Sustainable Development and SEZs (With Special Reference to Kakinada SEZ Private Limited, East Godavari District, Andhra Pradesh, India)

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Abstract- **"**Industrialization is a must for development….It can't be attained only by agriculture. You will not be able to show me one developed country that has reached their focusing solely agriculture. If Tata factory can't come up in Singur, it will be bad news for West Bengal's development. Concerned parties should try to resolve the matter through talks- [1]

The Stockholm Declaration of the UN embodied this shift in thinking, stating that "man ...... bears a solemn responsibility to protect and improve the environment for present and future generations" and subsequently asserts that "the natural resources of the earth .... must be safeguarded for the benefit of present and future generations through careful planning and management".[2]

The traditional concept that development and ecology are opposed to each of other has not been acceptable. Sustainable Development is considered as the answer to resolve the conflict between development and industrialization. [3] There have been several development initiatives including the Special Economic Zone (SEZ) policy in India. But, the industrialization initiatives must be in consonance with the sustainable development. An attempt is made to analyze the SEZ policy and sustainable development with special reference to the Kakinada Special Economic Zone Private Limited East Godavari District of Andhra Pradesh India.

Sustainable Development

Prologue

Sustainable development refers to adequate use of natural resources today without any wastage, such that there is enough left for our future generations. [4] In October 1982, the UN General Assembly adopted the World Charter for Nature and Principles of Sustainable Development. The Agreement expressly recognized the principle of sustainable development, defined as using living resources in a manner that 'does not exceed their natural capacity for regeneration' and using 'natural resources in a manner which ensures the preservation of the species and ecosystems for the benefit of future generations'. The Bruntland report on 'Common Future' also endorsed the view by stating 'humanity's ability to ensure that [development] meets the need of the present generation without compromising the ability of future generations to meet their needs.' [5] In M. C. Mehta v. Union of India (Taj trapezium case),[6] the Taj Mahal was protected from nearby industries by shifting them to the outskirts of the city and 'yellowing' of the Taj was prevented. The decision was taken by the court based on principles of sustainable development. In another case N.D. Jayal v. Union of India, [7] the court linked sustainable development with 'Right to life'. It noted that principles of sustainable development should be made an integral part of the right to life under Article 21 of the Constitution. The doctrine of "sustainable development" is all about balancing of rights. [8]

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[1] Prof. Amartya Sen, (the Nobel Laureate), 'The concept of enclosed space as Amartya Sen viewed' – www.allvoices.com/contributed-news/1079324-tata-motors.

[2] K.S. Radhakrishnan J., (Pinaki Chandra Ghose JJ.),Supreme Court of India, Animal Welfare Board Of India vs A. Nagaraja & Ors decided on 7 May, 2014 available at http://indiankanoon.org/doc/39696860/

[3] Kuldip Singh J., (Faizan Uddin, K. Venkataswami JJ.,) Supreme Court of India, Vellore Citizens Welfare Forum vs Union Of India & Ors decided on 28 August, 1996, AIR 1996 SC 2715, also available at http://indiankanoon.org/doc/1934103/

[4] Sanchita Pandey, 'Environment and Sustainable Development,' available at http://articles.indiaonline.in/ environment-and-sustainable-development-124

[5] The Government of India has adopted the principle of Sustainable development through the MoEF policy statement on National Conservation Strategy and Policy Statement on Environment and development, para 8.7, 1992

[6] Kuldeep Singh J., M C Mehta v. Union of India, decided on 30.12.1996, (1996) 4 SCC 351 www.indiankanoon.org/doc/1964392

[7] Rajendrababu J., N.D. Jayal v. Union of India (2004) 9 SCC 362 decided on 01.09.2003, 2003 Supp (3) SCR 152

[8] Kapadia S. H., Chief Justice of India at the First Lecture of the Justice Krishna Iyer Lecture Series at

