 2010, Mumbai.)

JNPT's performance is expected to improve further once key projects like the ambitious fourth container terminal and the 330 meter stand alone terminal become a reality. It is the first time in Asia such a large inward expansion project is proposed to be undertaken. The port-based SEZ will be a pioneering project in this part of the country and will, along with the fourth container terminal and the proposed Navi Mumbai International Airport, change the face of the entire area. It will be a Multi-product facility for which we hope to generate investment of Rs. 1 lakh crore and provide employment to 35,000 people. We are hopeful of this port-based SEZ being recognized as among the

best in the world. Infrastructure upgradation has to be a continuous process which the port management is working on. SK Kaul says that they have written a letter to the Maharashtra government offering their resources along with the National Highways Authority of India (NHAL) and City Industrial Development Corporation (CIDCO), for the development of the trans-harbour link which will facilitate better evacuation from the Port. Our aim is to ensure infrastructure development that translates into growth for the Port.

Relations between the Port management and employees are reflected in the fact that there has not been a single day's strike at the Port. Employees receive unlimited health cover for all elements and can avail of decent educational and recreational facilities at the JNPT Township.

Prime Minister Manmohan Singh-led UPA government has approved the Rs. 3000-crore proposal by JNPT for setting up port-based multi-product SEZ near Uran in Raigad district.

Prafulla Marpakwar ToI (2010) says JNPT had submitted a comprehensive proposal for setting up port-based SEZ some time ago. The board of approval (BoA) at its meeting approved the project recently. It will be completed in a time bound period.

Most of the SEZs, not only in Maharashtra but elsewhere in the country also have been stuck on account of the refusal of the farmers to part with there

lands. However, it will be smooth sailing for JNPT as the entire piece of land-277 ha-is already in its possession. Infact, JNPT owns nearly 2500 ha of land of which it has earmarked 277 ha for the SEZ. It is expected that there will be no hurdles in implementing the project.

According to the project report submitted by JNPT to BoA, the cost of land has been estimated at Rs. 1,026 crore and the cost of construction at Rs. 1900 crore. JNPT expects exports worth Rs. 5500 crore per year. JNPT has estimated that the SEZ will create 35000 direct jobs and generate indirect employment for 18000 people. It may be noted that compared to most of the SEZs, JNPT SEZ will generate more employment.

JNPT will mainly concentrate on multiple services, non-conventional energy products, electronic and telecommunication equipment, and light and heavy engineering goods. JNPT is among the best ports in the country. It provides excellent scope for free trade warehousing zone. Once the project is implemented, we also have plans for its expansion.

With more than 131 SEZs at various stages, Maharashtra has taken the lead in setting up these zones across the state. The SEZs will require 45000 ha of land attracting an investment of Rs. 1.35 lakh crore and generate 69 lakh jobs. Our proposals are good, but most of the SEZs are caught in the vortex of land acquisition for SEZs. Acquisition of land for SEZs becomes a contentious issue because the SEZ promoters prefer setting up SEZs in those regions where there

is easy access to well developed infrastructure and other locational advantages. For instance, all promoters are keen on setting up SEZs in the coastal Konkan region and the conspicuous absence of desire to setting up SEZs in the socially and economically backward Vidarbha and Marathwada regions. This leads to intra-state disparities in industrialization.

3.8 VIDEOCON SEZ IN LIMBO

Dharmendra Jore (2010) bringsforth the objections against Videocon's rupees 8000 crore semi-conductor project near Panvel. The project has run into trouble as employees of its business partner, the CIDCO have objected to the land deal between the two.

The CIDCO Employees' Union has told the CIDCO Board that Videocon must buy the 100 acres of land at market price. The Board has taken note of the objection and will incorporate it in its resolution in due course of time. It will then forward this to the state government for further action.

CIDCO decided to be part of the country's first ever semi-conductor venture in 2007. It also decided to sell 100 acres to Videocon at a throw away price of RS. 300 crore and invest equity of 26% to manufacture semi-conductors that are important components of LCD televisions.

Videocon has established a full-fledged Research and Development Laboratory in Japan to exclusively develop this product and is the first Indian company to have successfully developed it.

But valuation of the land has sparked strong protests from the CIDCO Employees' Union. The disputed land is quite close to the proposed Navi Mumbai Airport and commands hefty price tag.

There was political opposition to the deal in 2008. However, Videocon Group said it would not mind moving the project out of Maharashtra but insisted that it was interested in setting up the project in the state to help its own people as it would generate more than 10000 jobs.

Not just the land deal, but Videocon option to buy back CIDCO's equity for RS. 910 crore is also under valued, especially because a time-frame has not been given.

"Once the Rs. 8000 crore project starts operating, CIDCO's 26% stake in the company would have a much higher valuation."

Union President Nilesh Tandel has said that the Union would move court if CIDCO went ahead with the land due. "I made a presentation to the CIDCO Board and it was agreed that our objection would be included in the resolution and forwarded to state government."

Tandel said CIDCO must get something concrete from Videocon, especially on the central government subsidy of Rs. 2000 crore that has been applied for under the semi-conductor policy before signing any agreement. "CIDCO must also sell the land at the market price prevailing in 2010. This price could be anywhere between Rs. 3000-4000 crore."

Videocon Chairmen and Managing Director, Venugopal Dhoot said, "we had applied for semi-conductor subsidy and we will get it soon. We are very serious about this project and it's time India gets this project for the first time on its soil, as the LCD TV market is booming. Videocon has not only gained market share in the last five years but has also gained and taken a leading role in LCD TVs and semi-conductor products. The agreement has been done with CIDCO."

He said Italy and China had approved support to the projects, and in India states like Andhra Pradesh, Tamil Nadu and West Bengal had asked him set up a semi-conductor business.

The scattered agitations against a string of unconnected SEZs across the country are close to becoming unified movement.

Syli Udas Mankaikar (2009) observes that the ubiquitous discontent against planned SEZs from Nadigram in West Bengal, to Raigad in Maharashtra, is now uniting to agitate on a single national platform. About 150

delegates from 10 states including Maharashtra, Karnataka, Tamil Nadu and West Bengal will come together to chalk out a national strategy to get the SEZ Act cancelled. The SEZs in Maharashtra which are in trouble are Videocon SEZ, Pune, Mumbai SEZ, Raigad and Reliance Power Limited (RPL) in Alibaug. The state government had proposed the Videocon SEZ in early 2007, to be located in villages of Wagholi, Kesnand, Bakori and Lonikhand in Pune District. The farmers of this village agitated at the District Collector's office and even attacked Videocon employees who visited Wagholi to measuring the land. The state eventually scrapped the project in August.

The future of 10,000–hectare Mukesh Ambani- promoted Mumbai SEZ Ltd (MSEZ) in Raigad does seem uncertain. The Government Board of Approval in Delhi on November, 5, 2010 asked MSEZ for a fresh proposal to setup an SEZ and has denied its extension. Cleared in 2005, the pending land acquisition issues-only about 10% is complete-saw them applied for 2 extensions, which expired in August 2009.

Ashley D'Mello (2011) reports that the technology park project which is being under taken by Mahendra and Mahendra near Panvel has 500 acres already but the whole project needs 5,000 acres. How land is going to be acquired in the current atmosphere where large SEZ projects are being put on hold and cancel in other parts of the country.

3.9 RELIANCE PETROLEUM LTD (RPL) – SHAHAPUR PROJECT (ALIBAUG)

Taking cue from the discontent of the farmers over Mukesh Ambani-promoted Maha Mumbai SEZ, his younger brother Anil Ambani has sweetened the compensation package for Reliance Power's Shahapur Power Project coming on in the same Raigad District.

RPL has submitted Rs 200 crore relief and rehabilitation package to Maharashtra's relief and rehabilitation ministry headed by Patanga Rao Kadam, spokes person for the Reliance Power company.

Maharashtra Energy Generation, a subsidiary of RPL, is setting up a 4000-mw thermal power project over 1,052 hectares at Shahapur. The state government has signed a memorandum of understanding with RPL. The package proposes up to Rs 30 lakh per hectares as compensations to land owners, which the company claims to be one of the highest being offered by a power company in the country." Rs 30 lakh per hectare is for fertile land and Rs 25 lakh for not-so-fertile land," said the RPL spokes person. In contrast, Mumbai SEZ, promoted by Mukesh Ambani and his close associate Anand Jain proposed to offer Rs 25 lakh per hectare. RPL unlike MSEZ promises sustainable development and skill up gradation of PAPs. The package promises priority to the PAPs in employment or Rs 3 lakh as monetary compensation. Plus, the employed PAPs will be given a minimum payment of Rs 1.2 lakh per

annum. The R&R package also reaches out to vulnerable persons, women and landless labourers have been offered minimum agriculture wages for 300 days and preference in employment.

In addition, the package proposes to cover 8 villages in the vicinity of the plant area with Rs 1 crore per village being earmarked for development of the periphery. The company will provide free training to eligible candidates for skill developments plus minimum wages during training. Entrepreneurship training will be given to help the PAPs start small businesses with technical support from the company. Vulnerable persons in the effected area will be given an annuity payment of Rs 500 per month over the project period.

RPL spokesperson said the company would wait for the state government's decision on the R&R package. Meanwhile the state government has sorted out a land overlapping problem between RPL and Tata Power Company which is also setting up a 2,400-mw project at Shahapur.

This however, has not satisfied locals, who have been apposing the project. As per the government records, nearly 4,500 heaters of land is being acquired for the project affecting over 9,000 families residing in the area. Besides, the compensation being offered for acquiring land is much below the current market rate, people say. Farmers are opposing the plant since it will run on coal rather than gas as promised earlier. Many had pointed out that the

original MOU signed by the state government with the company was for a gas-based project.

The affected farmers have now come together under the leadership of Bharat Patankar who is a member of the committee appointed under Maharashtra PAPs Rehabilitation Act. Mr. Patankar has promised a long march from Shahapur to Mumbai to highlight 'the grave injustice' of the project on the locals.

(RPL sweetens Shahapur Package, The Economic Times 24 September, 2008, Mumbai)

3.10 RELIANCE SEZ SCRAPPED IN RAIGAD

Surendra Gangan (2011) reports the state government has announced (Daily News Analyses, Friday 18, 2011) that the reliance-led MSEZ in Raigad district has been scrapped and farmers are free to utilize their land as they wish.

The project had de-facto been scrapped in December 2009 itself, when the period of two years allotted under the LAA lapsed. However, the government has made no official announcement at the time. This prevented farmers from selling, buying or transferring their land. After reviewing the case, the Revenue Minister signed the proposal to retrieve the rights of farmers over their lands.

The land acquisition procedure for the proposed SEZ project spread over 35,000 acre in Raigad was started on May 2006. The promoter proposed the acquisition of 20,600 acre.

The government had asked Reliance to acquire 70% of the land required for the SEZ. It was decided that the government would acquire the remaining 30%. The company, however, managed to acquire only 13% of the land within the given deadline. The company eventually could not acquire the required 70% land. This led to the ultimate winding up of the MSEZ in Riagad.

However, Manu P Toms and Mankikar Sayli Udas (2011) report that the promoters of Raigad SEZ project will go ahead with the project. The developers say that they will setup the SEZ within the available land. One of the officials linked to the Reliance SEZ indicated that the promoters might negotiate with the land owners to purchase land directly from them. Thus there is no clear cut decision so far unless and until the central government initiates to de-notify the MSEZ.

CHAPTER 4

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CHAPTER 4

DATA ANALYSIS

4.1 INTRODUCTION

Raigad District enveloping 15 talukas, comes under north Konkan region. Of the 15 talukas Pen taluka is the one which flashed in the news for being the first ever of its kind to go for the historical referendum on MSEZ to know how many farmers support and how many are against the MSEZ project.

Pen taluka in the Raigad district of Maharashtra envelops 45 villages. Of the 45 villages 22 villages come under the command area of Hetawane Dam irrigation. However, these 22 villages are yet to avail of the dam irrigation facilities for agricultural purpose in spite of long over due and apathy of the concerned authorities. In spite of the fact that MSEZ had been given approval in 2005, the SEZ project has not yet acquired 70% of the land to be eligible for the remaining 30% of land to be provided by the state. People in these 22 villages have strongly protested against the acquisition of land for SEZ. One of the main reasons for the prolonged agitation against the MSEZ has been the continued delay on the part of the concerned authorities to provide irrigation facilities to these villages. If the farmers in these 22 villages have access to irrigational facilities the fertile land owned by them would have yielded more than one crop in a year. It is mainly this reason that has triggered farmers in these villages to come to the forefront and put up stern resistance against LA for MSEZ.

Having observed these developments in the Raigad district, it was felt that there is need for the study of the problem of land acquisition in this region. Therefore, 8 villages out of 22 villages were chosen for the study. These 8 villages are those villages from which the MSEZ has acquired relatively large area of land and have also taken part in referendum at Div village in Pen taluka.

4.2 SAMPLING DETAILS

Table 4.1

Selection of samples

SR. NO.	NAME OF THE VILLAGE	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	VASHI GAON	40	20.0	20.0
2	DIV GAON	30	15.0	35.0
3	KANA	20	10.0	45.0
4	BHEL GAON	20	10.0	55.0
5	VADAV GAON	30	15.0	70.0
6	BORJA GAON	20	10.0	80.0
7	DAVE GAON	20	10.0	90.0
8	DADARGAON	20	10.0	100.0
	TOTAL	**200**	**100**	

Table No.4.1 illustrates that a sample size of 200 respondents has been drawn from 8 villages in Pen taluka in the Raigad district of Maharashtra. A sample of 40, 30, 20, 20, 30, 20, 20 and 20 respondents have been selected from Vashi gaon, Div gaon, Kana gaon, Bhel gaon, Vadav gaon, Borja gaon, Dave gaon and Dadargaon. The sample size from each village works out 20.0%, 15.0%, 10.0%, 10.0%, 15.0%, 10.0%, 10.0% and 10.0% respectively.

4.3 SOCIO ECONOMIC PROFILE OF THE SAMPLES

Table 4.2

Sex – wise distribution of samples

SR.NO.	SEX	FREQUENCY	PERCENT	CUMULATIVE PERCENTAGE
1	MALE	167	83.5	83.5
2	FEMALE	33	16.5	100
	TOTAL	**200**	**100**	

Table No.4.2 shows that amongst 200 respondents in 8 villages, there are 167 males and 33 females which work out 83.5% and 16.5% respectively. This re-affirms the fact that the family structure and male dominant rural society still rules the roost.

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Table 4.3

Age-wise classification of samples

SR. NO.	AGE IN YEARS	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	15-25	14	7.0	7.0
2	25-40	49	24.5	31.5
3	40-55	80	40	71.5
4	ABOVE 55	57	28.5	100
	TOTAL	**200**	**100**	

Table No.4.3 describes the classification of the respondents falling in age group 15 – 25, 25 - 40 and 40 – 55 and above 55 years account for 14, 49, 80, 57 farmers in the respective class intervals of age in years which works out 7.0%, 24.5%, 40.0% and 28.5% respectively. It depicts the fact that only 7.0% of the

samples are in 15-25 age group and majority of respondents i.e., 40.0% are in 40-45 age group and 28.5% are in the above 55 years category. Considering the percentage of respondents it can be said that 40-55 age group participation is demographically dominant component in the sample of 200 respondents.

Table 4.4

Marital Status of samples

SR. NO.	MARITAL STATUS	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	MARRIED	188	94.0	94.0
2	UNMARRIED	12	6.0	100.0
	TOTAL	**200**	**100.0**	

Table No.4.4 shows marital status of the respondents which reveals that of the 200 people drawn as sample 188 are married and 12 are unmarried which works out 94.0% and 6.0% respectively.

Marital status of the samples demonstrates that 94% of the respondents are married. This demographic feature is suggestive of the fact that the respondents have to shoulder family responsibilities and take right decisions in the interest of their families.

Table 4.5

Number of children family - wise

SR.NO.	CHILD/ CHILDREN STATUS	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	NO CHILD	18	9.0	9.0
2	ONE CHILD	27	13.5	22.5
3	TWO CHILDREN	68	34.0	56.5
4	ABOVE TWO CHILDREN	87	43.5	100.0
	TOTAL	**200**	**100.0**	

Table No.4.5 explains the classification of the farmers in to families with no child, families with one child, families with two children and families with above two children. The data shows that 18 families have no child, 27 families with one child, 68 families with two children and 87 families with above two children, which accounts for 9.0%, 13.5%, 34.0% and 43.5% respectively.

In a sample size of 200 respondents, 34.0% respondents and 43.5% respondents have two children and more than two children respectively. It shows that the respondents need to choose the right route not only for sustenance but also improve the socio-economic conditions of their families on sustainable basis.

Table 4.6

Education level of samples

SR. NO.	EDUCATIONAL STATUS	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	ILLITERATE	112	56.0	56.0
2	UPTO MATRICULATION	72	36.0	92.0
3	POST-MATRIUCLATION	16	8.0	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.6 gives the categorization of respondent families into illiterate, up to matriculation and post-matriculation levels. Of the 200 farmers 112 are illiterates, 72 are up to matriculation and 16 are in post-matriculation level, which works out 56.0%, 36.0% and 8.0% respectively.

The above table indicates that 56% of the respondents are illiterate a compared to 44% who are educated up to matriculation and post-matriculation levels. The simmering illiteracy amongst the respondents is one of the stumbling blocks in the rural progress in understanding the nitty-gritty of modern agricultural technology and farm management.

Table 4.7

Occupational pattern of samples

SR. NO.	OCCUPATION	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	AGRICULATURE	89	44.5	44.5
2	AGRICULTURE AND FISHING	90	45.0	89.5
3	SALT PAN OWNER	20	10.0	99.5
4	OTHERS	1	0.5	100.0
	TOTAL	**200**	**100.0**	

Table No.4.7 portrays occupational pattern of the 200 farmers. 89 families depends on agriculture, 90 depend on agriculture and fishing, 20 own saltpan and one family depend on other activity, which work out 44.5% , 45.0%, 10.0% and 0.5% respectively.

Agriculture alone and agriculture and fishing constitute major sources of livelihood in rural Raigad for generations. A small percentage of respondents eke out living in salt-farming and also other non-agricultural activities.

Table 4.8

Annual income (in Rs.) of samples

SR. NO.	CLASS INTERVALS	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	BELOW 50000	46	23.0	23.0
2	50000 TO 100000	145	72.5	95.5
3	100000 TO 150000	9	4.5	100.0
4	Above 150000	0	0	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.8 gives the classification of the farmers into four class intervals according to the annual incomes earned by them. The class intervals being below Rs. 50,000, Rs.50,000 - Rs.1,00,000, Rs 1,00,000 – 1,50,000 and above Rs. 1,50,000. There are 46 farmers in the income group below Rs. 50,000, 145 farmers in the income group Rs. 50,000 to Rs. 1,00,000, 9 farming households figure in the income group Rs. 1,00,000- Rs. 1,50,000 and there is no one in the income group above 1,50,000 which accounts for 23.0%, 72.5%, 4.5% and 0.0% respectively.

Majority of respondents earn an annual income of Rs 50,000 to Rs 1,00,000 and 23.0% of the respondents earn an annual income of below Rs 50,000. It means 72.5% respondents are above poverty line as per the World Bank's definition of minimum $2 income per day. However, it is rather difficult to decipher how many people earning an annual income of below Rs50,000 will fit into this World Bank's definition of poverty. In other words, less than an annual income of Rs 50,000 can mean any thing below Rs 50,000.

Table 4.9

Nature of land ownership of samples

SR. NO.	LAND OWNERSHIP	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	ANCESTRAL LAND	195	97.5	97.5
2	PURCHASED LAND	5	2.5	100.0
3	OTHERS	0	0.0	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.9 displays the nature of land ownership of the farming community. There are 195 farming households cultivating on their ancestral land, 5 farming households cultivate on the purchased land and others 0 which works out 97.5%, 2.5% and 0.0% respectively.

It is clear from the above table that 97.5% of land is inherited from their forefathers. It highlights the invincible emotional and sentimental values attached to land and also the immaculate sense of maintaining social status through ownership of land not only in the Raigad district of Maharashtra but also in all parts of the country.

Table 4.10

Mode of Cultivation

SR. NO.	TYPE OF CULTIVATION	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	OWNER-CUM CULTIVATOR	200	100	100.0
2	LEASE LAND	0	0.0	100.0
3	SHARE CROPPER	0	0.0	100.0
4	ABSENTEE LANDLORDISM	0	0.0	100.0
	TOTAL	**200**	**100**	

Table No.4.10 shows that all 200 respondents households are owner-cum-cultivators i.e., 100% owner-cum-cultivators (180 respondents growing agricultural crops and 20 respondents from Dadargaon depend on salt-pans for their livelihoods), constitute owner-cum-cultivator category i.e., salt-farming is also considered to be synonymous to agriculture.

The owner-cum-cultivator factor coveys that the respondents are self employed with the help of family labour except in certain cases, the owner hire labour to supplement family labour. This reveals the fact that the respondents who own land aplenty hire labour from the market. Thus Raigad qualifies to be called a self-sufficient village economy.

Table 4.11

Proximity to coastal line

SR. NO.	DISTANCE (in Km)	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	QUITE CLOSE TO COASTAL LINE	20	10.0	10.0
2	WITHIN 1/2 KM	4	2.0	12.0
3	1/2 KM TO 1 KM	104	52.0	64.0
4	ABOVE 1 KM	72	36.0	100.0
	TOTAL	**200**	**100.0**	

Table No.4.11 shows that of the 200 farmer-respondents 20 farmers own land quite close to coastal line, 4 respondents own land situated within ½ km from coastal line, 104 respondents own land at a distance of ½ km – 1km and 72 respondents own land at a distance above 1km from the coastal line, which works out 10.0%, 2.0%, 52.0% and 36.0% respectively.

Of the total cultivable land, 36.0% of land is located at a distance of more than 1 km from coastal line. Therefore, devastation of agricultural crops due to sea fury is relatively less as compared to other land which is relatively closer to coastal line. From this it becomes evident that agriculture land in close proximity to coastal line can trip into such natural calamities and agriculture as an occupation can prove to be much more risky.

Table 4.12

Land Environment

SR. NO.	LAND TOPOGRAPHY	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	SURROUNDED BY MARSHY LAND	9	4.5	4.5
2	SURROUNDED BY SALT - PAN	44	22.0	26.5
3	SURROUNDED BY FALLOW LAND	147	73.5	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.12 shows that of the 200 farmer-respondents, the land cultivated by 9 farming families are surrounded by marshy land, the land owned by 44 surrounded by salt pan and the land owned by 147 surrounded by fallow land which works out 4.5%, 22.0% and 73.5% respectively.

The above table brings to the fore that 73.5% of land is surrounded by fallow land. It means fertile land remains uncultivated due to absence of irrigation infrastructure. Agricultural activities are hectic in Raigad like other

parts of Maharashtra once the south-west monsoon sets in during the month of June. The land can at best grow only one crop during a year. After harvest is over, the land is left fallow for there is no access to water. Land remains idle and under-utilized in the remaining part of the year. This is one of the instances to substantiate the fact that the available potentials remain economically unviable. In other words, the actual growth rate of the agricultural sector is far less than the potential growth rate. The widening gap between actual growth rate and potential growth rate has serious implications for the growing economy.

Thus land in Raigad is surrounded by lush-green paddy fields during monsoons i.e., since the month of June to the end of September and wears deserted look in the off–season.

Table 4.13

Details of farm employment of samples

SR. NO.	TYPE OF LABOUR	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	FAMILY LABOUR	172	86.0	86.0
2	FAMILY AND HIRED LABOUR	28	14.0	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.13 shows that out of 200 agricultural families 172 families expend family labour to cultivate land and 28 families use family labour and hired labour which accounts for 86% and 14% respectively.

The above table brings to the lime light that 86% of respondents carry on agricultural activities with the help of family labour and the remaining 14.0% cultivate by supplementing family labour with hired labour. This indicates that the former are small and marginal farmers and the latter are big farmers who would definitely need to hire labour from the market to continue agricultural activities.

Table 4.14

Sources of irrigation

SR. NO.	ACCESS TO IRRIGATION	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	RAIN-FED	180	90.0	90.0
2	NA	20	10.0	100.0
	TOTAL	200	100.0	

Table No.4.14 exhibits that land possessed by 180 farmers is rain-fed and 20 families in Dadar Gaon cultivate salt on their land from the sea water. Hence 90.0% of agricultural land depends upon rain fall and 10.0% salt land does not require any irrigational source to sustain salt-pan activity.

The above table elucidates the fact that 90.0% of cultivable land in Raigad is rain-fed. Agriculture, needless to say, is gambling on monsoons. If rains play truant, the entire edifice of agriculture in rural Raigad can be shattered into pieces. This would also create irreparable damage to the farm economy of Raigad in terms of slow growth of agriculture and simmering

unemployment. Remaining 10% of land is not dependent on rains i.e., salt-farming can be sustained with sea water. However, water is not only required in agriculture alone; it is crucial for house-hold purposes, industries and other establishments.

Non-availability of water and or / denial of water from irrigation sources to civil society can compel people to exploit ground water and the consequent declining water tables and can also pose a severe threat to water security in future.

Table 4.15

Annual cultivation of crops

SR. NO.	NUMBER OF CROPS	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	SINGLE CROPPED	180	90.0	90.0
2	NA	20	10.0	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.15 depict that the land cultivated by 180 farmers is single-cropped and the land owned by 20 farmers are salt-pans which works out to 90.0% and 10.0% respectively.

It can be seen from the above table that 90% of land in Raigad is single-cropped i.e., they have been growing only paddy crop for generations, which, of course, is a distinct feature of Konkan region. Had there been adequate irrigation outlets, farmers in Raigad could have cultivated other crops in the

remaining part of the year in which cultivable land is left fallow. Such rotation of crops would have further improved fertility of soil, agricultural production and productivity. Raigad being constrained to growing single crop cannot ensure marketable surplus. Hence, it is strongly felt that absence of access to water is the Achilles' heel in Raigad.

Table 4.16

Cultivation of prime food crop

SR. NO.	PRIME FOOD CROP	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	PADDY	180	90.0	90.0
2	NA	20	10.0	100.0
	TOTAL	**200**	**100.0**	

Table No.4.16 shows that of the 200 farmer-respondents 180 respondents grow paddy crop which is prime crop in the region and 20 respondents own salt-pans which is not amenable to growing any agricultural crops. Hence 90.0% of the farmer`s prime crop is paddy and the remaining 10.0% farmers cultivate salt.

The above table clearly demonstrates that the prime crop that the respondents cultivate in Raigad is paddy. They have been cultivating paddy for generations. Apart from ensuring food security to the civil society in Raigad, paddy crop has its distinct cultural significance in the entire Konkan region in which Raigad is a part of North Konkan. Had their been adequate access to irrigation facilities, people could have extended to the cultivation of

vegetables, fruits etc. despite some villages quite close to Hetawane Dam do this. However, diversification and crop rotation of agriculture in Raigad could see the light of the day only when cultivable land has access to irrigation sources.

Table 4.17

Land allotted for paddy crop

SR. NO.	PERCENTAGE OF LAND	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	80% TO 90%	71	35.5	35.5
2	ABOVE 90%	109	54.5	90.0
3	NA	20	10.0	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.17 reveals that of the 200 farmer respondents 71 farmers allocate 80% to 90% of their land to grow paddy crop, 109 farmers allocate above 90% of land to grow paddy and 20 farmers depend on salt-pan for their livelihoods, which works out 35.5%, 54.5% and 10.0% respectively.

The above table denotes that 35.5% and 54.5% allocate 80.0% to 90.0% and above 90% of land on the cultivation of paddy crop, which of course is the prime crop in Raigad. However, 10% of land in Dadar Gaon is uncultivable salt land and it is not fit to grow agricultural crops. Land allocation could have undergone subtle change in crop-pattern in Raigad provided there is access to irrigation facilities. Hence, absence of irrigation infrastructure spells disaster in rural Raigad.

4.4: LAND ACQUISITION FOR SEZ

Table 4.18

Method of acquisition of land

SR. NO.	LAND ACQUISITION FOR SEZ	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	THROUGH SEZ AGENTS	200	100.0	100.0
2	ANY OTHER	0	0.0	100.0
	TOTAL	**200**	**100.0**	

Table No.4.18 states that the entire land deal that has taken place so far in Raigad is through SEZ appointed agents. In other words, 100% of the land deal so far has been effected through agents only.

The above table makes it pretty clear that land for SEZ has been exclusively acquired by SEZ appointed agents. It's mandatory on the part of SEZ developer to acquire 70.0% of the total land required for SEZ. Having acquired 70.0% of land the state will provide the SEZ developer 30.0% land. Thus it is quite evident that there is no direct land sale to SEZ developer. Therefore, there are apprehensions that these agents could have subjected the respondents to double exploitation by both SEZ developer and SEZ agents.

Table 4.19

Other reasons for sale of land to SEZ

SR. NO.	LAND SALE TO SEZ	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	ECONOMIC COMPULSIONS	19	9.5	9.5
2	ATTRACTIVEB PROMISES	16	8.0	17.5
3	LAND VULNERABILITY TO NATURAL FURY	20	10.0	27.5
4	LACK OF IRRIGATION FACILITIES	145	72.5	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.19 brings forth the fact that apart from selling land through agents appointed by SEZ developer, there are also other reasons which had compelled farmers to enter land deal. The data convey that of the 200 farmers 19 farmers have succumbed to economic compulsions, 16 farmers were wooed by attractive promises from the SEZ developers, 20 farmers (Dadar Gaon) voluntarily sold land to SEZ for the land they possessed cannot be used for agricultural purpose and these respondents were also scared of natural sea fury. 145 farmers sold land due to conspicuous absence of irrigation facilities. Hence, sale of land to SEZ agents on account of other reasons works out 9.5%, 8.0% 10.0% and 72.5% respectively.

The above table points out that lack of irrigation infrastructure have been the major reason for land sale to SEZ. Other reasons do not make any significant impact on land sale to SEZ. Thus it can be said that the respondents

who sold land to SEZ had lost faith in Government coming to the rescue of agriculture i.e., water.

Table 4.20

Pattern of land ownership

SR. NO.	LAND AREA	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	BELOW 2 HECTARES	118	59.0	59.0
2	2 TO 5 HECTARES	59	29.5	88.5
3	ABOVE 5 HECTARES	23	11.5	100.0
	TOTAL	**200**	**100.0**	

Commonly used definitions: 1) All families owning less than 1 hectare will be called marginal farmers. 2) The families owning between 1 and 2 hectares will be called small farmers. 3) All farmers owning between 2 and 4 hectares will be called semi-medium farmers. 4) All families owning between 4 and 10 hectares will be called medium farmers and 5) All farmers owning more than 10 hectares will be called large farmers.

Size – Class definition

Size-class	Area owned
Marginal	< 1 hectares
Small	1-2 hectares
Semi-medium	2-4 hectares
Medium	4-10 hectares
Large	> 10 hectares

(Source: Report No. 491 NSS 59th Round)

However, the definition of marginal, small and large farmers is likely to change according to the fertility of land. Since land in Raigad is fertile marginal, small and large farmers would fit in the classification in table no. 4.20.

Accordingly out of 200 respondents 118 owned below 2 hectares, 59 possessed between 2 and 5 hectares and 23 owned above 5 hectares of land which works out 59.0%, 29.5% and 11.5% respectively.Respondents owning less than 2 hectares and 2 to 5 hectares constitute 59.0% and 29.5% respectively. However, respondents owning more than 5 hectares constitute 11.5% only. Here again it can be seen that there exists glaring inequality in the ownership of land asset. This is synonymous to inequality in land ownership all over India. Further, the first category of respondents owning less than2 hectares is classified as marginal farmers, the second category owing 2 to 5 hectares can be classified as small farmers and the third category can be classified as big farmers. The marginal and small farmers clubbed together constitute 88.5% as compared to the all India average of 80.0%. From this, it becomes clear that Raigad has a higher percentage of marginal and small farmers. This can be attributed to the exclusive dependence of respondents on agriculture as the main source of livelihood for generations.

Table 4.21

Percentage of land sold to SEZ

SR. NO.	LAND SOLD	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	BELOW 10%	166	83.0	83.0
2	10% - 30%	34	17.0	100.0
3	ABOVE 30%	0	0.0	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.21 indicates that whatever land deal that has materialized so far, 166 farmers have sold below 10% of the land owned, 34 farmers sold 10%-30% of land which works out 83.0% and 17.0% respectively.

It can be seen that land so far sold to SEZ is insignificant as compared to the target of 10,000 hectares required for SEZ. According to media report, SEZ in Raigad has acquired only 1000 hectares, which is far less than the required area for SEZ. Added to this, the Supreme Court has recently ruled that SEZ developer in Raigad should refrain from land acquisition for SEZ. Thus the democratic institutions such as social activists, NGOs and the Judiciary have restrained SEZ developer to go ahead with acquisition of fertile land. It is also clear that no respondents have so far sold more than 30% of the land. Another major glitch the SEZ developer confronts is non-contiguous land. It means most respondents have sold land partly and the owner of adjacent land has not sold any land to SEZ. Therefore, SEZ has neither acquired the prescribed amount of land nor contiguous land. The absence of contiguous land cannot serve any purpose. Thus SEZ in Raigad is entangled in the vortex of non-contiguous land.

Table 4.22

Quality of land sold to SEZ

SR. NO.	KIND OF LAND SOLD	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	FERTILE LAND	175	87.5	87.5
2	UNCULTIVABLE LAND	20	10.0	97.5
3	ANY OTHER	5	2.5	100.0
	TOTAL	**200**	**100.0**	

Table No. 4.22 reveals that the land sold to SEZ has been classified into fertile land, uncultivable land and any other land. Of the 200 farming families 175 farmers sold fertile land, 20 farmers sold uncultivable salt land (Dadar Gaon) and 5 farmers sold any other land, which works out 87.5%, 10.0% and 2.5% respectively.

Land so far acquired by SEZ is more fertile. Whatever land transaction that has been carried on in 8 villages of Pen Taluka in Raigad except Dadar Gaon, is cultivable. Respondents in these 7 villages strongly protested to relinquish fertile land for SEZ. At the same time Dadar Gaon respondents voluntarily sold land to SEZ because land sold to SEZ is not cultivable. Hence, land acquisition for SEZ in Dadar Goan was peaceful and the people who have sold land are contented with the offer price. From this it becomes crystal-clear that acquisition of fertile land for SEZ and other non-agricultural purposes would spark rural resistance.

Table 4.23

Monetary compensation offered for land sale to SEZ

SR. NO.	LAND SALE PRICE	FREQUENCY	PERCENT	CUMULATIVE PERCENT
1	ABYSMALLY LOW PRICE	178	89.0	89.0
2	SOME WHAT ACCEPTABLE	2	1.0	90.0
3	MARKET PRICE	20	10.0	100.0
	TOTAL	**200**	**100.0**	

Table No.4.23 reveals that of the 200 farmer-respondents 178 farmers were offered abysmally low price, 2 farmers some what acceptable price and 20 farmers were offered market price (Dadar Gaon) for land sold to MSEZ which works out 89.0%, 1.0% and 20.0% respectively.

Most respondents react with dissatisfaction over the price offered for the land sold to SEZ except respondents from Dadar Gaon as these respondents sold uncultivable salt-land to SEZ and received good offer price. However, respondents dissatisfied with low monetary compensation needs most calibrated interpretation i.e., land being an asset has alternative uses and the price offered to land at the start of the year 2005 is not comparable with the present market price of the asset. The price which the respondents received before 6 years would be definitely less than the price what the same asset at present commands in the market in nominal terms.

The offer price of land in the past could have been worth the value at that point of time and instead if compared it to present offer price prevailing in the market would definitely put respondents in discomfort zone. This is human psychology to be preoccupied with what is called 'money illusion.' Rising Inflation coupled with discernible spike in demand for land for infrastructure development in and around Raigad could have also held sway over the perception of the respondents that they received low price for land. For instance, respondents tend to compare Rs1,00,000 they received per acre in 2005for their fertile land from MSEZ with Rs25,00,000 per acre and employment to the land-loser proposed by the state in 2011 for Jaitapur Nuclear plant in Ratnagiri district for not-so-fertile land. Such comparison defies economic logic.

4.5 LIKERT SCALE ANALYSIS FROM QUESTION No. 24 TO 58 EXCEPT QUESTION No. 32

Please note that [A] the Interview Schedule bound in Annexure, contains 58 questions in toto. However, they cannot be serially numbered from 1-58 as these questions seek responses on various socio-economic parameters and use Likert scale for data analysis.

[B] Page 1 of interview schedule, for example, begins with 1) Name and 2) Residential Address; wich enable the researcher only to identify the respondents. Therefore actual Q.No.1 begins with Sex which has been numbered as 3. Hence, there are only 56 questions seeking response from farmers.

Of the 56 remaining questions 22 are multiple choice (including Q.no. 32 in the Likert scale sheet) and the rest 34 questions are based on Likert scale.

[C] The Interview schedule has 2 parts viz., Part I and Part II. Part I and Part II was administered to those respondents who partly sold land to SEZ and those who have not sold any land to SEZ respectively to know their responses.

[D] For convenience, the Interview schedule is manually numbered serially to show how the data analysis has been done. (Please refer to Annexure 1)

[E] Question Nos. 3 to 23 is multiple choice questions and Question Nos. 24 to 58 except Question No. 32 is based on Likert scale.

CALCULATION OF Z-SCORE VALUE:

There are 34 questions on Likert scale. For each question, mean, standard deviation Z-score was calculated. [Z score, Z = (mean – 0)/ S.D. Expected mean is 0 because scale has been created on -2 for strongly disagree, +2 for strongly agree.]

With 95% confidence level Z= 1.96. If score is positively more than 1.96, then total result is there is general agreement. If score is negative and less than 1.96, there is general disagreement. If score is between +1.96 and -1.96, respondents are neutral.