The SEZ Act, 2005

The Commerce and Industries Minister of India had visited the SEZs in China in the late 1990s. Consequently, Export -Import Policy 2000 was announced during April 2000 introducing the concept of SEZ. The policy was to provide an internationally competitive and hassle free environment for exports in SEZs. The Special Economic Zones Act, 2005 (The SEZ Act) enacted in 2005 was brought into force on 10th February, 2006 along with the SEZ Rules, 2006. The main objective of the SEZ Act is to promote exports. It provides for the establishment, development and management of the SEZs. The prime objectives of the SEZ Act are:(a) generation of additional economic activity (b) promotion of exports of goods and services;(c) promotion of investment from domestic and foreign sources;(d) creation of employment opportunities;(e) development of infrastructure facilities.

The SEZ Act in a Nutshell

In a nutshell SEZ Act 2005 has three defining features. Firstly, it outlines the process of setting of SEZ. Secondly, it deals with the functioning of SEZ. Thirdly, it outlines the benefits enjoyed by the developers and functioning units of SEZs. The SEZ Act consists of 58 sections divided into VIII chapters and Three Schedules. The first chapter provides for the Short title, extent and commencement besides the definitions including the term SEZ. "Special Economic Zone" means each SEZ notified under the proviso to sub-section (4) of section 3 and sub-section (1) of section 4 (including Free Trade and Warehousing Zone [FTZ]) and includes an existing Special Economic Zone.[9] Thus, SEZ includes FTZ and the existing SEZ. Chapter II (Sections3-7) deals with setting up of SEZ. Chapter III (Sections 8-10) deals with the Constitution of board of approval [BOA]. Chapter IV (Sections 11-12) explains the functions of Development Commissioner Chapter V (Sections 13-25) deals with special benefits to the developers like Single Window Clearance. Special Fiscal Provisions for SEZs are laid down in Chapter VI (Sections 26-30) and chapter VII (Sections 31-41) deals with SEZ Authority and the concluding chapter VIII (Sections 42-58) is titled Miscellaneous. The First Schedule gives list of 21 Enactments under which exemptions are given under the Act. The Second Schedule deals with the modifications made to the Income Tax Act, 1961. The Third Schedule deals with Amendment to certain other enactments like the Insurance Act 1938, The Banking Regulation Act, 1949, The Indian Stamps Act, 1899.

The SEZ Rules

The SEZ Rules provide for simplified procedures for development, operation and maintenance of the SEZs The rules also relate to setting up units and conducting business in SEZs. Single window clearance has been provided for setting up SEZ, as well as setting up of a unit in SEZ and on matters relating to Central as well as State Governments. The Rules also contain simplified procedures and documentation with an element of Self Certification for compliance.

Incentives for SEZs

- The incentives and facilities offered to the units in SEZs for attracting investments into the SEZs, inter alia foreign investment include
- Duty free import/domestic procurement of goods for development, operation and maintenance of SEZ units
- Total Income Tax exemption on export income for SEZ units for first 5 years, 50% for next 5 years thereafter and 50% of the ploughed back export profit for next 5 years.
- Exemption from minimum alternate tax The exemptions under the SEZ Act inter alia include 1). External commercial borrowing by SEZ up to US $ 500 million in a year without any maturity restriction through recognized banking channels. 2). Exemption from Central Sales Tax. 3). Exemption from Service Tax. 4. Single window clearance for Central and State level approvals. 5. Exemptions from State Sales Tax and other levies as extended by the respective State Governments.

  The exemptions available for SEZ Developers include (i) Exemption from customs/excise duties for development of SEZs for authorized operations approved by the Board of Approval. (ii) Income Tax exemption on income derived from the business of development of the SEZ in a block of 10 years in 15 years (iii) Exemption from minimum alternate tax (iv) Exemption from dividend distribution tax (v) Exemption from Central Sales Tax (CST) (vi) Exemption from Service Tax.