Table 4.24

Vashi gaon

Question in short form	Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-1.88	0.33	-5.70	DISAGREE
Developed land to farmers materialised	25	-1.95	0.22	-8.86	DISAGREE
Proper Skill formation scheme to family member of land-loser	26	-1.90	0.30	-6.33	DISAGREE
Employment at least to one member of the family	27	-1.88	0.33	-5.70	DISAGREE
Free education to children	28	-1.90	0.30	-6.33	DISAGREE
Free health facilities	29	-1.90	0.30	-6.33	DISAGREE
Social security Net to the land-loser	30	-1.88	0.33	-5.70	DISAGREE
CSR for Financial Literacy	31	-1.93	0.27	-7.15	DISAGREE
present employment status	32	NA	NA	NA	NA
Money Deposited in banks fetches sufficient interest-income	33	-1.33	0.80	-1.66	NEUTRAL
Money invested in business yields sufficient income	34	-1.30	0.76	-1.71	NEUTRAL
Improvement in economic condition	35	-1.88	0.33	-5.70	DISAGREE
Strong emotional and sentimental values to land	36	1.73	0.60	2.88	AGREE
Ownership of land symbol of social status	37	1.68	0.57	2.95	AGREE
Land acquisition is based on democratic principles	38	-1.73	0.45	-3.84	DISAGREE
Only feet to be employed in agriculture	39	1.60	0.84	1.90	NEUTRAL
Recognition to make land-loser as stake- holders of SEZ	40	-1.93	0.27	-7.15	DISAGREE
Employment guarantee for land- loser in manual jobs in the SEZ	41	-1.88	0.40	-4.70	DISAGREE
Employable skill formation as a part of R & R policy	42	-1.88	0.33	-5.70	DISAGREE
Land is fertile	43	1.20	0.56	2.14	AGREE
Agriculture is profitable	44	1.45	0.85	1.71	NEUTRAL
Access to irrigation builds confidence	45	1.93	0.27	7.15	AGREE
Expectancy of land prices to rise	46	-1.88	0.33	-5.70	DISAGREE
Role of government as facilitator in land deal for SEZ	47	0.50	0.51	0.98	NEUTRAL
Certain percentage of developed land to land-loser	48	-1.90	0.30	-6.33	DISAGREE
Free education to children as part of R&R policy	49	-1.83	0.38	-4.82	DISAGREE
Free health facilities to the land-loser	50	-1.90	0.30	-6.33	DISAGREE
Social security Net available	51	-1.85	0.36	-5.14	DISAGREE
Land purchased at market determined price	52	-1.13	0.88	-1.28	NEUTRAL
Sell land only when the offer price is more than the market price of land	53	-1.68	0.62	-2.71	DISAGREE
Access to irrigation from Hetawane dam improves agricultural productivity	54	1.88	0.33	5.70	AGREE
Referendum in Raigad is necessary in decision-making	55	1.70	0.46	3.70	AGREE
Sale of land to SEZ not possible	56	1.78	0.42	4.24	AGREE
Private party purchases land for real estate business	57	-0.48	0.68	-0.71	NEUTRAL
The offer price paid by private party is greater than the market price	58	-0.18	0.45	-0.40	NEUTRAL

Table no. 4.24 reveals that the respondents from Vashi Gaon disagree on Q.no.24 which says 'Rehablition & Resettlement (R&R) Package was satisfactory.' In other words, they were not offered any R&R package in lieu of the land sold to SEZ. Same is the perception of those respondents who have not yet sold any land to SEZ. Similarly, they disagree on other related questions 25 to 31, 35, 38, 40 to 42, 46, 48 to 51 and 53. It means they are not offered any R&R package comprising allotment of certain percentage of developed land, skill formation scheme, employment to at least one member of the family of the respondents, free education to the children, free health care, social security net and extending Corporate Social Responsibility (CSR) intended to develop banking habits and spreading financial literacy amongst the respondents so that the money received in lieu of land sale can be productively deployed. They also strongly disagree on any commitment made by the SEZ developer to recognize the respondents as stake holders of the SEZ project.

The respondents are neutral on the questions 33 to 34, 39, 44, 47, 52and 57 to 58 i.e., they do not want to take any stand as regards to the questions of sufficient flow of interest-income from bank deposits, steady and sufficient income flow from business, fit to be employed only in agriculture, agriculture as a profitable occupation, role of government as a facilitator in land acquisition for SEZ, received market price for land, land purchased by private parties for non-SEZ purpose and the private parties offer a price for land greater than market price of land

Taking neutral stand on the above questions does not necessarly mean the respondents agree or disagree on certain questions. One of the plausible explainations for being neutral to the above questions could be the present atmosphere prevailing in SEZ affected villages. Given the anti-SEZ environment spawned by the first-ever historic referendum in Raigad, it becomes a moral obligation on the part of the farmers' to respect and uphold the sanctity of democratic institutions such as Grampanchayats, at the grassroot level, NGOs, social activists etc.

At the same time the respondents could have taken neutral stand because of the pressure exerted on them by social activists and NGOs. However, the respondents could have understood the folly of parting with fertile land for SEZ after the intervention of social activists and other social groups and NGOs.

The respondents in Vashi Gaon agree on question no. 43 which says 'land in possession is more fertile.' Similarly, the respondents also agree on the related questions 36 to 37, 45 and 54 to 56 i.e., the respondents in Vashi Gaon have strong emotional and sentimental values towards land and land is considered to be the symbol of social status especially in rural areas. The respondents strongly agree that land at their disposal is more fertile, and land having access to irrigation facilities from Hetawane Dam would boost agricultural production and productivity. The respondents further subscribe to the need for such referendum of the sort held in Raigad to halt the anti-farmer

mania of the corporate development strategy. They are certain that land grab for SEZs in the near future is next to impossible.

Please note that the responses to question no. 24 ('which says Rehablition & Resettlement (R&R) Package was satisfactory') is the same in all 8 villages i.e., the respondents in all 8 villages were not offered satisfactory R&R package to the SEZ-affected farmers.

As regards to question no. 43 (which says 'land in possession is more fertile'), the respondents from 7 villages agree that land sold for SEZ is fertile excepting Dadar gaon. This is why Dadar gaon respondents willingly sold land to SEZ.

Further, responses to Q.no.32 in the Likert scale sheets of the first 7 villages read NA because the farmers in these villages have either partly sold or not yet sold land to SEZ. Hence, they continue to cultivate land it means they are employed in agriculture as before.

However, Dadar Gaon respondents have shifted themselves to non-agricultural activities because they have sold almost the entire land owned by them to SEZ.

Simply put, respondents from Dadar Gaon sold land to SEZ because land in their procession was not fertile.

Table 4.25

Div Gaon

Question in short form	Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-2.00	0.00	High Negative	DISAGREE
Developed land to farmers materialised	25	-2.00	0.00	High Negative	DISAGREE
Proper Skill formation scheme to family member of land-loser	26	-2.00	0.00	High Negative	DISAGREE
Employment at least to one member of the family	27	-2.00	0.00	High Negative	DISAGREE
Free education to children	28	-2.00	0.00	High Negative	DISAGREE
Free health facilities	29	-2.00	0.00	High Negative	DISAGREE
Social security net to the land-loser	30	-2.00	0.00	High Negative	DISAGREE
CSR for Financial Literacy	31	-2.00	0.00	High Negative	DISAGREE
Present employment status	32	NA	NA	NA	NA
Money Deposited in banks fetches sufficient interest-income	33	-2.00	0.00	High Negative	DISAGREE
Money invested in business yields sufficient income	34	-2.00	0.00	High Negative	DISAGREE
Improvement in economic condition	35	-2.00	0.00	High Negative	DISAGREE
Strong emotional and sentimental values to land	36	2.00	0.00	High Positive	AGREE
Ownership of land symbol of social status	37	2.00	0.00	High Positive	AGREE
Land acquisition is based on democratic principles	38	-1.00	0.00	High Negative	DISAGREE
Only fit to be employed in agriculture	39	2.00	0.00	High Positive	AGREE
Recognition to make land-loser as stake- holders of SEZ	40	-2.00	0.00	High Negative	DISAGREE
Employment guarantee for land- loser in manual jobs in the SEZ	41	-2.00	0.00	High Negative	DISAGREE
Employable skill formation as a part of R & R policy	42	-2.00	0.00	High Negative	DISAGREE
Land is fertile	43	2.00	0.00	High Positive	AGREE
Agriculture is profitable	44	1.90	0.31	6.13	AGREE
Access to irrigation builds confidence	45	2.00	0.00	High Positive	AGREE
Expectancy of land prices to rise	46	-2.00	0.00	High Negative	DISAGREE
Role of government as facilitator in land deal for SEZ	47	0.77	0.43	1.79	NEUTRAL
Certain percentage of developed land to land-loser	48	-2.00	0.00	High Negative	DISAGREE
Free education to children as part of R&R policy	49	-2.00	0.00	High Negative	DISAGREE
Free health facilities to the land-loser	50	-2.00	0.00	High Negative	DISAGREE
Social security net available	51	-2.00	0.00	High Negative	DISAGREE
Land purchased at market determined price	52	-1.93	0.25	-7.72	DISAGREE
Sell land only when the offer price is more than the market price of land	53	-1.93	0.25	-7.72	DISAGREE
Access to irrigation from Hetawane dam improves agricultural productivity	54	1.73	0.45	3.84	AGREE
Referendum in Raigad is necessary in decision-making	55	1.87	0.35	5.34	AGREE
Sale of land to SEZ not possible	56	-1.87	0.35	-5.34	DISAGREE
Private party purchases land for real estate business	57	-0.47	0.73	-0.64	NEUTRAL
The offer price paid by private party is greater than the market price	58	-0.30	0.60	-0.50	NEUTRAL

Table no.4.25 reveals the respondents disagree from statements 24 to 31, 33 to 35, 38 to 42, 48 to 53 and 56. The response on questions 24 to 31 is the same as the response from Vashi Gaon. Like the respondents from Vashi Gaon, the respondents from Div Gaon are also not offered any R&R Package and there is absolutely no commitment as such on the part of the SEZ developer to recognize the respondents as stake-holders of the SEZ project. However, Div Gaon respondents unlike Vashi Gaon strongly disagree on questions 33 to 34 i.e., the interest income from money deposited in banks, the returns from capital invested in business and improvement in economic conditions after land sale to SEZ are not satisfactory. However, Vashi Gaon respondents are neutral on the above questions. But there is similar strong dissatisfaction on the question of the improvement in economic conditions in Vashi Gaon. Respondents from Div Gaon do not subscribe to the question of purchase of land for SEZ at market price, where as Vashi Gaon respondents are neutral to the same question i.e., non-commitment. The responses to the remaining questions in the disagreement category are the same in both Gaons.

Table 4.26

Kana Gaon

Question in short form	Question Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-1.90	0.31	-6.13	DISAGREE
Developed land to farmers materialised	25	-1.95	0.22	-8.86	DISAGREE
Proper Skill formation scheme to family member of land-loser	26	-1.95	0.22	-8.86	DISAGREE
Employment at least to one member of the family	27	-1.95	0.22	-8.86	DISAGREE
Free education to children	28	-1.95	0.22	-8.86	DISAGREE
Free health facilities	29	-1.95	0.22	-8.86	DISAGREE
Social security net to the land-loser	30	-1.95	0.22	-8.68	DISAGREE
CSR for Financial Literacy	31	-1.95	0.22	-8.86	DISAGREE
present employment status	32	NA	NA	NA	NA
Money Deposited in banks fetches sufficient interest-income	33	-1.65	0.49	-3.37	DISAGREE
Money invested in business yields sufficient income	34	-1.50	0.51	-2.94	DISAGREE
Improvement in economic condition	35	-1.85	0.37	-5.00	DISAGREE
Strong emotional and sentimental values to land	36	1.60	0.68	2.35	AGREE
Ownership of land symbol of social status	37	1.65	0.59	2.80	AGREE
Land acquisition is based on democratic principles	38	-1.70	0.47	-3.62	DISAGREE
Only fit to be employed in agriculture	39	1.45	1.00	1.45	NEUTRAL
Recognition to make land-loser as stake-holders of SEZ	40	-2.00	0.00	High Negative	DISAGREE
Employment guarantee for land- loser in manual jobs in the SEZ	41	-2.00	0.00	High Negative	DISAGREE
Employable skill formation as a part of R & R policy	42	-2.00	0.00	High Negative	DISAGREE
Land is fertile	43	1.20	0.52	2.31	AGREE
Agriculture is profitable	44	1.65	0.67	2.46	AGREE
Access to irrigation builds confidence	45	1.70	0.47	3.62	AGREE
Expectancy of land prices to rise	46	-1.75	0.44	-3.98	DISAGREE
Role of government as facilitator in land deal for SEZ	47	-0.10	0.85	-0.12	NEUTRAL
Certain percentage of developed land to land-loser	48	-1.85	0.37	-5.00	DISAGREE
Free education to children as part of R&R policy	49	-2.00	0.00	High Negative	DISAGREE
Free health facilities to the land-loser	50	-1.85	0.37	-5.00	DISAGREE
Social security net available	51	-1.90	0.31	-6.13	DISAGREE
Land purchased at market determined price	52	-1.15	0.88	-1.31	NEUTRAL
Sell land only when the offer price is more than the market price of land	53	-1.45	0.76	-1.91	NEUTRAL
Access to irrigation from Hetawane dam improves agricultural productivity	54	1.85	0.37	5.00	AGREE
Referendum in Raigad is necessary in decision-making	55	1.70	0.47	3.62	AGREE
Sale of land to SEZ not possible	56	-1.40	0.82	-1.84	NEUTRAL
Private party purchases land for real estate business	57	-1.20	0.83	-1.45	NEUTRAL
The offer price paid by private party is greater than the market price	58	-1.45	0.76	-1.91	NEUTRAL

Table no. 4.26 shows that the respondents from Kana Gaon disagree on the questions 24 to 31, 33 to 35, 38, 40 to 42, 46, 48 to 51 i.e., they deny any sort of R&R Package and any commitment on the part of the SEZ developer to recognize the respondents as the stake-holders of SEZ project. They also disagree on the prospects of appreciation of land value in future. They also disagree on the future rising price of land and entering land sale at that time. The strong disagreement of the respondents on this question is the reflection of the first-ever historic referendum held at Div Gaon in Pen Taluka. In other words, when the respondents are morally tied to the sanctity of the referendum the question of sale of land and expecting the land prices to rise in future is completely ruled out. The perceptions of the respondents in Kana Gaon are similar to the perceptions of Vashi Gaon and Div Gaon in the above respects.

The respondents in Kana Gaon are neutral on questions 39, 47,52 to 53 and 56 to 58 i.e., these respondents cannot take any clear stand because they can manage any manual job including agriculture which shows the presence of opportunity cost. In other words, these respondents can work in other alternative manual jobs including agriculture. The Vashi Gaon respondents also fit in this category. However, respondents from Div Gaon endorse the view that they are fit to be employed only in agriculture and they cannot seek other types of manual jobs like Vashi Gaon and Kana Gaon respondents. To put it in economic jargon, the opportunity cost of the respondents in Div Gaon is zero. This is one of the strong economic reasons why Div Gaon people put up strong protest against the acquisition of land for SEZ in Raigad.

The respondents are neutral to the questions that land is purchased at market price and land will be sold when market price increases in future. The respondents could not take any stand because they do not want to share any information on the price received on land sale. The sale of land for SEZ has come to a stand still after the first-ever historic referendum was held in 2008 in Raigad. Under such circumstances, the respondents cannot take any stand against the consensus arrived at the time of the historic referendum held in Raigad. They are, therefore, constrained to express their future expectations.

Respondents from Vashi Gaon take neutral stand on the above questions, whereas the respondents from Div Gaon strongly disagree to the above questions. This brings to the fore that the price paid for land is below the market price and the question of high offer price for land does not arise. This again lends credence to the strong opposition to relinquish land for SEZ in future.

Kana Gaon respondents are neutral on questions relating to the possibility of land sale to SEZ in future, private parties acquiring land, and the offer price of the private parties being greater than the market price. Here, again the Div Gaon people have expressed strong disagreement as compaired to Vashi Goan and Kana Gaon. This is another instance to substantiate the strong opposition from Div Gaon respondents to part with land for SEZ.

Kana Gaon respondents agree on questions 36 to 47, 43 to 45 and 54 to 55 i.e., the responses of Kana Gaon are similar to the responses enunciated in Vashi and Div Gaons.

Table 4.27

Bhel Gaon

Question in short form	Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-2	0.00	High Negative	DISAGREE
Developed land to farmers materialised	25	-2	0.00	High Negative	DISAGREE
Proper Skill formation scheme to family member of land-loser	26	-2	0.00	High Negative	DISAGREE
Employment at least to one member of the family	27	-2	0.00	High Negative	DISAGREE
Free education to children	28	-2	0.00	High Negative	DISAGREE
Free health facilities	29	-1.95	0.223607	-8.72	DISAGREE
Social security net to the land-loser	30	-2	0.00	High Negative	DISAGREE
CSR for Financial Literacy	31	-1.95	0.223607	-8.72	DISAGREE
present employment status	32	NA	NA	NA	NA
Money Deposited in banks fetches sufficient interest-income	33	-1.5	0.688247	-2.18	DISAGREE
Money invested in business yields sufficient income	34	-1.35	0.67082	-2.01	DISAGREE
Improvement in economic condition	35	-1.65	0.67082	-2.46	DISAGREE
Strong emotional and sentimental values to land	36	1.55	0.686333	2.26	AGREE
Ownership of land symbol of social status	37	1.65	0.587143	2.81	AGREE
Land acquisition is based on democratic principles	38	-1.7	0.470162	-3.62	DISAGREE
Only fit to be employed in agriculture	39	1.2	0.894427	1.34	NEUTRAL
Recognition to make land-loser as stake- holders of SEZ	40	-1.8	0.410391	-4.39	DISAGREE
Employment guarantee for land- loser in manual jobs in the SEZ	41	-2	0.00	High Negative	DISAGREE
Employable skill formation as a part of R & R policy	42	-2	0.00	High Negative	DISAGREE
Land is fertile	43	1.1	0.447214	2.46	AGREE
Agriculture is profitable	44	1.7	0.470162	3.62	AGREE
Access to irrigation builds confidence	45	1.75	0.444262	3.94	AGREE
Expectancy of land prices to rise	46	-1.75	0.444262	-3.94	DISAGREE
Role of government as facilitator in land deal for SEZ	47	0.15	0.67082	0.22	NEUTRAL
Certain percentage of developed land to land-loser	48	-1.85	0.366348	-5.05	DISAGREE
Free education to children as part of R&R policy	49	-2	0.00	High Negative	DISAGREE
Free health facilities to the land-loser	50	-1.8	0.894427	-2.01	DISAGREE
Social security net available	51	-1.4	0.753937	-1.86	NEUTRAL
Land purchased at market determined price	52	-1.15	0.875094	-1.31	NEUTRAL
Sell land only when the offer price is more than the market price of land	53	-1.7	0.470162	-3.62	DISAGREE
Access to irrigation from Hetawane dam improves agricultural productivity	54	1.8	0.410391	4.39	AGREE
Referendum in Raigad is necessary in decision-making	55	1.7	0.470162	3.62	AGREE
Sale of land to SEZ not possible	56	1	0.648886	1.54	NEUTRAL
Private party purchases land for real estate business	57	-1.4	0.820783	-1.71	NEUTRAL
The offer price paid by private party is greater than the market price	58	-1.45	0.759155	-1.91	NEUTRAL

Table no.4.27 demonstrates that the respondents from Bhel Gaon disagree on questions 24 to 31, 33 to 35, 38, 40 to 42, 46, 48 to 50 and 53. The responses from this village is the same as the responses from the previous villages viz., Vashi Gaon, Div Gaon and Kana Gaon i.e., the respondents' emotional and sentimental values attached to land, absence of R&R Package for Project Affected Persons (PAPs) and the non-commitment of the SEZ Developer to recognize the respondents as stake holders of SEZ project. They also disagree to the statement of selling land to SEZ when SEZ offers high price in future.

The respondents are neutral on questions 39,47, 51 to 52, 56 to 58, i.e., the respondents are reluctant to take any stand on whether they can work only in agriculture or can work in other manual jobs. This shows that the respondents in Bhel Gaon can work in manual jobs including agriculture. The responses of this Gaon are similar to the responses of Vashi Gaon and Kana Gaon but the responses of Div Gaon reflect that they are fit to work only in agriculture i.e., opportunity cost of the respondents in Div Gaon is zero unlike Vashi Gaon, Div Gaon, Kana Gaon and Bhel Gaon where the respondents can be employed in other alternative manual jobs. The entire episode of intense resistance against land acquisition for SEZ from Div village can be traced to the phenomenon of non-employability of the respondents in other manual jobs.

As regards to possibility of land sale to SEZ in future at a high price, respondents in Bhel Gaon do not take any clear stand like the respondents in Kana Gaon where as respondents from Vashi Gaon endorse the view that land

sale to SEZ is impossible. However, respondents in Div Village disagree to the question of land sale to SEZ any more. This can be attributed to the possibility of forceful acquisition of land by the state favoring corporate development paradigm at the cost of farm economy.