Overwhelming Response

Surprisingly, as many as 388 proposals of SEZs have been made within 194 days after the Act came into effect. The Formal Approvals were 589 of

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The Gateway Hotel, Ernakulam, Kerala on 1st November, 2010

[9] Section 2 (za) of the SEZ Act,2005

which 389 were notified as on 17 July 2012. [10]Seven of them were of the Central Government. Twelve of them were of State governments or Private SEZs. A total number of 153 SEZs have been operationalized as at 31st March 2012 out of this 17 are Multi-product IT/ITES, Engineering Units. A total of 71502 hectares of land has been allotted to the formally approved SEZs of which 47,190 Hectares of land has been allotted to the Notified SEZs. The units approved were 3400. Now, as at 20th June 2013, SEZs notified were 79 even in Andhra Pradesh. Of the 79, 17 are of APIIC or of State government. There are seven Multi Product SEZs, Four are of Pharmaceuticals and the largest of 43 are of IT/IES.

Large Scale Acquisition of Lands

The SEZ Policy and the Act enabled large scale acquisition of lands for industrialization which inevitably may adversely affect the environment. This would go against sustainable development. The most obnoxious aspect of the new SEZs provisions was that it enabled the corporate bodies to grab large tracts of land from farmers. The speed at which agricultural lands were being lost, led to a series of agitations by small farmers. SEZs across the country have been established acquiring land including agricultural land. Fertile land has been acquired for most of the SEZs including Kakinada SEZ in Andhra Pradesh. The Supreme Court on very recently asked the Haryana government to furnish status of agricultural land acquired for setting up of 44 special economic zones (SEZ), of which 30-odd had been notified.[11] It was in Kuldeep Bishnoi v. Union of India case [12] which was filed in 2006, the Apex Court required the government to do so. Pertinently, seven years ago, the court had issued notices to the Central government, Haryana, Rajasthan and UP governments on the Public interest litigation alleging that the proposals to set up 60-odd SEZs in the National Capital Region were in breach of law. Such acquisition of land is definitely not in consonance with sustainable development. It may be noted that sustainable development issues have not been raised before the Apex Court so far.

The land size of conversion of agricultural land for non-agricultural purpose has more than doubled over a span of forty years: 7,000 sq km of agricultural land converted for non-agricultural use in 1964-65 versus 14,069 sq km in 2005-06. With more land being allotted for SEZs, townships and industries, land under cultivation has reduced so much that at present, a little over 46 percent of the country’s area is cultivated. As per the Ministry of Agriculture, between 1990 and 2003, the net sown area went down by around 1.5 percent that means 21 lakh hectares whereas land under non-agricultural uses has gone up by 34 lakh hectares.[13]

A total number of 12,917.91 hectares [31920 acres] of land in AP has been allotted for the SEZs. Many poor peasants of the Project Affected Area have expressed disgust over this provision that they are made to lose their lands for private companies in the form of SEZs.[14] The land acquisitions have taken

[10] ‘Fact Sheet on Special Economic Zones,’ http://www.indiainbusiness.nic.in/industry-infrastructure/infrastructure/sez.htm

[11] SC seeks Hooda govt report on 44 SEZs over land 'scam'http://timesofindia.indiatimes.com/india/SC-seeks-Hooda-govt-report-on-44-SEZs-over-land-scam/articleshow/29270740.cms; A bench of Chief Justice P Sathasivam and Justices Ranjan Gogoi and S K Singh, hearing a bunch of public interest litigations questioning similar agricultural land acquisition in other states, said the petitions could be appreciated better by the high courts of the states concerned. Kuldeep Bishnoi, petitioner and the lone MP of Haryana Janhit Congress, through senior advocate Nidesh Gupta questioned the acquisition of huge tracts of agricultural land for setting up of SEZs and alleged that the state government used the ruse of SEZ to acquire land and then de-notified them to allot the land to industries or create residential sectors. However, Gupta convinced the court that the SEZ policy is of national importance and an authoritative ruling from the apex court would prevent confusion, which could arise in case of conflicting opinion from the high courts. The bench accepted the argument and took up Bishnoi's case to ask the Bhupinder Singh Hooda government to provide details of the SEZs by the next date of hearing. Neither the Central SEZ Act nor the state legislations on special economic zones have taken into account the NCR Act, thus, rendering all of them violative of the constitutional mandate, the petition filed through Gupta stated while demanding that the land acquisitions be struck down and land be returned to farmers.