The respondents agree on questions 36 to 37, 43 to 45, and 54 to 55 i.e., the responses from Bhel Gaon are similar to the responses of Vashi Gaon, Div Gaon and Kana Gaon reverberating strong attachment to land and the need for irrigation infrastructure to utilize the cultivable land in the optimum manner.

Table 4.28

Vadav Gaon

Question in short form	Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-2	0.00	High Negative	DISAGREE
Developed land to farmers materialised	25	-2	0.00	High Negative	DISAGREE
Proper Skill formation scheme to family member of land-loser	26	-2	0.00	High Negative	DISAGREE
Employment at least to one member of the family	27	-2	0.00	High Negative	DISAGREE
Free education to children	28	-2	0.00	High Negative	DISAGREE
Free health facilities	29	-2	0.00	High Negative	DISAGREE
Social security net to the land-loser	30	-2	0.00	High Negative	DISAGREE
CSR for Financial Literacy	31	-2	0.00	High Negative	DISAGREE
present employment status	32	NA	NA	NA	NA
Money Deposited in banks fetches sufficient interest-income	33	-1.45	0.51	-2.84	DISAGREE
Money invested in business yields sufficient income	34	-1.45	0.60	-2.42	DISAGREE
Improvement in economic condition	35	-1.7	0.66	-2.58	DISAGREE
Strong emotional and sentimental values to land	36	1.65	0.59	2.80	AGREE
Ownership of land symbol of social status	37	1.6	0.68	2.35	AGREE
Land acquisition is based on democratic principles	38	-1.65	0.49	-3.37	DISAGREE
Only fit to be employed in agriculture	39	1.65	0.49	3.37	AGREE
Recognition to make land-loser as stake- holders of SEZ	40	-2	0.00	High Negative	DISAGREE
Employment guarantee for land- loser in manual jobs in the SEZ	41	-2	0.00	High Negative	DISAGREE
Employable skill formation as a part of R & R policy	42	-1.75	0.44	-3.98	DISAGREE
Land is fertile	43	1	0.32	3.13	AGREE
Agriculture is profitable	44	1.5	0.69	2.17	AGREE
Access to irrigation builds confidence	45	1.75	0.44	3.94	AGREE
Expectancy of land prices to rise	46	-1.65	0.67	-2.46	DISAGREE
Role of government as facilitator in land deal for SEZ	47	0.15	0.75	0.20	NEUTRAL
Certain percentage of developed land to land-loser	48	-2	0.00	High Negative	DISAGREE
Free education to children as part of R&R policy	49	-2	0.00	High Negative	DISAGREE
Free health facilities to the land-loser	50	-2	0.00	High Negative	DISAGREE
Social security net available	51	-2	0.00	High Negative	DISAGREE
Land purchased at market determined price	52	-1.45	0.76	-1.91	NEUTRAL
Sell land only when the offer price is more than the market price of land	53	-1.75	0.44	-3.94	DISAGREE
Access to irrigation from Hetawane dam improves agricultural productivity	54	1.75	0.44	3.94	AGREE
Referendum in Raigad is necessary in decision-making	55	1.8	0.41	4.39	AGREE
Sale of land to SEZ not possible	56	1	0.65	1.54	NEUTRAL
Private party purchases land for real estate business	57	-0.75	0.85	-0.88	NEUTRAL
The offer price paid by private party is greater than the market price	58	-0.85	1.31	-0.65	NEUTRAL

Table no.4.28 illustrates that the respondents from Vadav Gaon disagree on questions 24 to 31, 33 to 35, 38, 40 to 42, 46, 48 to 51 and 53. The responses of Vadav Gaon to these questions are similar to all the above stated villages except Kana Gaon i.e., Kana Gaon respondents are neutral to the question of the possibility of land sale to SEZ at high price in future. Unlike other villages who are firm about non-sale of land to SEZ, Kana Gaon being neutral implies they can sell land to SEZ at high price if situation permits.

Respondents from Vadav Gaon are neutral on questions 47, 52 and 56 to 58. Hence, all above villages except Div Gaon are neutral. The grievances of Div Gaon respondents is the off-shoot of acquisition of fertile land for SEZ at low prices.

The respondents agree on the questions 36 to 37, 39, 43 to 45 and 54 to 55. The responses to the question of employability phenomenon in Div Goan and Vadav Gaon strongly agree that they are fit to be employed only in agriculture unlike Vashi Gaon, Kana Gaon, and Bhel Gaon respondents not taking any stand reveals that they can do only manual jobs including agriculture. The rest of responses to the questions are the same in all villages.

Table 4.29

Borja Gaon

Question in short form	Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-2	0.00	High Negative	DISAGREE
Developed land to farmers materialised	25	-2	0.00	High Negative	DISAGREE
Proper Skill formation scheme to family member of land-loser	26	-2	0.00	High Negative	DISAGREE
Employment at least to one member of the family	27	-2	0.00	High Negative	DISAGREE
Free education to children	28	-2	0.00	High Negative	DISAGREE
Free health facilities	29	-2	0.00	High Negative	DISAGREE
Social security net to the land-loser	30	-2	0.00	High Negative	DISAGREE
CSR for Financial Literacy	31	-2	0.00	High Negative	DISAGREE
present employment status	32	NA	NA	NA	NA
Money Deposited in banks fetches sufficient interest-income	33	-1.55	0.51	-3.04	DISAGREE
Money invested in business yields sufficient income	34	-1.4	0.60	-2.33	DISAGREE
Improvement in economic condition	35	-2	0.00	High Negative	DISAGREE
Strong emotional and sentimental values to land	36	1.65	0.59	2.80	AGREE
Ownership of land symbol of social status	37	1.6	0.68	2.35	AGREE
Land acquisition is based on democratic principles	38	-1.75	0.44	-3.98	DISAGREE
Only fit to be employed in agriculture	39	1.65	0.49	3.37	AGREE
Recognition to make land-loser as stake- holders of SEZ	40	-2	0.00	High Negative	DISAGREE
Employment guarantee for land- loser in manual jobs in the SEZ	41	-2	0.00	High Negative	DISAGREE
Employable skill formation as a part of R & R policy	42	-2	0.00	High Negative	DISAGREE
Land is fertile	43	1.15	0.49	2.35	AGREE
Agriculture is profitable	44	1.55	0.69	2.25	AGREE
Access to irrigation builds confidence	45	1.7	0.47	3.62	AGREE
Expectancy of land prices to rise	46	-1.65	0.67	-2.46	DISAGREE
Role of government as facilitator in land deal for SEZ	47	1.4	0.75	1.87	NEUTRAL
Certain percentage of developed land to land-loser	48	-2	0.00	High Negative	DISAGREE
Free education to children as part of R&R policy	49	-2	0.00	High Negative	DISAGREE
Free health facilities to the land-loser	50	-2	0.00	High Negative	DISAGREE
Social security net available	51	-2	0.00	High Negative	DISAGREE
Land purchased at market determined price	52	-1.4	0.75	-1.87	NEUTRAL
Sell land only when the offer price is more than the market price of land	53	-1.65	0.49	-3.37	DISAGREE
Access to irrigation from Hetawane dam improves agricultural productivity	54	1.7	0.47	3.62	AGREE
Referendum in Raigad is necessary in decision-making	55	1.75	0.44	3.98	AGREE
Sale of land to SEZ not possible	56	1	0.65	1.54	NEUTRAL
Private party purchases land for real estate business	57	-0.8	0.89	-0.90	NEUTRAL
The offer price paid by private party is greater than the market price	58	-0.85	1.31	-0.65	NEUTRAL

Table no.4.29 tells us that the respondents from this village disagree on questions 24 to 31, 33 to 35, 38, 40 to 42, 46, 48 to 51 and 53.

The responses to the above questions are the same in all villages including Borja.

The respondents from Borja are neutral on questions 47, 52 and 56 to 58 i.e., they do not take any stand on the role of government as the facilitator in land acquisition for SEZ. Of course, this can be interpreted in to ways 1. The respondents do not trust the government because government has so far been in favour of land acquisition for SEZ. 2. The respondents can also have a ray of hope that government can play a pro-active role in the light of the experiences and feed back from different parts of the country. Of the two, it is rather over - ambitious to believe that government can play a positive role in land acquisition.

The respondents being neutral to the question on the role of government as a facilitator in land acquisition for SEZ, land purchased for SEZ at market price, possibility of land sale in future, private parties purchasing land for real estate business and the offer price of private parties being higher than market price depicts the fact that the respondents are doubtful whether the government would really play the role of facilitator as the past experience does not support this view point i.e., government in the past has forced the respondents to sell land for SEZ. The respondents are, in fact, reluctant to respond on the above

questions due to fear and moral obligation generated after the historic - referendum in Raigad.

The respondents agree on questions 36 to 37, 39, 43 to 45 and 54 to 55 i.e., the responses are similar on the above questions. However, Borja Gaon respondents like Div Gaon, Vadav Gaon are fit to be employed only in agriculture. In other words, they cannot be employed in other manual jobs except agriculture. As has been stated earlier, in those Gaons, where agriculture is the only source of livelihood SEZ has confronted stiff resistance from the respondents.

Table 4.30

Dave Gaon

Question in short form	Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-2	0.00	HIGH Negative	DISAGREE
Developed land to farmers materialised	25	-2	0.00	HIGH Negative	DISAGREE
Proper Skill formation scheme to family member of land-loser	26	-2	0.00	HIGH Negative	DISAGREE
Employment at least to one member of the family	27	-2	0.00	HIGH Negative	DISAGREE
Free education to children	28	-2	0.00	HIGH Negative	DISAGREE
Free health facilities	29	-2	0.00	HIGH Negative	DISAGREE
Social security net to the land-loser	30	-2	0.00	HIGH Negative	DISAGREE
CSR for Financial Literacy	31	-2	0.00	HIGH Negative	DISAGREE
present employment status	32	NA	NA	NA	NA
Money Deposited in banks fetches sufficient interest-income	33	-2	0.00	HIGH Negative	DISAGREE
Money invested in business yields sufficient income	34	-2	0.00	HIGH Negative	DISAGREE
Improvement in economic condition	35	-2	0.00	HIGH Negative	DISAGREE
Strong emotional and sentimental values to land	36	1.7	0.57	2.98	AGREE
Ownership of land symbol of social status	37	1.85	0.37	5.00	AGREE
Land acquisition is based on democratic principles	38	-1.7	0.47	-3.62	DISAGREE
Only fit to be employed in agriculture	39	1.65	0.49	3.37	AGREE
Recognition to make land-loser as stake- holders of SEZ	40	-2	0.00	HIGH Negative	DISAGREE
Employment guarantee for land- loser in manual jobs in the SEZ	41	-2	0.00	HIGH Negative	DISAGREE
Employable skill formation as a part of R & R policy	42	-2	0.00	HIGH Negative	DISAGREE
Land is fertile	43	1.1	0.45	2.44	AGREE
Agriculture is profitable	44	1.55	0.69	2.25	AGREE
Access to irrigation builds confidence	45	1.9	0.31	6.13	AGREE
Expectancy of land prices to rise	46	-1.7	0.57	-2.98	DISAGREE
Role of government as facilitator in land deal for SEZ	47	0.25	0.91	0.27	NEUTRAL
Certain percentage of developed land to land-loser	48	-2	0.00	HIGH Negative	DISAGREE
Free education to children as part of R&R policy	49	-2	0.00	HIGH Negative	DISAGREE
Free health facilities to the land-loser	50	-2	0.00	HIGH Negative	DISAGREE
Social security net available	51	-2	0.00	HIGH Negative	DISAGREE
Land purchased at market determined price	52	-1.4	0.75	-1.87	NEUTRAL
Sell land only when the offer price is more than the market price of land	53	-2	0.00	HIGH Negative	DISAGREE
Access to irrigation from Hetawane dam improves agricultural productivity	54	1.75	0.44	3.98	AGREE
Referendum in Raigad is necessary in decision-making	55	1.8	0.41	4.39	AGREE
Sale of land to SEZ not possible	56	1.45	0.51	2.84	AGREE
Private party purchases land for real estate business	57	-1.65	0.49	-3.37	DISAGREE
The offer price paid by private party is greater than the market price	58	-1.75	0.44	-3.94	DISAGREE

Table no.4.30 depicts the fact that respondents from Dave Gaon strongly disagree on questions 24 to 31, 33 to 35, 38, 40 to 42, 46, 48 to 51, 53 and 57 to 58 i.e., the responses of this Gaon are similar on questions 24 to 31, 33 to 35, etc. however, the respondents in Dave Gaon and Div Gaon unlike other Gaons categorically subscribe to the low-interest income from bank deposits and returns from capital invested in business. It indicates that major portion of money offered to respondents in lieu of land sale to SEZ could have been wasted on conspicuous consumption, change in life style, wrong choice of business options and also other socio-cultural aspects.

Another distinct feature of Dave Gaon is that respondents disagree on sale of land in future when the price of land increases and strongly disagree on selling land as in Borja Goan, Vadav Gaon and Div Gaon. It brings to the fore that land sale for SEZ is out of question in these villages in spite of high offer price for land. Added to this, the respondents strongly disagree to the questions of possibility of private parties jumping into land purchase for real estate purpose and the offer price being higher than the market price because the respondents have unanimously decided not to sell the fertile land for SEZ especially after the referendum.

Respondents are neutral on questions 47 and 52 i.e., they refuse to take any clear stand on the role of state as facilitator in land acquisition and the offer price being greater than the market price to attract the respondents. Neutrality in this context needs to be interpreted considering the strong disagreement

pertaining to questions 46, 53 and 57 to 58. In other words, they do not trust the government role in land deal for SEZ and also the strong determination of not to sell land for SEZ in spite of attractive offer price to relinquish land for SEZ.

Respondents agree on questions 36 to 37, 39, 43 to 45 and 54 to 56 i.e., the responses of Dave Gaon are similar to the responses of the above stated villages.

Table 4.31

Dadar Gaon

Question in short form	Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-2.00	0.00	High Negative	Disagree
Developed land to farmers materialised	25	-2.00	0.00	High Negative	Disagree
Proper Skill formation scheme to family member of land-loser	26	-2.00	0.00	High Negative	Disagree
Employment at least to one member of the family	27	-2.00	0.00	High Negative	Disagree
Free education to children	28	-2.00	0.00	High Negative	Disagree
Free health facilities	29	-2.00	0.00	High Negative	Disagree
Social security net to the land-loser	30	-2.00	0.00	High Negative	Disagree
CSR for Financial Literacy	31	-2.00	0.00	High Negative	Disagree
present employment status[1]	32	3.40	0.94	3.62	AGREE
Money Deposited in banks fetches sufficient interest-income	33	-1.40	0.75	-1.87	NEUTRAL
Money invested in business yields sufficient income	34	-1.35	0.75	-1.80	NEUTRAL
Improvement in economic condition	35	0.70	0.47	1.49	NEUTRAL
Strong emotional and sentimental values to land	36	1.65	0.59	2.80	AGREE
Ownership of land symbol of social status	37	1.45	0.69	2.10	AGREE
Land acquisition is based on democratic principles	38	0.90	0.31	2.90	AGREE
Only fit to be employed in agriculture	39	0.25	0.91	0.27	NEUTRAL
Recognition to make land-loser as stake- holders of SEZ	40	-2	0.00	High negative	Disagree
Employment guarantee for land- loser in manual jobs in the SEZ[2]	41	NA	NA	NA	NA
Employable skill formation as a part of R & R policy	42	NA	NA	NA	NA
Land is fertile	43	-1.78	0.46	-3.87	Disagree
Agriculture is profitable	44	NA	NA	NA	NA
Access to irrigation builds confidence	45	NA	NA	NA	NA
Expectancy of land prices to rise	46	NA	NA	NA	NA
Role of government as facilitator in land deal for SEZ	47	NA	NA	NA	NA
Certain percentage of developed land to land-loser	48	NA	NA	NA	NA
Free education to children as part of R&R policy	49	NA	NA	NA	NA
Free health facilities to the land-loser	50	NA	NA	NA	NA
Social security net available	51	NA	NA	NA	NA
Land purchased at market determined price	52	NA	NA	NA	NA
Sell land only when the offer price is more than the market price of land	53	NA	NA	NA	NA
Access to irrigation from Hetawane dam improves agricultural productivity	54	NA	NA	NA	NA
Referendum in Raigad is necessary in decision-making	55	NA	NA	NA	NA
Sale of land to SEZ not possible	56	NA	NA	NA	NA
Private party purchases land for real estate business	57	NA	NA	NA	NA
The offer price paid by private party is greater than the market price	58	NA	NA	NA	NA

Table no. 4.31 indicates that the respondents disagree on statements from 24 to 31 and 40 i.e., the responses from Dadar Gaon are the same as the

responses from other 7 villages. Simply put, the respondents of Dadar Gaon are also not offered any R&R package. Added to this, there is no commitment as such on the part of the SEZ developer to recognize the respondents as stake-holders of the SEZ project. The land in procession, however, is not fertile for cultivating agricultural crops and the land is fit for salt cultivation only.

The respondents are neutral on questions 33 to 35 and 39 i.e., they take neutral stand on questions relating to realization of reasonable interest-income from bank deposits, sufficient returns on money invested in business and improvement in economic conditions. Dadar Gaon respondents sold most of their land to SEZ as the salty land is uncultivable and also quite susceptible to sea fury. Since they have nearly sold all land in possession to SEZ, it need not be incorrect to argue that they must have received good amount of monetary compensation and must be earning reasonable amount of interest-income from banks and also good returns on business except few who could have spent money in unproductive ways.

Dadar Gaon is an exception in all 22 villages in Pen Taluka that people are happy after selling land to SEZ. Many a times, farmers had suffered insurmountable losses due to sea water flooding in the land. Having sold land to SEZ, the respondents need not get succumbed to the risk of sea fury ravaging agricultural fields.

Having sold land willingly to SEZ, most respondents in Dadar Gaon have switched over to the business of sand mining which fetches good amount of income and this activity generates employment to more people. Since SEZ developer has not yet commenced any operations, some respondents still

continue salt-farming. This indicates the fact that acquisition of land for SEZ or any other non-agricultural purpose would not create any problem provided the land to be acquired is uncultivable. Hence, the entire episode of SEZ controversy is the off-shoot of acquisition of fertile land in Raigad as well as in other parts of Maharashtra and across the country.

The respondents agree on questions 32 (multiple choice question), 36 to 38 i.e., the respondents have shifted from agriculture and salt-farming to non-farm activities such as land mining, construction work and self-employment. This kind of economic transformation in Dadar Gaon has also generated employment opportunities in non-traditional spheres to people at large. Added to this, the respondents like other villages have strong emotional and sentimental attachment to land and also consider land as symbol of social status despite land being uncultivable. They also subscribe to the view that there is possibility of appreciation of land value in near future, which is the reason for booming real estate business.

Please note that [A] The respondents in Dadar Gaon have sold almost all the land they owned to MSEZ. This has compelled them to get employed in non-agricultural activities. However, from villages 1 to 7 the respondents depend on agriculture and agriculture and fishing because they have either sold part of the land or have not sold any land to the above SEZs. This is the reason as to why question No. 32 is not applicable to those villages except Dadar gaon.

[B] In Dadar gaon, from question Nos.41 to 58 are not applicable because the respondents have already sold land to MSEZ.

Table 4.32

Total (200 Responses)

Question in short form	Number	Mean	SD	Z Score	Result
R R package satisfactory	24	-1.97	0.18	-10.94	DISAGREE
Developed land to farmers materialised	25	-1.99	0.12	-16.58	DISAGREE
Proper Skill formation scheme to family member of land-loser	26	-1.98	0.16	-12.38	DISAGREE
Employment at least to one member of the family	27	-1.97	0.17	-11.59	DISAGREE
Free education to children	28	-1.98	0.16	-12.38	DISAGREE
Free health facilities	29	-1.97	0.17	-11.59	DISAGREE
Social security net to the land-loser	30	-1.97	0.17	-11.59	DISAGREE
CSR for Financial Literacy	31	-1.98	0.16	-12.38	DISAGREE
present employment status	32	3.40	0.94	3.62	AGREE
Money Deposited in banks fetches sufficient interest-income	33	-1.60	0.61	-2.62	DISAGREE
Money invested in business yields sufficient income	34	-1.53	0.64	-2.39	DISAGREE
Improvement in economic condition	35	-1.61	0.88	-1.83	NEUTRAL
Strong emotional and sentimental values to land	36	1.70	0.59	2.88	AGREE
Ownership of land symbol of social status	37	1.70	0.57	2.98	AGREE
Land acquisition is based on democratic principles	38	-1.34	0.89	-1.51	NEUTRAL
Only fit to be employed in agriculture	39	1.49	0.83	1.80	NEUTRAL
Recognition to make land-loser as stake- holders of SEZ	40	-1.96	0.19	-10.32	DISAGREE
Employment guarantee for land- loser in manual jobs in the SEZ	41	-1.97	0.20	-9.85	DISAGREE
Employable skill formation as a part of R & R policy	42	-1.93	0.25	-7.72	DISAGREE
Land is fertile	43	1.27	0.55	2.31	AGREE
Agriculture is profitable	44	1.61	0.66	2.44	AGREE
Access to irrigation builds confidence	45	1.83	0.37	4.95	AGREE
Expectancy of land prices to rise	46	-1.78	0.49	-3.63	DISAGREE
Role of government as facilitator in land deal for SEZ	47	0.45	0.79	0.57	NEUTRAL
Certain percentage of developed land to land-loser	48	-1.94	0.23	-8.43	DISAGREE
Free education to children as part of R&R policy	49	-1.96	0.19	-10.32	DISAGREE
Free health facilities to the land-loser	50	-1.94	0.35	-5.54	DISAGREE
Social security net available	51	-1.89	0.36	-5.25	DISAGREE
Land purchased at market determined price	52	-1.37	0.80	-1.72	NEUTRAL
Sell land only when the offer price is more than the market price of land	53	-1.74	0.51	-3.41	DISAGREE
Access to irrigation from Hetawane dam improves agricultural productivity	54	1.78	0.41	4.34	AGREE
Referendum in Raigad is necessary in decision-making	55	1.76	0.43	4.09	AGREE
Sale of land to SEZ not possible	56	0.47	1.49	0.32	NEUTRAL
Private party purchases land for real estate business	57	-0.87	0.85	-1.02	NEUTRAL
The offer price paid by private party is greater than the market price	58	-0.86	1.00	-0.86	NEUTRAL

Table no. 4.32 reveals the fact that the total 200 samples (consolidated) drawn from 8 villages in Raigad point to the fact that the respondents disagree on Q.no. 24 which says that 'R&R package offered to the respondents was satisfactory'. In other words, they were not offered any R&R package in lieu of the land sold to SEZ. Same is the perception of those respondents who have not yet sold land to SEZ. Same is the response with other related questions from 25 to 31, 33 to 34, 40 to 42, 46, 48 to 51 and 53. These responses corroborate the alternative hypothesis (H_a). In other words, H_a is accepted.

The SEZ developer has not committed to recognize the respondents as stake-holders of the SEZ project. The overall response conveys that the respondents do not expect land prices to increase in future. This is because land acquisition for SEZ in Raigad has come to a stalemate after the first-ever historic referendum held at Div village. Therefore, there is a moral binding on the respondents not to sell land for SEZ as it would be detrimental to the civil society. When land acquisition for SEZ has already come to stand still, it makes no sense to argue that land will be sold to SEZ at higher price.

They are neutral on statements 35, 38 to 39, 47, 52 and 56 to 58. i.e., the overall response on questions viz., improvement in economic condition, land appreciation, employability in agriculture, role of government as facilitator, land purchased by SEZ agents at market price, sale of land not possible, private parties entering land purchase and the offer price is greater than market price is

neutral. In other words, the respondents do not take any clear stand on these questions.

The total 200 samples drawn from 8 villages (consolidated) in Raigad agree on Q.no.43, which says 'that land in possession of the respondents is more fertile'. Same is the respose on the related questions 32, 36 to 37, 45 and 54 to 55. In other words, the null hypothesis (H_0) that rural resistance against LA for SEZ is due to acquisition of fertile land is accepted.

All villages strongly agree that the land they possess and cultivate is more fertile, and agriculture is the most profitable occupation and land having access to irrigation would definitely elevate confidence of the farmers on a sustainable basis. The respondents are quite sure that access to irrigation from Hetawane Dam would improve agricultural production and productivity. Needless to say, rural prosperity of Raigad chiefly depends on the irrigation infrastructure expected by the people for about past 20 years. The respondents strongly subscribe to the view that historical referendum of the sort held in Raigad is an eye-opener not to part with fertile agriculture land for SEZs and other non-agricultural projects in view of ensuring sustainable development not only in Raigad but also across the country.

4.6 TESTING OF HYPOTHESES:

The hypotheses stated at the beginning are as follows:

a] H_0: Rural resistance against SEZs is due to acquisition of fertile land.

b] H_a: There was no satisfactory Rehablitation & Resettlement (R&R) package offered to the SEZ-affected farmers.

The researcher, on the basis of Z-score value, has tested the null hypothesis (H_0): Rural resistance against SEZs is due to the acquisition of fertile land and the alternative hypothesis (H_a): There was no satisfactory R&R package offered to SEZ-affected farmers.

1. The total 200 samples drawn from 8 villages in Raigad (Table no. 4.32 p 269) agree on Q.no. 43, which says that land in possession of the respondents is more fertile. This validates the null hypothesis that rural resistance against SEZ is due to the acquisition of fertile land for SEZ. It means that the Null hypothesis (H_0) is accepted.

2. On testing the responses of 200 samples in 8 villages it has been found that the respondents disagree on Q.no. 24, which says that there was no satisfactory R&R package offered to SEZ-affected farmers. Same is the response on the related questions also. Therefore, it has been concluded that the alternative hypothesis (H_a) is accepted.

4.7 CRONBACH'S ALPHA:

In statistics, there are two important terms- reliability and validity. Reliability means whether the instrument which I am using to measure something is reliable or not. If I use it time and again with a set of people will give me same result. For instance, if I have a weighing machine and I want to weigh a man who is approximately 80 kg, the same machine gives me 10 kg , 95 kg, 62 kg, etc. whenever the same man weighs himself, it means machine is not reliable. Our questionnaire is our machine for tool, a tool which should give us true result whenever / wherever we use it. It is very difficult to know the true value of any question, so what to do. Many scientists worked on this, some say if the answers have good co-relations, then the question should be valid. If the co-relation is very less then, we can say questions have not been framed well and are not reliable. There are many other methods to check reliability of the questions.

Cronbach's alpha is very common. The classical theory of reliability says it is equal to variance in true value divided by the variance in observed value. Variance in true value is always less and if variance in observed value is more, reliability will be less because denominator will be greater than numerator.

But the question arises how to measure true value. There is no answer. Scientists have suggested that we can find error if not true value. Then

reliability is 1-(variance in error / variance in observed value). Cronbach's alpha is based on same theorem.

Cronbach's alpha = (K / (K-1)*(Test mean/ Test variance) = 0.65

In this analysis, Cronbach's alpha works out 0.65 which is acceptable in social science research. It may also be noted that Cronbach's alpha should not be higher than 0.9.

CHAPTER 5: CONCLUSIONS AND SUGGESTIONS

The analysis of various dimensions of rural resistance against acquisition of land for MSEZ in the Raigad district of Maharashtra has enabled the researcher to deduce certain important conclusions and also make certain suggestions to the concerned authorities to consider in policy formulation and implementation.

5.1 CONCLUSIONS

1. The first and the foremost is the pattern of land ownership and mode of cultivation where it has been found that the entire land has been owned and cultivated exclusively by the owner himself/ her self for generations and the question of lease- land, share cropper and absentee landlordism is not traceable.

2. Land owned and cultivated by a meager number of respondents is located quite close to coastal line.The land owned and cultivated by majority of respondents are located relatively at some distance away from coastal line. It means that the possibility of sea water seeping into such land is minimal, albeit there is risk of flooding such as Tsunami, torrential rains, hurricane etc.

3. Majority of cultivable land is left fallow due to conspicuous absence of irrigation facilities. In other words, land is fertile but it is rain- fed. During the south-west monsoon land in Raigad is lush-green with mostly paddy crops all around. A small percentage of land is marshy and surrounded by salt-pan.

4. Majority of respondents cultivate land with family labour. The remaining few respondents carry out cultivation with hired labour along with family labour. In other words, those who hire labour are the big farmers who owned more than 5 hectares of land and the marginal and small farmers manage cultivation with family labour alone.

5. Land is rain-fed and there is no other source of irrigation. The respondents, therefore, have become vulnerable to the cultivation of only one crop i.e., paddy although land at their disposal has the potentials to grow more than one crop a year.

6. The prime food crop grown in Raigad is paddy. Paddy crop has maintained status quo for generations especially in Raigad.

7. It has been inferred that majority of respondents allocate more than 90% of land on the cultivation of paddy, the remaining 10% land is allocated for salt pan especially in one village namely Dadargaon were land is only fit for salt cultivation and agricultural crops can not be grown in salty land.

8. It becomes apparent that land for SEZs has been acquired exclusively through agents appointed by SEZ developer. This method of land acquisition of land is incompatible with democratic values and principles.

9. The analysis further lends credence to the fact that majority of respondents sold off land to SEZ due to non-availability of irrigation infrastructure. Among the remaining respondents some have sold land due to land vulnerability to natural fury (sea fury). Many a times land in Dadargaon had become victim to sea fury which has ravaged agricultural activity .Very few have sold land to SEZ due to compelling economic conditions. From this it becomes clear that many people during 2005-2007 have sold land to SEZ due to absence of irrigation facilities.

10. Land ownership pattern in Raigad is some what comparable to all India classification of marginal, small and big farmers. At all India level 80% are marginal and small farmers the remaining are big farmers who own more than 5 hectares. In Raigad also marginal and small farmers constitute about 88.5% and the remaining 11.5% are big farmers. This depicts the fact that there exists glaring inequality in the ownership of land assets in rural Raigad.

11. As per SEZ Act, the state will hand over 30% of the land to the SEZ developer subject to acquisition of 70% land by SEZ developer. However, the MSEZ has not yet acquired the remaining 70% of land. Hence MSEZ is in deep trouble.

12. The land so far acquired is more fertile. Acquisition of such fertile land which has been feeding people for generations is not only a threat to uproot the self-sufficient village economy but also has serious socio- cultural implications.

13. The respondents are not satisfied with the monetary compensation in lieu of the land parted with for SEZ. However, the respondents in Dadargaon have expressed that they are satisfied with the price offered for sale of land to SEZ because the land sold for SEZ is not amenable to agricultural activities. In other words, the land sold to SEZ is uncultivable because cultivation becomes difficult and almost impossible in salty land situated adjacent to sea.

14. It is evident that those respondents who have sold part of their land were not offered any Rehabilitation and Resettlement(R&R) package whatsoever. The respondents who have not sold any land to SEZ so far perceive that R&R package committing to recognizing the land owner as key stake-holders of the SEZ project is out of question. There are no such provision like employment guarantee to at least one member of the family of the land-

loser, employable skill formation schemes, free education to the children of the land loser, spreading financial literacy so as to use the monetary compensation productively , free health facility, social security net etc.

15. Land sold so far to SEZ has been carried out by SEZ appointed agents. It does indicate that the sale of land has negated market forces to determine land price paving way for appropriation of large sum of money by the middlemen. There are apprehensions that these agents could have not only exploited but also have used tactics to make the farmers agreeable to part with land for SEZ.

16. The amount of land to be acquired by SEZ is 70% of the total area of land to be eligible for 30% land to be allotted by the state. However, the land so far acquired by SEZ developer is far below 70% of the total area of SEZ. Therefore it is doubtful whether MSEZ in Raigad can see the light of the day. Moreover, the land partially sold by the respondents to SEZ is not contiguous implying the fact that SEZ is a far cry in Raigad.

17. It can be seen from the analysis that all respondents in the sample from all 8 villages in Pen Taluka of the Raigad district have expressed conspicuous absence of any R&R Package for the Project Affected Persons (PAPs) who have parted with land for the SEZ developer. Same is the perception of those respondents who have not yet sold any land to the SEZ developer.

18. The SEZ developer has not taken any initiative in the ambit of Corporate Social Responsibility (CSR) to make the respondents aware of the importance and utility of nurturing banking habits and also financial literacy to invest the monetary compensation in a more prudent and fruitful manner. The absence of such corporate initiatives has encouraged quite a number of farmers to indulge in extravagance, which can be termed as irrational behavior and the consequent unsustainable livelihoods.

19. The analysis further points to the fact that the respondents fail to earn reasonable amount of interest-income from the money deposited with banks and other financial institutions. This situation could have arisen due to low offer price of land, absence of banking habits and/or un-productive consumption that is change in life style induced by monetary compensation coupled with demonstration effect. Thus a few respondents have wasted money received as compensation for land sale to SEZ.

20. Money invested in business does not fetch reasonable returns. Having cultivated land for generations, the respondents are required to develop a different type of skill sets altogether to tackle the new challenges posed by the competitive environment. In other words, a complete transformation of the required skill sets to adapt to a new kind of business environment is a difficult proposition in the short-run. The respondents lack such skill sets. The respondents lacking proper entrepreneurial skills have dealt a severe blow to the income-earning capacity of the respondents.

21. The respondents are neutral to question of any discernible improvement in the economic conditions. It also means that they do not want to disclose even if there is improvement in the economic conditions. It can be noted that the respondents would have definitely disagreed had the economic conditions not improved. Therefore, being neutral amounts to the fact that economic conditions might have seen a rise.

22. The analysis further highlights the fact that the respondents have strong emotional and sentimental values attached to their land. This is because the land owned and cultivated has been inherited from their forefathers and has been cultivated for generations. Ownership of land especially in rural society has always remained a symbol of social status which also ignites stiff resistance and protest against land acquisition for SEZ. However, it also brings to the fore that the entire episode of land acquisition went on peacefully in Dadargaon because the respondents possessed land which was unfit to grow agricultural crops and is also quite prone to sea fury. Amongst the 8 villages surveyed in Raigad, Dadargaon is the only village where sea water can easily engulf the adjacent land and make agriculture unsustainable with insurmountable losses to the respondents.

23. This brings forth the fact that the respondents, in spite of strong emotional and sentimental values towards land, would calmly sell off land to SEZ if it is uncultivable.

24. The land hitherto acquired from the respondents in other 7 villages is highly fertile. It means the land sold to SEZ has the potentials to grow more than one crop a year provided irrigation facilities exist.

25. The respondents strongly agree and converge on the point that agriculture is a profitable occupation and is a sustainable source of livelihood. It means self-sufficient villages in all respects i.e., most respondents engage themselves in agriculture and fishing.

26. The respondents also subscribe to the view point that cultivable land having access to irrigation facilities to their farms builds confidence in the minds of the farmers to stick to agriculture on permanent basis.

27. Respondents based on the past experience do not expect the land prices to increase in the future. They are very firm on this view point because of the intervention of social activists and NGOs. The intervention of these institutions, it can be said, has played a key role in halting acquisition of fertile land for SEZ. The first –ever historic referendum in India held at Div village in Raigad is the articulation of the unity and a stepping stone of the democratic rights of the farmers so as to express their opinion on the acquisition of land for SEZ. The SEZ in Raigad almost breathed its last only after the referendum in Raigad to the effect that the SEZ has no right to acquire fertile land from the farmers. The fact that the respondents agreeing to the impossibility of acquisition of land henceforth and the consequent rise

in the price of land stems from the co-operation of the respondents to fight against LA for SEZ.

28. The respondents are neutral to the question of the role of government as a facilitator in acquisition of land for SEZ. This is because people do not trust the government as far as facilitating a fair deal not only in terms of fetching them market price for land but also a comprehensive and sustainable R&R Package for PAPs.

29. The respondents strongly disagree to the statement that there is scope of selling land when land prices increase in future. It implies that SEZ developers in the past have paid low prices for land and therefore, the question of paying attractive monetary compensation is completely ruled out. In other words, there is absence of a well thought -out and pro- active land acquisition mechanism.

30. The respondents who have not yet sold any land at all to SEZ perceive that they would be denied an amicable and sustainable R&R Package which had happened with those respondents who sold part of their land to SEZ. Thus the respondents are dissatisfied with the approach adopted in the acquisition of land for SEZ. This is clear indication of the fact that acquisition of land for SEZ in Raigad henceforth is a far cry. This boils down to the fact that the future for SEZs in Raigad is bleak.

31. The respondents are mute to a statement that land for SEZ was purchased at market-determined price. Being mute to the statement does not necessarily mean that the respondents received less monetary compensation. It connotes that the respondents would have made a big hue and cry had the land price been very less. Thus it can be maintained that those respondents who partly sold land to SEZ could have received a reasonable price excluding land deal commission pocketed by SEZ agents. It also conveys that the land price received by the respondents in the early years of acquisition of land for SEZ i.e., 2005 onwards would definitely have a valuation lesser than today. The defiance and discontent is not visible because the respondents should have been paid fair monetary compensation at that point of time. However, the absence of R&R policy to ensure sustainable livelihoods of the respondents is a serious lacuna in the SEZ policy of the Government of Maharashtra.

32. It becomes apparent that the respondents wait for the land prices to increase in future and then enter land sale does not hold true. This is because of two concrete reasons viz. , the intervention of the social activists and the consequent historic referendum held at Div gaon in Pen Taluka as to know whether the respondents extend support to SEZ or not. The second reason is majority of the respondents are fit to work only in agriculture, which supports the hypothesis that the opportunity cost of the respondents is zero. It implies that they cannot work in other alternative sources of livelihood. Apart from this the land possessed by them is more fertile. Thus the synergy

generated by both endogenous and exogenous factors intensified and gathered momentum in rural resistance against acquisition of land for SEZ.

33. The respondents in Pen Taluka of Raigad, for more than a decade i.e., since 1995 have trusted that the Irrigation Department would release water for agriculture. However, this has ended in vain. It is really shocking to see the huge water pipes still remaining idle has belied the hopes of the respondents. In fact, a very long delay and apathy of the concerned government authority has dealt a severe blow to the rural economy of Raigad. The respondents in Raigad are quite certain that their fertile single-cropped land has potentials to produce more than one crop in a year and a major handicap is lack of irrigation facilities from Hetawane Dam. The water from Hetawane Dam, in fact, bypasses villages in Pen Taluka and supplies water to Navi Mumbai. The respondents question the logic of supplying water to Navi Mumbai and refusing to make it available to those villages which are well within a radius of about 12 km from Hetawane Dam.

34. The respondents demand water for agriculture from Hetawane Dam. However, water is denied to agricultural activities which have resulted in stiff resistance to part with land for SEZ. Water delayed to these villages is water denied. In fact, the government apathy and denial of providing irrigation infrastructure is the major cause of stiff rural resistance against SEZ.. The study also reveals the fact that concerned government authorities and the SEZ developers work hand in glove, ignoring the respondents and

revival of agriculture. There is no justification that the government should side with Corporate Development Paradigm at the cost of agriculture. The neglect of agriculture would, undoubtedly, dent on food security, water security, environmental security etc. Thus rural protest in Raigad is the manifestation of the vengeance spawned by the respondents to part with land to SEZ.