[12] WP No.537 of 2006 pending before the Supreme Court.

[13] See Twelfth Five Year Plan 2012-2017, available at http://planningcommission.gov.in/plans/planrel/12thplan/pdf/12fyp_vol1.pdf

[14] Refer for details the same author ‘Socio Economic Survey of the Project Affected Families’ International Journal of Multidisciplinary Research Vol 2, April 2013 Issue 5(1) 227-252 available at http://s3-ap-southeast-

place under the rubric of 'eminent domain'/ 'public purpose' clause in the century old Land Acquisition Act, 1894. The Act had provided unrestricted powers to the Government. Initially, land has been acquired irrespective of its nature, fertility, ownership and the requirement check of the SEZ projects.

Hue and Cry of poor peasants

There was a hue and cry by the poor peasants that SEZ has created havoc in their lives. The situation at the U Kothapalli Mandal of East Godavari District i.e., the Project Affected Area of the Kakinada SEZ Private Limited was that land holdings of the poor and marginal peasants who were eking out their earnings through the environment friendly activities were grabbed. The Project Affected Families expressed - 'Land holdings of poor peasants were being taken over!', 'Several casuarina fields are cut and several eucalyptus casuarina and other nurseries are being erased!!', 'Land, especially, even fertile land is being grabbed off!!!' 'large number of villages in the coastal area have been evacuated or displaced by government for the SEZ!' SEZ has come like a 'Tsunami' or a 'bolt from the blue!' The hue and cry followed by agitations erecting tents, forceful prevention of the authorities finally had been shunned and suppressed using police force. [15]

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013

In view of the suggestion of the Apex Court in Bondu Ramaswamy Case to revisit the Century old Land Acquisition law, the government of India has taken up the reformative process through the National Advisory Committee headed by Mrs. Sonia Gandhi.

The New Land Acquisition law was an Act to ensure, in consultation with institutions of local self-government and Gram Sabhas established under the Constitution, a humane, participative, informed and transparent process for land acquisition for industrialisation, development of essential infrastructural facilities and urbanisation with the least disturbance to the owners of the land and other affected families and provide just and fair compensation to the affected families whose land has been acquired or proposed to be acquired or are affected by such acquisition and make adequate provisions for such affected persons for their rehabilitation and resettlement and for ensuring that the cumulative outcome of compulsory acquisition should be that affected persons become partners in development leading to an improvement in their post acquisition social and economic satus and for matters connected therewith or incidental thereto.

SEZs and Sustainable Development: The Convention on Biodiversity gives provisions for sustainable use of the resources that "development must be in harmony with nature". Thus the "Right to development must be fulfilled so as to equitably meet the development and environment needs of present and future generations", [16] thereby maintaining its potential to meet the need and aspirations of present and future generations. Also "the environment must be preserved in such a way that there must be a suitable balance between the economic development and the concept of sustainable development." As it is being emphasized worldwide that development be it social, economic or political must bear substantial value. While putting in the context of Indian SEZs three aspects of sustainable development must be taken into consideration. These three aspects are economy, environment and society. A summation of the three aspects tell us that SEZs must be so formulated that they can ensure production of goods and services in a continuous basis, avoidance of sectoral imbalances, restraint from over exploitation of natural resources, maintenance of biodiversity, atmospheric stability, achievement of distributional equity, adequate provision of social services and the like. If these aspects are taken care of with comprehensive and proper deliberation then SEZs can generate sustainable value. But presently SEZ are prevailing against the basic values of Sustainable Development.