35. Had respondents sold the required amount of land to SEZ, the SEZ would have got access to Hetawane Dam irrigation. This implies that the state's SEZ policy is anti-rural and pro-corporate in its approach. Encouraging industrialization at the cost of agriculture and allied activities would, undoubtedly, result in devastation of the rural economy. Considering the declining public investment in agricultural sector over these years, this would pose severe threat to the respondents who have been dependent on agriculture for generations. To put it in nutshell, the neglect of agricultural sector could derail the national economy and make growth unsustainable.

36. A country like India wedded to democratic values and principles, there is wanton need to involve people at the grass-root level to express their likes and dislikes especially in the process of decision- making and policy formulation and implementation. However, land acquisition in Raigad is incompatible with democratic principles. The state has excersied coercive method of LA under the pretext of "public utility" and SEZ developers has appointed agents to acquire land for SEZs. The respondents complain that

they have been exploited by these agents and they did not receive the entire amount due to them.

37. However, acquisition of fertile agricultural land for SEZ reached a stalemate when the social activists pioneered the first-ever historic referendum in Raigad District to ascertain if farmers support land acquisition for SEZ or not i.e., better late than never. Referendum of this sort is must not only to up hold the sanctity of democratic institutions but also to ensure transparency in decision-making.

38. There is an air of uncertainty looming over Raigad as regards to the acquisition of land to SEZ in future after the High Court's verdict that SEZ should not acquire fertile land for SEZ. Apart from this, the issue of land acquisition for SEZ coming to standstill stems from the historic referendum held at Div village in Raigad in 2008. This brings to the fore that the obligation of the respondents to adhere to the institutions like NGOs and social activists in matters concerning land sale. It needs to be clarified that these institutions have done commendable job by uniting and educating the respondents at large not to sell fertile land for non-agricultural purposes and thus dismantling the rural self-sufficient villages. However, there are also apprehensions that these respondents lured by hefty monetary compensation coupled with attractive R&R Package, can change their mind and still look for land sale in case there is legal commitment from the SEZ developer.

39. The respondents are neutral to the question of the possibility of the private parties especially realty developers buying land from the respondents. This question has been asked to the respondents to ascertain whether private parties have entered the land race for real estate business which is flourishing all over India in the neo-liberal regime. The objectives of this question are two-fold. First, Real estate developers taking undue advantage out of the SEZ stalemate in Raigad can purchase land on a small scale and over a period of time they can succeed in large scale land grab from the respondents. The Reality developers can also lure land sale by offering various other benefits apart from handsome monetary compensation. Second, there are apprehensions as to how long the respondents would uphold the sanctity of the historic referendum held at Raigad once they are awakened by the green pastures committed by the reality developers.

40. The respondents are also neutral to the question of the prospects of the private parties offering a price for land which is greater than market price. Here again, there are apprehensions that the land owners in Raigad can change their plan and enter the land deal to the private parties. It may not be an exaggeration to recall the structural transformation which Indian economy has been witnessing since 1991 (neo-liberal regime) especially the tempo of urbanization of rural India and also the service sector spreading its tentacles to tier-1 and tier-2 cities. Given the changing scenario especially in the socio-economic sphere, there is a potential threat to the traditional self-sufficient village economy.

Under such not-so-healthy proliferation of socio- economic environment, there is enough room for skewed development in favor of industry at the cost of agriculture. In fact, agriculture has the potentials not only to generate employment opportunities in rural areas but also has vistas for balanced regional development.

41. The answer to the question of offer price paid for land being higher than market price is also neutral i.e., the respondents decline to express their response in case the private parties offer price being substantially greater than the market price. This is because there is no scope for land sale to private parties as LA for SEZ has come to halt.

What emerges from the above conclusions is that land acquisition for SEZ has come to a halt in Raigad exclusively due to the intervention of the social activists and NGOs. These voluntary social institutions have played a key role to awaken the farmers to understand the potential socio- economic danger of parting with fertile farm land and also the failure of the SEZ to recognize the land-loser as stake- holder without any R&R Package. The social activists' relentless efforts have, undoubtedly, upheld the sanctity of the democratic principles of the Constitution of India.

5.2 GENERAL CONCLUSIONS

1. Sangeeth Varghese (2011) observes that "the evolution of power structures in families is rather a recent one. Just about two generations back, families were dominated by a patriarch- or the man of the house- who ruled with an iron hand. Men behaved as tyrants in their families, overpowered women, and oppressed them to their child-bearing and home-keeping responsibilities." Although this evolution of power structures is visible in urban areas, it will take more time in rural areas because economic transformation is relatively faster than social transformation in rural India, it's because of the deep-rooted and rigid social structure is difficult to change in short span of time.

   Staffan Lindberg et al (2011) say that "women still own a very small proportion of assets including land, have significantly lower literacy rate than men, constitutes to face domestic and other forms of violence, and face strong son preference." This observation clearly coveys the fact that the rural society is still dominated by man and it could take a long time to bring about gender equality and empowerment of women in rural India.

2. The major loophole in land acquisition can be traced back to the archaic Land acquisition Act, 1894. This Act is still in existence in spite of severe loopholes. In fact, this Act unfolded during the colonial rule in India. Government of India even today acquires land and hand it over to private

corporate sector under the guise of "public utility", which is unfair and incompatible with a democratic set-up. The land acquisition bill has been long pending in parliament. In other words, there is no seriousness and political commitment to pass the bill. This has already caused irreparable damage to our country.

3. The Land Acquisition (Amendment) Bill and the R&R Bill, as currently drafted, will strengthen the power of the state to, in words of Karl Polanyi, "subject the surface of the planet to the needs of an industrial society" (2001[1944]). The bills are attempts to overcome the contradiction for capital generated by the increased demand for land drawn by neo- liberal policies and the inelastic supply rooted farmers' unwillingness to sell. This conjuncture has given rise to a land broker state, in which state industrial development corporations and urban development authorities compete with each other to forcibly transfer private land from the poor to private companies.

4. The land broker state is distinct from the old developmental state which expropriated vast amounts of land for state-run dams, mines, and heavy industry. But now we experience increasing number of land transfers from one class to another for commercial purposes. Thus the role of state has caused distortions in the allocation of land from socially desirable means to defying social goals.

5. However, the land broker state is facing major political blowback. The use of the state machinery to expropriate resources from farmers and transfer them to large private companies for projects of dubious public purpose has unleashed intense farmers' resistance across the width and breadth of India.

6. High-profile clashes between farmers and the state (Nandigram, Singur and Raigad) have attracted national attention and politicized land acquisition to an unprecedented degree.

7. The state bureaucrats and the private sector see the need for a state role in land acquisition because they are facing political pressures to minimize that role. The proposed Land Acquisition (Amendment) Bill and the R&R Bill are their response to this dilemma. They appear to minimize the state's role in land acquisition and offer liberal concessions to the displaced, while in fact strengthening the ability of the State to acquire land for the private sector and offering insufficient entitlements to the dispossessed. They would rationalize dispossession in the double sense of both justifying and rendering it predictable; they will project the false impression that farmers are getting a" fair deal" while in fact ensuring that private capital gets timely access to land.

8. Hanumantha Rao C H (2009) recalls "Land to the tiller" was the out-reaching principle of land policy in the early post-independence period. While this policy continues to be relevant especially for tribal areas, half of

century of development has brought some new concerns to the forefront. With growing industrialization and urbanization, the rising demand for land for industrial purposes, including special economic zones (SEZs), and for housing in expanding urban areas is posing an inevitable threat of reverse movement of land from tillers.

5.3 SUGGESTIONS

The consensus that emerges from the investigation highlights certain serious lacunae in the land acquisition policy for SEZ in the Raigad District of Maharashtra. The major debacle for SEZs in Raigad is the acquisition of fertile land which dents the self-sufficient village economy of Raigad and the conspicuous absence of Pro-active land acquisition policy for SEZ. The foot-loose SEZ policy invariably breeds uncertainty and the prospects of revitalizing the SEZ-induced industrialization is doubly bleak in Raigad. There is, thus, wanton need to overhaul the existing SEZ Rules to fine-tune sustainable development. It is in this backdrop, certain suggestions are made for so as to at least minimize or even avert the proliferation of land battles across the state of Maharashtra against all kinds of land acquisition.

1. Land, unlike other factors of production, is distinct not only in its inelastic supply but also commands deep-rooted and persistent socio-cultural importance especially in rural society. Hence, the state as well as SEZ developer needs to adopt pro-active land acquisition policy for buying land for SEZ or any other non-agricultural purpose.

2. Cultivable land in Pen Taluka, Raigad District except Dadargaon, is situated at a reasonably safe distance from the coastal line. Respondents in other villages barring Dadargaon depend on agriculture and fishing for generations. The state and the SEZ developer should not throttle this traditional occupation by grabbing cultivable land for industrial development. The state in such cases can construct safe compound wall to prevent sea water engulfing cultivable land during sea-fury and thus ensuring sustainable agricultural output and farm incomes.

3. Rural resistance in Raigad intensifies at alarming proportions due to conspicuous absence of any other reliable source of irrigation infrastructure. Land being fertile and rain-fed, agriculture badly needs irrigation infrastructure and not land grab for SEZs. Had most land like Dadargaon in Raigad been uncultivable, there is reason to argue in favour of acquisition of land for SEZ as the land is salty and also quite prone to sea-fury.

4. The number of respondents who have sold part of their land to SEZ during 2005-07 due to non-availability of irrigational facilities is greater than the number of respondents who have sold their lands due to compelling economic conditions and also false promises of the SEZ developer. The state, therefore, is required to seriously launch on creating irrigation infrastructure to cater to the needs of agriculture and rural prosperity.

5. Small and marginal farmers constituting a large chunk of the rural-folk have to solely depend on agriculture as the only source of livelihood. As these

classes of respondents lack the required skill sets, and knowledge and information about the outside world, they are destined to remain in traditional occupation. Forcing these hapless farmers to part with land for SEZ is just like throwing the baby with bath water. Therefore, land grab for SEZ should be scrapped in order to restore the self-sustaining economy.

6. The land in Raigad is single-cropped because it depends on South-West monsoons, albeit the land is fertile. The land grows only paddy crop for the whole year. In other words, the fertile land is left fallow for the remaining part of the year. It is ironical to note that the land being inelastic in supply and left underutilized for the remaining part of the year needs immediate attention of the concerned authorities to expedite the execution of irrigation projects to rejuvenate the fragile agrarian structure.

7. Given the irrigation infrastructure in Raigad, land has potentials to go for diversification of crops and enhance agricultural yield, which would go a long way to increase rural incomes and soil fertility substantially.

8. Fish farming, within the vicinity of the respective villages of Raigad, apart from catering to domestic consumption, can also be made commercially plausible and viable provided there is uninterrupted supply of water. This can also supplement the respondents' incomes and thereby improve the standards of living of the rural-folk.

9. Land sale effected through the SEZ appointed agents has, need less to say, perpetuated large scale exploitation of the respondents. The state, therefore,

has to play the role of the facilitator so as to enable the land-loser to obtain fair monetary compensation by eliminating SEZ agents and encouraging direct land sale by the respondents themselves to SEZ developers. This sounds well in a democratic society.

10. As per SEZ Act,2005 the state would acquire and hand over 30% of land to private SEZ developer subject to acquisition of 70% of land by the SEZ developer. Needless to say the remaining 70% of land acquisition for SEZ has remained elusive so far in Raigad. The Supreme Court has also ruled in February, 2011 SEZ in Raigad is restricted to proceed with land acquisition and thus SEZ in Raigad is a closed chapter. However, the closure and further acquisition of land for SEZ in Raigad is subject to the Central Government's approval. SEZ stalemate in Raigad is the manifestation of rapacious appetite for fertile land grab, which the Social activists and NGOs prevented the farmers from parting with fertile land for SEZ. Since acquisition of fertile land for SEZ is next to impossible in Raigad, it is suggested that land acquisition for non-agricultural purposes such as industrial development, nuclear energy, mining, infrastructure etc should aim at acquiring and using uncultivable land for such purpose. Land being uncultivable need not necessarily qualify for such purpose but at the same time is also free from environmental and seismic vulnerabilities as it has happened in Jaitapur, Ratnagiri District. This calls for calibrated approach-Pilot surveys, pre-tested technology, time-bound completion, periodical project monitoring, evaluation etc.

11. The sluggish growth of agricultural output and rising food inflation throughout the world has posed a severe threat to food security which, is to a larger extent, ascribed to the acquisition of fertile land of non-agricultural purposes. Hence, it is very essential on the part of policy-makers not to encourage industrialization at the cost of both the present and future agricultural growth prospects.

12. Migration triggered by land acquisition will add fuel to the already existing problems of proliferation of slums, over crowding, deterioration of law and order, governance, mounting pressures on infrastructure and this would make urban growth unsustainable. Added to this, this would have serious socio-economic-politico implications.

13. Economists talk of reverse migration in order to save cities and urban areas from over-crowding and other socio-economic problems. However, there are apprehensions about the reverse trend of re-sending the population to rural areas on account of land acquisition for SEZ and other non-agricultural purposes. Therefore, policy-makers need to earmark certain targets to achieve reasonable rural growth by preventing land grabs.

14. The conspicuous absence of R&R package, undoubtedly, dealt a severe blow to land acquisition for SEZ. The rural resistance touching astronomical heights could have been silenced due to a greater extent by providing farmer-friendly R&R package to the PAPs by way of giving assurances of employment to at least one member of the family of the land-loser,

educating children, extending health care, developing banking habits and financial literacy, social security net etc. Neither the state nor the SEZ Developer took it seriously. People who part with fertile land which is their only asset and source of livelihood do deserve more than what they receive in money form. They need to be compensated satisfactorily.

15. The land so far acquired by SEZ developer is not contiguous. This has happened because some respondents during 2005-07 sold only a part of their land holdings and the land owners of many adjacent land have refused to sell land to SEZ. SEZ Developer is in big mess on account of non-contiguous land holdings which belies the possibility of setting up SEZ admeasuring 10,000 ha. Hence, there is lack of strategic business policy encompassing calibrated competent project planning and project feasibility.

16. We live in an age where the Corporate Social Responsibility (CSR) has gradually metamorphosed into Corporate Social Accountability (CSA). The CSR of SEZ is myopic in the sense that it aimed at only land grab from the respondents by hook or crook, completely over looking the onus of educating the illiterate respondents to save and invest the monetary compensation in productive manner. Therefore, the responsibility of educating the illiterate respondents in these lines could have uplifted the public image of the SEZ Developer.

The concept of CSR is the key to maintain sustainable livelihoods as quite a number of farmers in Maharashtra are reported to have wasted

money by changing their life styles. i.e., the son demanding motor-cycle from the father who sold land to SEZ and other non-agricultural purposes, indulging in gambling and drinking and also taking wrong business decisions has also made the land-losers virtually broke. Therefore, there is urgent need for pro-active land acquisition policy for SEZ with strong commitment to recognize the land losers as stake-holders of the SEZ project and also educate the land-losers to save and invest money more productively which could ensure sustainable livelihoods.

17. The respondents, with the help of moral and legal support of the Social activists and NGOs have succeeded in halting land acquisition for SEZ in Raigad. The first-ever historic referendum in 2008 in Raigad is the platform to express the likes and dislikes of the respondents on the subject of land acquisition for SEZ. It has been reported by the media over 90% of the respondents voted against acquisition of fertile land for SEZ. The concerned authorities have not yet made people's verdict on acquisition of land for SEZ in Raigad public. It means that there is no transparency and co-operation and involvement of the state to build the confidence in the minds of people. Therefore, there is need for intervention of social activists and NGOs to fight against the state for the well-being of the civil society.

18. The respondents need proper guidance and moral support from social activists and NGOs which would direct the people in the right way. It is these democratic institutions which have brought the respondents under one banner in spite of some hurdles on the march to victory.

19. The major allegation of the respondents in Raigad since last 15 years is the utter neglect of the irrigation department to release water from Hetawane Dam to agriculture. The huge water pipes intended to carry and supply water to 22 villages in Pen Taluka still remain in the same place where they were down-loaded. It still remains a riddle for the respondents as to why they are denied water in spite of sufficient water level at the Dam (Please Refer to Annexure). The stiff resistance of the civil society against land acquisition for SEZ is, to a larger extent, is the manifestation of refusal of water from Hetawane Dam. The respondents over these years are disappointed by hearing time and again the same reply that water would be soon released from the Dam. The long delay in releasing water to agriculture, apathy, lack of transparency and co-operation of the state has tested the patience of the civil society. Hence, there is an urgent need on the part of Irrigation department to expedite the required steps and enable farmers to avail of irrigation facilities to improve agricultural production and productivity in Raigad.

5.4 GENERAL SUGGESTIONS

The land battle in India is a structural problem in India's political economy. Therefore, we cannot afford to refrain from offering concrete reforms to the existing Land Acquisition Act (LAA) 1894, the amendment of LAA in 1984 and also the Resettlement & Rehabilitation Bills impending for a long time in the parliament.

1. Most importantly and fundamentally, states should not be acquiring land for private companies. Land acquisition should be limited to those government projects that demonstrably serve a well-defined public purpose that is not to be confused with the contributions of private profit to Gross Domestic Product (GDP).

2. That public purpose should also be justifiable in courts, giving potential oustees avenues for redress.

3. The bills should subject land acquisition to the prior and informed consent of Gramsabhas. These changes would greatly reduce the instances of land acquisition and the number of people displaced.

4. Any required land not used for the stated public purpose should be returned to its previous owner.

5. A substantive R&R Bill-which would merge into the LAA-should make binding commitments to compensate all those affected by any project of any size with some combination of land employment and equity shares.

6. There is also no reason why farmers should not be made the land lords of the projects instead of corporations.

7. Under no circumstances should the civil society be compensated with cash alone as this cannot provide sustainable alternative livelihood.

8. Any monetary compensation should be pegged not to the land's past agricultural value (which is followed at present) but to its commercial value factoring in the proposed development. This would require amending the LAA. There is no logical or moral reason why farmers should be deprived of this share in the land's appreciation. At present this wind fall gains is pocketed by private companies after buying land cheaply from the state.

9. Acquisition of land in the name of "public" purpose must be justified. What has happened in the past is the acquisition of land by the state and handing over it to private companies.

10. All commitments in the R&R Bill should have time frames for completion before projects begin and contain stiff penalties for non-performing agencies and officials.

The reopening of India's land acquisition laws to amendment is a historic opportunity for the myriad struggles against land acquisition across the country. These laws can either be amended to facilitate the forceful transfer of land from farmers to corporations or they can be amended to give people greater security in their land and resources and to ensure that they get a fair deal in the few instances when their land is required for a truly public purpose. If they are to really solve a problem for people rather than capital, Land Acquisition Act (Amendment) Bill and R&R Bill must be substantially altered from their current form.

As poor farmers and land-owners cry foul over growing number of acquisitions by various state governments, The Supreme Court has ruled that any attempt by the state to acquire land to benefit a particular group of people or to serve any specific interest at the cost of the interest of large section of people, especially of "aam admi" cannot be defined as public purpose. The Supreme Court added the concept of public purpose during acquisition should be in consistent with the concept of a welfare state and cannot remain static all the time.

11. Unlike China, SEZ model in India has not achieved the expected targets especially export promotion and the inflow of foreign investment and the transmission of foreign technology in industrial development. In fact, SEZs are infested with land acquisition problems and the imposition of 18.5% Minimum Alternative Tax (MAT) in the 2011-2012 budget. The corporate sector as well as the Commerce ministry at the center have pleaded for scrapping MAT and assure the previous fiscal incentives to continue. Therefore, the problem of land acquisition for SEZ can be lessened provided SEZ Developers shift from acquisition of cultivable land to uncultivable land. MAT relief to SEZs is under consideration but scraping MAT would cause insurmountable revenue loss to the coffers of the government. A more reliable cost-benefit analysis on SEZs is the need of the hour. However, Pulin BNayak observers that "The Finance Minister has done well to end tax holidays for developers of Special Economic Zones (SEZs) and companies located within such zones. He has also resisted pressure from companies housed in Software Technology Parks to extend the tax holiday on export

profits beyond 2011. Also both companies and developers will pay a higher MAT-charged on companies that enjoy exemptions and pay no tax at all-of 18.5% starting this year (1 April, 2011). They will also have to pay dividend distribution tax of 15% after 1 June, 2011." Considering these headwinds the future for SEZ seems to be bleak.