Despite the interpretation of the Courts that 'Right to Life includes Right to live in a pollution free environment,' [17] there is not even a single provision in the SEZ Act 2005 which categorically requires environmental protection or sustainable development except the fact that the BOA includes a member representing the ministry of environment and forests. Environment Impact Assessment Notification, 1994, exempts SEZ units from conduction of public hearing for the issue of clearance certificate. Environmental Impact Assessment (EIA) Notification dated September 14, 2006 specifically requires the environmental clearance for SEZs. Therefore, there is no outright

1.amazonaws.com/ijmer/pdf/volume2-issue5%281%29-2013/volume2-issue5%281%29-2013.pdf

[15] Ibid.

[16] 'Convention on Biological Diversity', 5 June 1992, www.idrc.ca/fr/ev-119955-201-1-DO_TOPIC.html

[17] M.C. Mehta v. Union of India decided by Supreme Court of India on 22nd Sep 1998 http://www.indiankanoon.org/doc/13848/

exemption for the SEZ s from the Environment Protection Act, 1986. Further, the development commissioner will be empowered to issue consent and no objection letters in consultation with the officers of the state pollution control board. The units, which are classified as non-polluting industries, do not require a consent letter. The development commissioner can give clearance without consulting the pollution control board. The units are permitted to submit a compliance report for maintaining prescribed pollution standards. Although the development commissioner has powers for a random check, the units within the SEZ are free to follow their own methods to maintain environmental standards.

Strike a Balance between Community and Individual Land Rights: The State must strike a balance between community and individual land rights, for instance, by specifying the minimum proportion of right-holders who have to assent to the terms negotiated. It must include an obligation to provide alternatives to those whose livelihoods are lost. The state will have a role, as it does in labour relations, as an arbiter of last resort. The essential point is that we move beyond compensation to ensuring that the affected community shares in the gains from development.

It is interesting to note that almost all those who have written on the subject pertaining to the land acquisition aspect have stated that the rights of the PAFs have been affected as ascertained by Justice Daud Committee report. [18] There must have an impartial role playing welfare authority in securing proper value for the lands of the poor peasants. There has been large scale discrimination in the fixation and payment of land value of the poor peasants and the Kakinada SEZ does not take the discriminating factors into consideration. All the lands viz., Fertile, unfertile, Wet, Dry, cultivable, uncultivable or barren and with crops like Paddy, Nurseries-Casurina, Eucalyptus, Sapota, Mango, Cashew or even Coconuts, Fish Ponds etc,

It may be better if Special Agricultural Zones/Kisan SEZs are created on co- operative basis/public private partnership basis. One unique Kisan SEZ has been floated in Nellore district of Andhra Pradesh. The floated idea for Mini SEZs might be revisited to be ‘tailor’ made, need based and environment -friendly in public- private partnership. The concept of SEZ has to be thoroughly reviewed. A Green SEZ viz., IFFCO Kisan SEZ has been notified on 19.04.2010. IFFCO's Kisan SEZ has been launched at Nellore of Andhra Pradesh. The IKSEZ include Rs 1,000-crore-plus dairy venture. It will showcase a state-of-the-art world-class processing plant for processed dairy products. Environmental Clearance has been obtained on 24.06.2011. Consent for Establishment (CFE) has been obtained from State Pollution Control Board on 28.04.2012. Master Plan Approval has been obtained on 29.12.2012. 100 MT capacity Electronic Weigh bridge has been commissioned and put into operation. IKSEZ has become operational from Oct'2012 and exports till Feb'2014 have crossed over Rs.5.35 crores. [19] It is heartening to note that this sort of environmental friendly /Agro based SEZs are desirable for sustainable development.

Minimal Displacement of People: The central issue that has to be addressed is the minimization of displacement of people. The new land acquisition law suggests that the state shall strive for minimizing the displacement of people. The SEZ Act has been unguided with respect to allotment of land as well as the displacement aspects. The governments have been approving SEZ proposals without proper assessment of the need for the land.

Land and water are going to be the two intensely contested resources in our country in the coming decades. Keeping in view the steadily declining per capita availability of land, the emerging land use patterns in the country need to be examined and a sustainable land use strategy should be evolved.