12. At the core of the problem is identifying the right price for a particular piece of agricultural land. It makes sense to consider the future use of a piece of land before deciding its price - the current price of the agricultural land is likely to be lower than its price when converted it to industrial use. And it is not necessarily impossible to discover this price if the private sector is allowed to negotiate directly with the farmers, rather than the state mandating a particular price. There will, after all, be some price at which the farmers will not say no and it will still be worthwhile for the industry to buy. The problem, of course, is that the land markets, particularly in rural areas are not well developed. This is suggestive of the fact that legislation must facilitate better price discovery.

13. There is a serious problem of titling-without a formal title, a farmer will obviously not agree to sell. Assigning titles is a gigantic exercise but it must be done along with computerization of land records. This will help farmers sell their lands hassle-free. Interestingly enough, in states that are richer (where farmers are better-off) and where the land markets are better developed, there is much less controversy over land acquisition e.g. Tamil

Nadu and Gujarat where land acquisition has materialized with not so much opposition or even smoothly.

14. It has been estimated that India has nearly 64 million hectares of degraded, saline, arid and desert lands. Government of India should help setup industrial parks and EPZs in such lands in consultation with the state governments.

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ANNEXURE 1:

(मुलाखत अनुसूची)

INTERVIEW SCHEDULE

(आपण दिलेली माहिती फक्त शैक्षणिक हेतूसाठीच वापरली जाईल

(Please note that the information that you provide will be used purely for academic purpose and will be kept confidential)

याची कृपया नोंद घ्यावी. आणि ती गुप्त ठेवली जाईल)

A. PERSONAL PROFILE

(वैयक्तिक संक्षिप्त माहिती)

1. Name (नाव) _____
2. Residential Address (घरचा पत्ता) _____

(1) 3. Sex (लिंग) : ☐ Male (पुरुष) ☐ Female (स्त्री)

(2) 4. Age Group (वयोगट) :
- ☐ 15-25 years
- ☐ 25- 40 years
- ☐ 40-55 years
- ☐ Above 55

(3) 5. Marital Status (वैवाहिक स्थिती) ☐ Married (विवाहित) ☐ Unmarried (अविवाहित)

(4) 6. If married, how many children do you have? (विवाहित असल्यास आपणास किती मुले आहेत?)
- ☐ No child (मूल नाही)
- ☐ One child (एक मूल)
- ☐ Two children (दोन मुले)
- ☐ Above two children (दोनापेक्षा अधिक)

(5) 7. Educational level (शैक्षणिक स्थिती)
- ☐ Illiterate (निरक्षर)
- ☐ Upto matriculation (मॅट्रिक पर्यंत)
- ☐ Post-matriculation (मॅट्रिकपेक्षा अधिक)

(6) 8. Occupation (व्यवसाय) :
- ☐ Agriculture (शेती)
- ☐ Agriculture and Fishing (मत्स्यपालन)
- ☐ Agricultural labourer (शेतमजूर)
- ☐ Salt pan owner (मिठागर मालक)
- ☐ Salt pan worker (मिठागर मजूर)
- ☐ Others (इतर)

(7) 9. Annual income (in Rs.) (वार्षिक उत्पन्न) (रु.) :
- ☐ Below 50,000 (५०००० पेक्षा कमी)
- ☐ 50,000 to 100,000 (५०००० ते १०००००)
- ☐ 100,000 to 150,000 (१००००० ते १५००००)
- ☐ Above 150,000 (१५०००० पेक्षा अधिक)

(सामाजिक-आर्थिक रुपरेषा /विवरण)

B. SOCIO- ECONOMIC PROFILE

(5) 1. Nature of Land Ownership : (जमीन मालकीचा प्रकार)

- ☐ Ancestral Land (वडिलोपार्जित जमीन)
- ☐ Purchased Land (विकत घेतलेली जमीन)
- ☐ Others (इतर)

(6) 2. Mode of cultivation : (मशागतीच्या पद्धती)

- ☐ Owner-cum cultivator (मालक असून शेतकरी)
- ☐ Lease Land (ठराविक मुदतीसाठी भाड्याने घेतलेली जमीन)
- ☐ Share- cropper (हिस्सेदार शेतकरी)
- ☐ Absentee Landlordism (गैरहजर शेतमालकी)

(10) 3. Access to Coastal Line : (समुद्रकिनाऱ्यापासूनचे अंतर)

- ☐ Quite close to coastal line (समुद्रकिनाऱ्याजवळ)
- ☐ Within ½ km (१/२ किमी. अंतरावर)
- ☐ ½ km to 1 km (१ किमी. अंतरावर)
- ☐ Above 1km (१ किमी. पेक्षा दूर)

(11) 4. Land Environment : (जमीनीचा परिसर)

- ☐ Surrounded by lush green paddy fields (हिरव्यागार नांदूळ शेतींनी वेढलेली)
- ☐ Surrounded by industries (उद्योगधंद्यांनी वेढलेले)
- ☐ Surrounded by forest (जंगलाने वेढलेली)
- ☐ Surrounded by Marshy land (दलदलीने वेढलेली)
- ☐ Surrounded by salt- pan (मिठागरांनी वेढलेली)
- ☐ Surrounded by river (नदींनी वेढलेली)
- ☐ Surrounded by fallow land

(12) 5. Details of Farm Employment : (शेतावरील कामगारांसंबंधी तपशील)

- ☐ Family labour (कुटुंबातील व्यक्ती)
- ☐ Hired labour (मजुरीवर ठेवलेले मजूर/पगारी)
- ☐ Family and Hired labour (कुटुंबातील व मजुरीवर ठेवलेले मजूर)

(13) 6. Indicate the sources of irrigation : (पाणी-पुरवठ्याच्या पद्धती)

- ☐ Rain-fed (पावसाच्या पाण्यावर)
- ☐ Bore well (जमीनीला खणून पाडलेली विहिर)
- ☐ Canal (कालवा)
- ☐ River (नदी)
- ☐ Dam (धरण)
- ☐ Tube well (कूपनलिका / विहिर बोरींग)

(14) 7. How many crops did/do you cultivate annually? :
(दरवर्षी किती पिके घेता)

- [ ] Single cropped (फक्त एक पीक)
- [ ] Double cropped (दोन पिके)
- [ ] Multi cropped (अनेक पिके)

(15) 8. Name the prime food crops you Cultivated/cultivate :
(तुम्ही पिकवत असलेले प्रमुख धान्य सांगा)

- [ ] Paddy (तांदूळ)
- [ ] Wheat (गहू)
- [ ] Maize (मका)
- [ ] Ragi (नाचणी)
- [ ] Millets (ज्वारी / बाजरी)
- [ ] Pulses (डाळी)

(16) 9. How much land did/do you allocate for the prime food crop? :
(किती जमीन मुख्य अन्नधान्य पिकविण्यासाठी वापरता?)

- [ ] 50% to 60% (५०% ते ६०%)
- [ ] 60% to 70% (६०% ते ७०%)
- [ ] 70% to 80% (७०% ते ८०%)
- [ ] 80% to 90% (८०% ते ९०%)
- [ ] Above 90% (९०% पेक्षा जास्त)

(विशेष आर्थिक क्षेत्रासाठी जमीनीचा ताबा घेण्यास होणारा ग्रामीण विकास)

C. RURAL RESISTANCE AGAINST LAND ACQUISITION FOR SEZ

Part I. To those respondents who have partly sold land to SEZ

(भाग-१-सेझसाठी ज्यांनी संपूर्ण जमीन आधीच विकलेली आहे अशांसाठी)

(17) 1. What was the method adopted to acquire land for SEZ? :
(विशेष आर्थिक क्षेत्रासाठी कोणत्या पद्धतीने जमीन ताब्यात घेतली गेली?)

- ☐ Through SEZ agents (सेझच्या दलालांमार्फत)
- ☐ Any other (इतर प्रकारे)

(18) 2. What were the other reasons for sale of land to the SEZ? :
(विशेष आर्थिक क्षेत्रासाठी जमीन विकण्याची कारणे कोणती?)

- ☐ Economic Compulsions (आर्थिक जबरदस्तीने)
- ☐ Attractive Promises (आकर्षक आश्वासने)
- ☐ Land Vulnerable to Natural Fury (नैसर्गिक आपत्ती येण्याजोगी जमीन)
- ☐ Uncultivable Land (मशागतीला अयोग्य जमीन)
- ☐ Uneconomic Landholdings (किफायतशीर शेती अयोग्य छोट्या जमीनीचे तुकडे)
- ☐ Lack of Irrigation Facilities (पाणी-पुरवठ्याची कमतरता)
- ☐ None of the above (वरीलपैकी नसलेले इतर कारण)

(19) 3. How much land did you own? :
(तुमच्या मालकीची किती जमीन होती?)

- ☐ Below 2 hectares (दोन हेक्टरपेक्षा कमी)
- ☐ 2 to 5 hectares (२ ते ५ हेक्टर)
- ☐ Above 5 hectares (५ हेक्टरपेक्षा जास्त)

(20) 4. How did you sell the land to SEZ? :
(तुम्ही सेझला जमीन कशी विकली?)

- ☐ Through agents (मध्यस्थांमार्फत)
- ☐ Directly (प्रत्येक सेझला थेट)
- ☐ Any other (इतर प्रकारे)

(21) 5. What was the percentage of land sold to SEZ? :
(तुम्ही किती टक्के जमीन सेझ विकासकांना विकली?)

- ☐ Below 10% (१०% पेक्षा कमी)
- ☐ 10% -30% (१०% ते ३०%)
- ☐ 30% -50% (३०% ते ५०%)
- ☐ 50% -70% (५०% ते ७०%)
- ☐ 70% -90% (७०% ते ९०%)
- ☐ Above 90% (९०% पेक्षा अधिक)

(22) 6. What was the quality of land sold? :
(विकलेल्या जमीनीची प्रत/दर्जा कोणती होती?)

- ☐ Fertile land (सुपीक जमीन)
- ☐ Uncultivable land (नापीक जमीन)
- ☐ Any other (इतर)

(23) 7. What was the monetary compensation offered for the land deal? :

(जमीन व्यवहारात दिला गेलेला आर्थिक मोबदला काय होता?)

- [ ] Abysmally low price (अत्यंत कमी किंमत)
- [ ] Some what acceptable price (थोडीफार मान्य किंमत)
- [ ] Market price (बाजारभाव)
- [ ] More than market price (बाजारभावापेक्षा जास्त)

(24) 8. The R&R package provided by the SEZ was satisfactory :

(सेझने देऊ केलेला पुनःस्थापना व पुनर्वसन प्रस्ताव समाधानकारक आहे.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(25) 9. The approach to making the land loser eligible for the allotment of certain percentage of developed land materialized :

(जमीन गमावणाऱ्या व्यक्तीला काही टक्के विकसीत जमीनीचे वाटप करण्यासाठी पात्र करण्याचा विचार सफल झाला.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(26) 10. The SEZ implemented proper skill formation schemes to the family members of the land losers :

(सेझने जमीन गमावणाऱ्या व्यक्तीच्या कुटुंबियांना सुयोग्य कौशल्य शिकवण्याची योजना अवलंबिली.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(27) 11. Employment was provided to at least one of the members of the f amily members of the land loser by the SEZ developer :

(सेझ विकासदाराने जमीन गमावणाऱ्या व्यक्तीच्या कुटुंबातील कमीत कमी एका सदस्याला तरी व्यवसाय / नोकरी दिली.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(28)12. Free education was provided to the children of the land loser by the SEZ developer :
(सेझ विकासकाने जमीन गमावणाऱ्या व्यक्तींच्या मुलांसाठी मोफत शिक्षणाची व्यवस्था केली.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(29)13. Free health facilities were available to the family of the land loser by the SEZ developer :
(सेझ विकासकाने जमीन गमावणाऱ्या व्यक्तीच्या कुटुंबासाठी मोफत आरोग्य सोयीची व्यवस्था केली.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(30)14. There was social security net available to the land loser :
(जमीन गमावणाऱ्या व्यक्तीला सामाजिक सुरक्षाकवच पुरविले गेले होते.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(31)15. The Corporate Social Responsibility (CSR) helped the farmers develop banking habits as a part of financial literacy :
(संयुक्त सामाजिक जबाबदारी या संकल्पनेची शेतकऱ्यांमध्ये आर्थिक साक्षरतेचा एक भाग म्हणून, बँक व्यवहाराची सवय लावण्यास मदत झाली.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(32)16. What is your present employment Status? :
(तुमच्या सध्याचा व्यवसाय / नोकरीची स्थिती कोणती?)

- [ ] Agricultural labour (शेतमजूर)
- [ ] Construction worker (बांधकाम मजूर)
- * [ ] Employed in MGNRES (सरकारी रोजगार योजना)
- [ ] Self-employed other than agriculture (शेती व्यतिरिक्त स्वतःचा व्यवसाय)
- [ ] Unemployed (बेकार)
- [ ] Non of the above (वरीलपैकी काही नाही.)

(33) 17. The amount of money deposited in banks after the sale of land fetches sufficient amount of interest-income to maintain your family :
(जमीन विकून आलेला पैसा बँकेत जमा केल्यावर, येणारे व्याज कुटुंबाच्या चरितार्थ चालविण्यास पुरेसे असते.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(34) 18. The amount of money invested in business after the land sale yeilds sufficient income to maintain your family :
(जमीन विकून आलेला पैसा व्यवसायात गुंतविल्यावर येणारा नफा कुटुंबाच्या चरितार्थ चालविण्यास पुरेसा असतो.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(35) 19. There is marked and sustainable improvement in the economic conditions of the family after land sale to SEZ :
(सेझला जमीन विकल्यानंतर कुटुंबाच्या आर्थिक स्थितीत निःसंशय व सातत्याने सुधारणा होत आहे.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(ज्यांनी सेझला जमीन अंशतः विकलेली आहे अशांसाठी)

Part II. To those respondents who have not sold any land to SEZ

(36)1. Strong emotional and sentimental values attached to Land :
(जमिनीशी असलेल्या दृढ भावनिक मूल्यांचे बंधन)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(37)2. Ownership of land is a symbol of socio-economic status in rural India :
(मालकीची जमीन असणे हे ग्रामीण भारतात सामाजिक आर्थिक दर्जाचे प्रतीक आहे. (समजले जाते.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(38)3. Land acquisition for SEZ is in compliance with democratic principles :
(सेझसाठी जमीनीचा ताबा घेणे हे लोकशाही मूलतत्त्वांशी सुसंगत आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(39)4. You are fit to work only in agriculture :
(तुम्ही फक्त शेतीच्च काम करण्यास योग्य आहात.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत

(40)5. Ther is commitment on the part of SEZ developers to recognise the land-loser as the stake-holder of the project :
(सेझ विकासक जमीन गमावणाऱ्या व्यक्तीला या प्रकल्पातील भागीदार म्हणून मान्यता देण्यास बांधील वचनबद्ध आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(41) 6. There is employment guarantee for the illiterate land-losers to be employed in manual jobs in the SEZ project :

(जमीन गमावणाऱ्या निरक्षर व्यक्तीला सेझ प्रकल्पात हाताने करण्याच्या कामाची रोजगार हमी आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(42) 7. Employable skill formation scheme is incorporated in the R&R policy for the family member of the land-loser to be employed in the SEZ project :

(जमीन गमावणाऱ्या व्यक्तीच्या कुटुंबातील सदस्याला सेझ प्रकल्पात नोकरी देण्यासाठी, नोकरीला लावण्याजोगे कौशल्य/कसब शिकवण्याची योजना पुनःस्थापना व पुनर्वसन या धोरणात अंतर्भूत आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(43) 8. The land in possession is more fertile :

(ताब्यात असलेली जमीन सुपीक आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(44) 9. Agriculture is the profitable occupation :

(शेती हा फायदेशीर व्यवसाय आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(45) 10. Land having access to irrigation sources builds confidence in the minds of the farmer to stick to agriculture :

(जमीनीला पाणीपुरवठ्याचा उगम, सोय उपलब्ध असल्यास शेतकऱ्याच्या मनात विश्वास निर्माण होतो व तो शेतीला चिकटून राहतो. शेतीशी एकनिष्ठ राहतो.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(46) 11. You expect that land prices would still soar in the future and then enter the land deal :

(भविष्यकाळात जमिनीच्या किमती अजूनही भराभर वाढतील व नंतर जमीनीचा व्यवहार करावा अशी आपली अपेक्षा आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(47) 12. The role of the government is to facilitate land deal for SEZ

(सरकारची भूमिका सेझ साठी जमीन उपलब्ध करुन देणे ही आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(48) 13. There is provision for allotment of Certain percentage of developed land to those who part with land to the SEZ project :

(सेझ प्रकल्पासाठी ज्यांनी आपली जमीन दिली त्यांना विकसीत जमिनीतील काही टक्के वाटा देण्याची तरतूद आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(49) 14. Free education is provided to the children of the land loser by the SEZ developer in the R&R package :

(पुनःस्थापना व पुनर्वसन प्रस्तावानुसार सेझ विकासकाकडून जमीन गमावणाऱ्या व्यक्तींच्या मुलांना मोफत/विनामूल्य शिक्षण दिल जाते.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(50) 15. Free health facilities are available to the family of the land loser by the SEZ developer in the R&R package :

(पुनःस्थापना व पुनर्वसन प्रस्तावानुसार जमीन गमावणाऱ्या व्यक्तीच्या कुटुंबियांना सेझ विकासकांकडून मोफत आरोग्यसोयी/सेवा उपलब्ध करुन दिल्या जातात.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(51)16. Social security net available to the land loser in the R&R package :

(जमीन गमावणाऱ्या व्यक्तीला पुन:स्थापना व पुनर्वसन प्रस्तावात (योजनेत) सामाजिक सुरक्षाकवच उपलब्ध आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(52)17. Land for SEZ is purchased at market-determined prices :

(सेझसाठी जमीन प्रचलित बाजारभावाने खरेदी केलेली आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(53)18. You will sell land to SEZ only when the offer price is more than the market price of land :

(देऊ केलेली किंमत बाजारभावापेक्षा जास्त असली तरच नुम्ही जमीन विकाल / विक्री कराल.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(54)19. Agricultural land having acess to Irrigation facilities from Hetawane dam would spur agricultural productivity and production :

(शेतजमिनीला पाणी पुरवणाऱ्या हेटवणे धरणाचे काम चालू झाल्यावर शेतीउत्पादन व उत्पादकता तात्काळ वाढेल.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(55) 20. The historical referendum in Raigad to decide about the SEZ is the platform for the articulation of the democratic process in decision-making :

(रायगडमधील सेझबाबतचे निर्णय घेताना निदर्शनास आलेले ऐतिहासिक लोकमत हे असे निर्णय घेण्यासाठी लोकशाही पद्धतीने स्पष्टपणे मते मांडण्यासाठीचे व्यासपीठ आहे.)

- ☐ Strongly agree (खंबीरपणे सहमत)
- ☐ Agree (सहमत)
- ☐ Neutral (तटस्थ)
- ☐ Disagree (असहमत)
- ☐ Strongly Disagree (खंबीरपणे असहमत)

(56)21. The farmer selling land to SEZ is next to impossible :

(शेतकऱ्याने सेझला जमीन विकणे अशक्य आहे.)

- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

(57)22. After SEZ stalemate, private parties purchase land for real estate business :

(सेझनंतर खाजगी मक्तेदार (महाऱ्याने) व्यवसायासाठी जमीन विकत घेतली.)

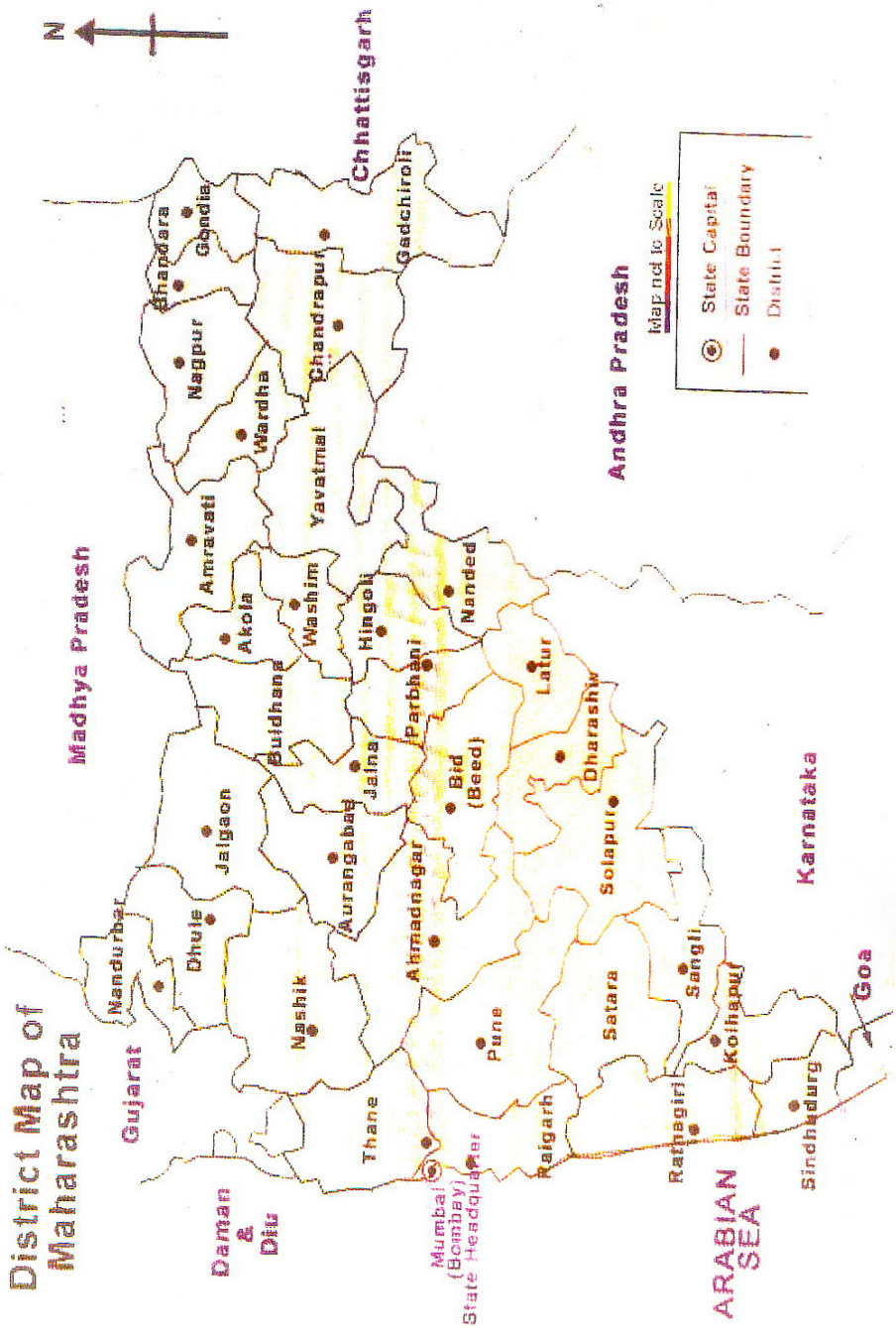
- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

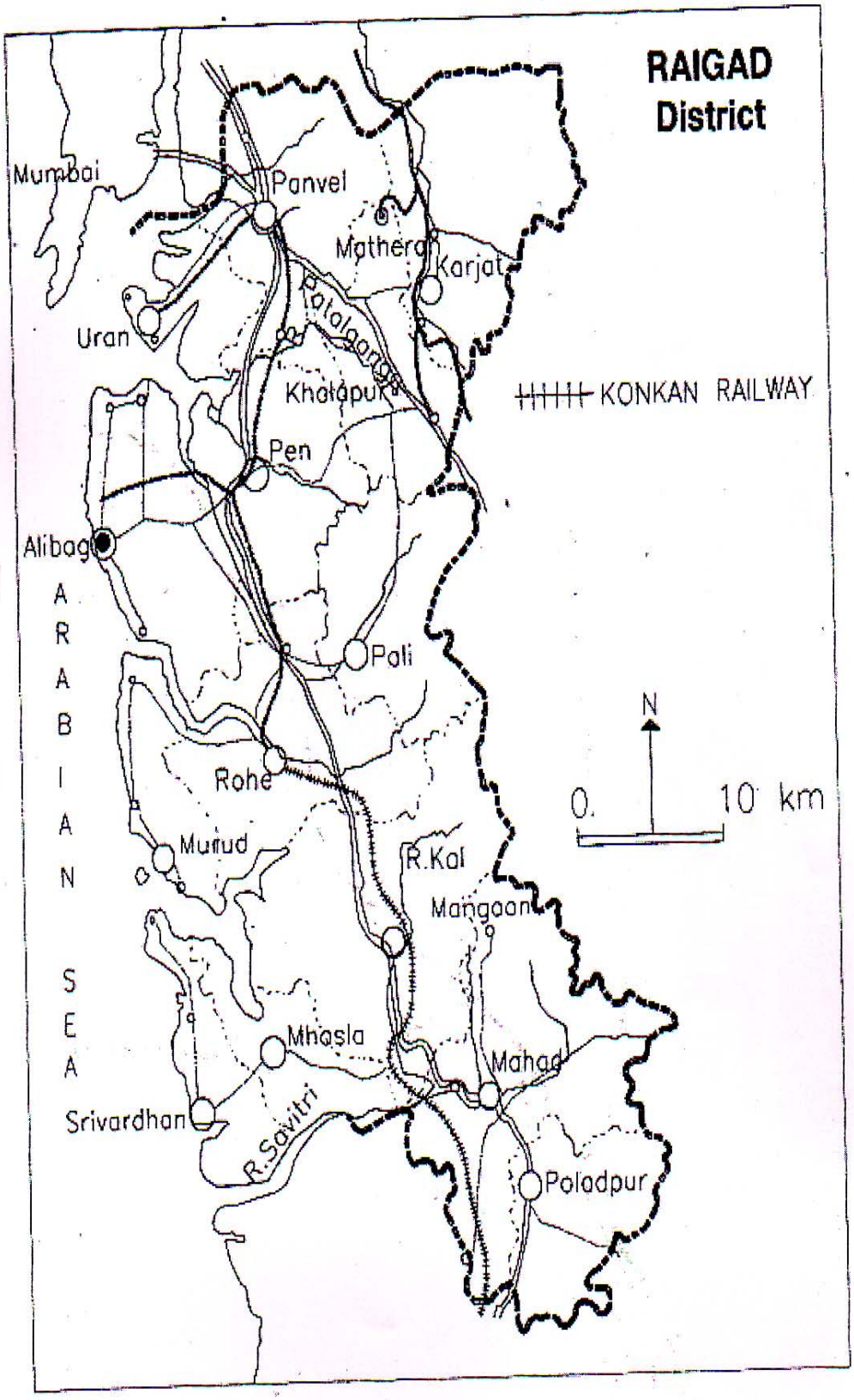
(58)23. The offer price paid for land purchase by private parties is greater than the market price :

(खाजगी मक्तेदाराकडून जमीन खरेदीसाठी देण्यात आलेली दुसरी रक्कम ही बाजार किमतीपेक्षा जास्त आहे.)

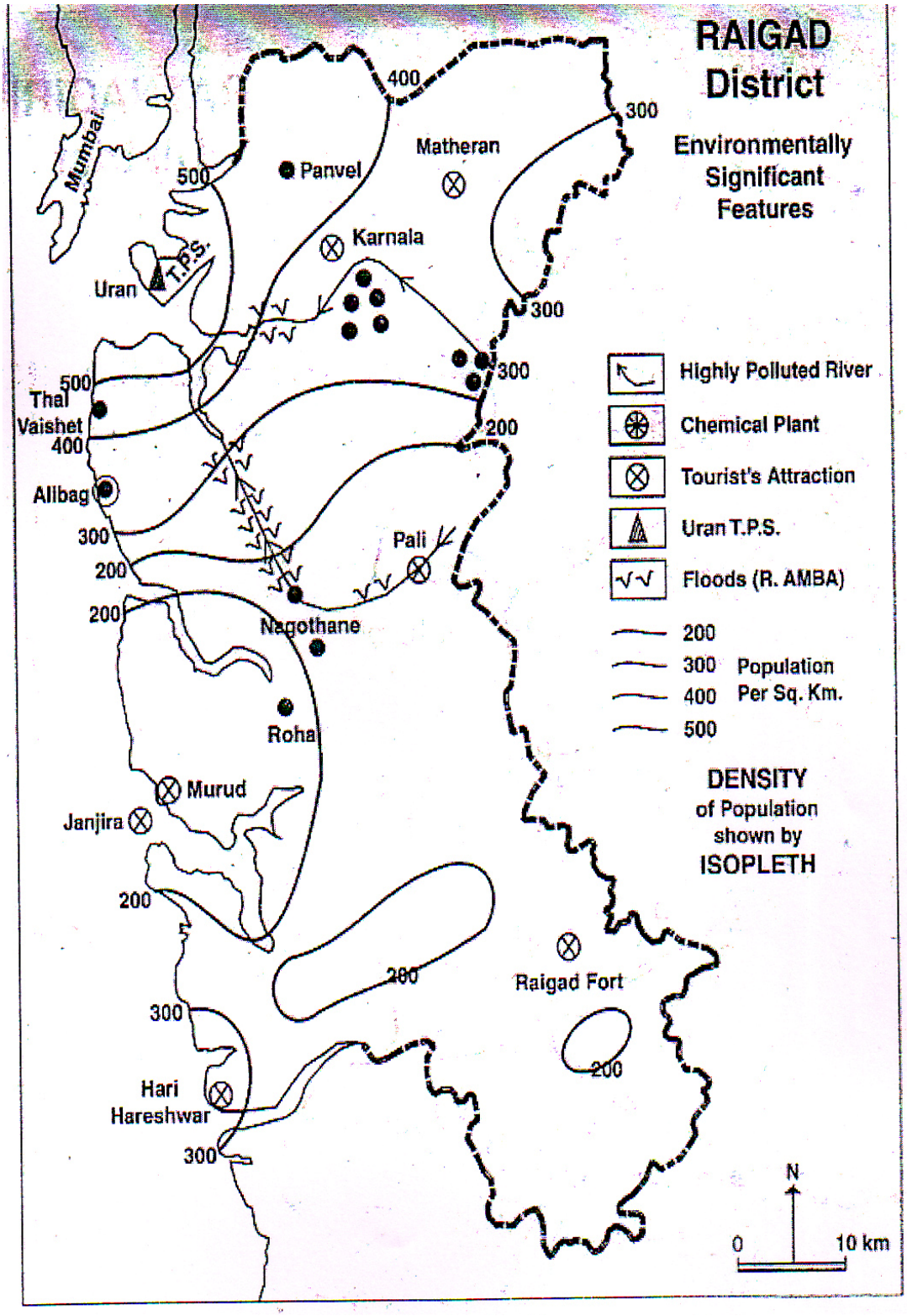
- [ ] Strongly agree (खंबीरपणे सहमत)
- [ ] Agree (सहमत)
- [ ] Neutral (तटस्थ)
- [ ] Disagree (असहमत)
- [ ] Strongly Disagree (खंबीरपणे असहमत)

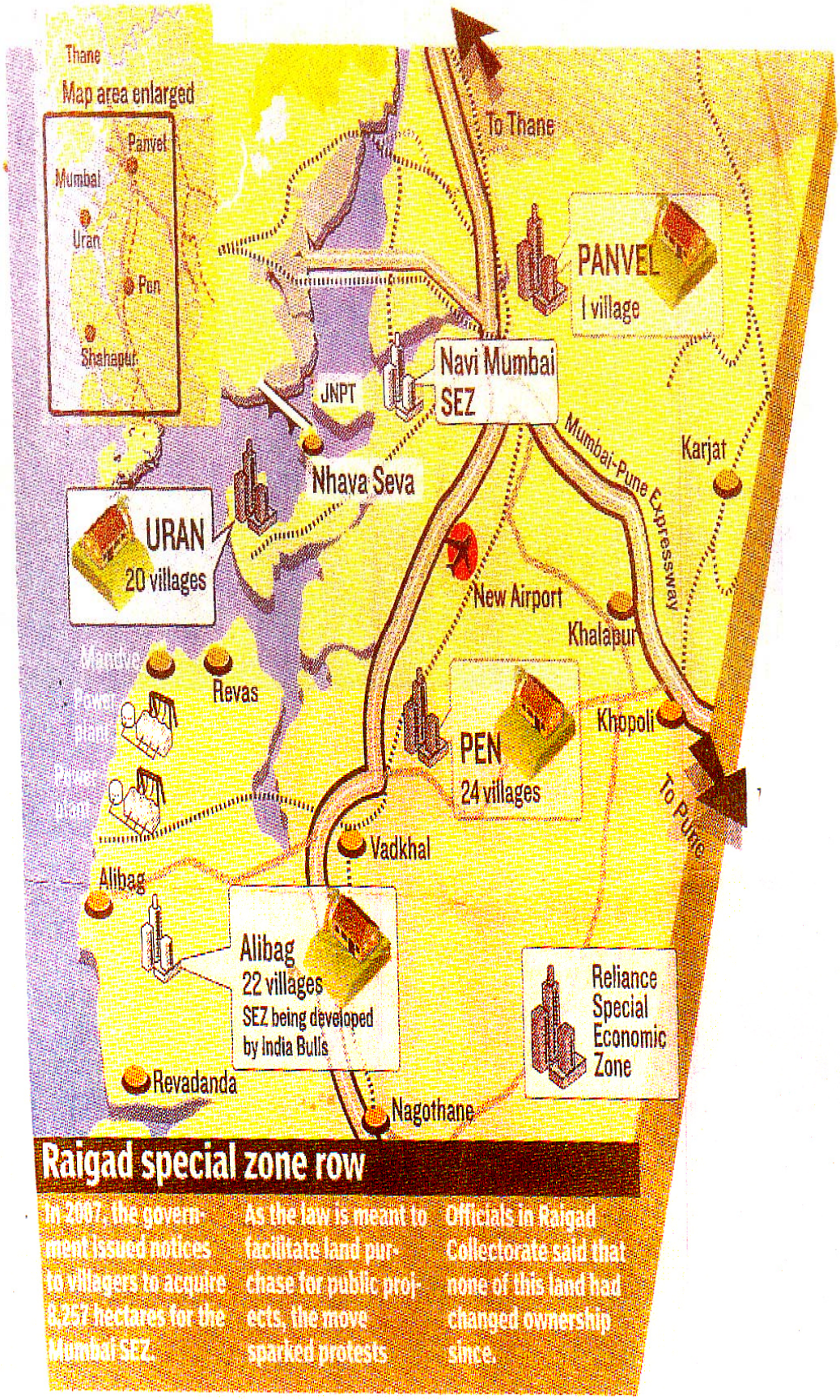
ANNEXURE 2: MAPS





RAIGAD DISTRICT


RAIGAD
District
Environmentally
Significant
Features
Mumbai
Panvel
Matheran
Karnala
Uran
T.P.S.
Thal
Vaishet
Allbag
Pali
Nagothane
Roha
Murud
Janjira
Raigad Fort
Hari
Hareshwar
400
300
500
300
300
500
400
200
300
200
200
200
200
300
300
Highly Polluted River
Chemical Plant
Tourist's Attraction
Uran T.P.S.
Floods (R. AMBA)
200
300
400
500
Population
Per Sq. Km.
DENSITY
of Population
shown by
ISOPLETH
N
0
10 km


Thane
Map area enlarged
Panvel
Mumbai
Uran
Pen
Shahapur
To Thane
PANVEL
1 village
Navi Mumbai
SEZ
JNPT
Nhava Seva
Mumbai-Pune Expressway
Karjat
URAN
20 villages
New Airport
Khalapur
Mandve
Revas
Power plant
Power plant
PEN
24 villages
Khopoli
To Pune
Vadkhal
Alibag
Alibag
22 villages
SEZ being developed by India Bulls
Reliance Special Economic Zone
Revadanda
Nagothane
Raigad special zone row
In 2007, the government issued notices to villagers to acquire 8,257 hectares for the Mumbai SEZ.
As the law is meant to facilitate land purchase for public projects, the move sparked protests
Officials in Raigad Collectorate said that none of this land had changed ownership since.

ANNEXURE 3:

Photos of investigation 1st week of Jan, 2011 Particulars of Hetawane Dam in Pen

Researcher with investigators Mr. Prakash Patkare and Mr. Prakash Mohite

Huge water pipes lying idle for decades surrounded by fallow land near Vashi Gaon

Inside view water level at Hetawane Dam

The Researcher in discussion with a student and a school teacher in Shahapur, Alibaugh

People struggling to get access to drinking water in Shahapur

The Researcher with investigators Mr. Prakash Jadav and Mr. Prakash Mohite at the top of Hetawane Dam

ANNEXURE 4:

Researcher's Profile……

I, Shri. P. Murugesan earned M.A., (Economics) and M.Phil., (Economics) Degrees from Madurai University and University of Mumbai in 1976 and 1990 respectively.

I began Degree level teaching as a full time-Lecturer in Economics in 1978 in Burhani college of Arts & Commerce, Mazgaon Road, Byculla, Mumbai.

After a stint of two years in the above college, I joined as a full-time Lecturer in Economics in 1980 in Vivekanand Education Society's (V.E.S) College of Arts, Science & Commerce, Chembur, Mumbai. At present, I am designated as Associate Professor of Economics in the same college.

The total teaching experience comes to 33 years in these two colleges, affiliated to the University of Mumbai. I am recognized Post-graduate (M.A Economics) teacher at the University of Mumbai. Besides this, I have been teaching M.Com Part I (Economics of Global Trade & Finance) and M.Com Part II (Research Methodology in Commerce) since last 6 years in V.E.S College of Arts, Science & Commerce.

I have guided 2 M.Phil., (Commerce) students for Madurai Kamaraj University (MKU) who have successfully completed the course (2008-09). At present, there is one student pursuing M.Phil., (Economics) under my guidance from MKU.

I have also guided two students in writing projects for Master of Labour Management (MLM) from Annamalai University.

I have presented and published papers at State and National level seminars.

Paper Publications and Paper Presentations:

1. Presented and published paper entitled "The First Phase of Economic Reforms and The Indian Poor," on the occasion of the U.G.C sponsored State Level Seminar Organised By V.E.S. College of Arts, Science & Commerce on 5th and 6th April 2002.

2. Co-authored an article with Dr. P.K Bandgar entitled "Land acquisition for SEZs in India: Theoretical Perspective" in 'Southern Economist,' ISSN 0038-4046 Vol. 49, number 7. August 1, 2010."

3. Presented paper entitled "An Analytical Profile of SEZ Policy Environment in India" at the National Seminar organized by Vivekanand Education Society's Institute of Management Studies and Research (VESMISR), Mumbai on 9th October, 2010. This paper won 'best paper award' and was published in Journal of Development Research. (ISSN-22297561, Vol. 2 No.3, October - December, 2010).

P. Murugesan