In Andhra Pradesh, 79 SEZs have been notified including Kakinada SEZ. A total of about 32,000 acres of land was to be acquired. Substantial numbers of the SEZs were floated initiating even forcible land acquisition.

Photo Gallery of some of the villages in the Project Affected Area of Kakianda SEZ, East Godavari District, Andhra Pradesh, India would depict the green area before being taken over. Now the hamlets have a deserted look.

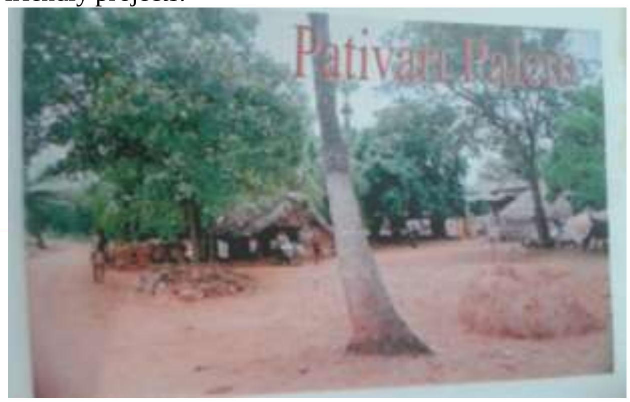
[18] Committee to Assist the Resettlement and Rehabilitation of the Sardar Sarovar Project-Affected Persons Government of Maharashtra http://www.narmada.org/sardar-sarovar/daud.report.html

[19] Visit for full details http://www.iksez.com/news-and-events.php last visited on 15.05.2014

Dadalapalem of Ravivaripodu – The hamlet has been taken over by the Kakinada SEZ. The Eucalyptus trees and the greenery is no more visible after the displacement of the villagers. At least, the district administration and the law might require the SEZ to maintain the greenery and launch projects without disturbing the green environment.

The downtrodden people-Scheduled Caste (SC) seen in the photograph flocking back home from work. They had livelihoods in the accessible (walk- able) reach of the area they were inhabited. Now they have been displaced to KSEZ Rehabilitation Colony where from they are forced to ply kilometers ranging from 5 to 30 to the workplaces.

The nurseries had been grown by the poor peasant (loin cloth clad) who used to eke out his hand to mouth earnings sufficient for one year during the nursing season of March –May/June. Now he is displaced with no such accommodation or land available at the Displaced area. The environment friendly exercise is no more possible as the SEZ Project does not have any policy to initiate eco friendly projects.



In a hamlet of the Project Affected Area of Kakinada SEZ a poor peasant (loin cloth clad) living in a 'heavenly' green eco friendly environment, neither knows nor had no longer right to the so called sustainable development as the whole villagers were displaced. At the Rehabilitation Colony the aged live a forced retired life starving due to lack of any livelihood. The green hamlets had been taken over by the SEZ during 2008 but, not even a single project could be launched by the SEZ.

The Kakinada SEZ has acquired a total 1013.64 Hectares of land forcibly. Displacement of almost 10 out of the 13 hamlets of the three villages has been completed. Pertinently, the Kakinada SEZ has been formally launched in the year 2002. There is not even a single project launched by the Kakinada SEZ even now after the lapse of over a decade. But, Kakinada Special Economic Zone now being developed by GMR group, entered into partnership agreement with Bangalore-based Rural Shores, for setting up a business process outsourcing (BPO) centre. As per the agreement, Rural Shores, one of the largest Rural BPO organizations in the country would be establishing GMR's BPO at Kakinada SEZ of Andhra Pradesh. Kakinada SEZ, would likely to provide world class general and technical infrastructure including digital connectivity to the Rural BPO. The youth from villages in and around Kakinada SEZ would be provided basic training by GMR Varalakshmi Foundation, the Corporate Social Responsibility wing of GMR Group, to improve their employability in the Rural BPO.[20] However, there are no traces of its expeditious and effective

[20] See also 'GMR group setting up rural BPO centre' available at http://www.business-standard.com/article/companies/gmr-group-setting-up-rural-bpo-centre-112110300098_1.html

implementation of the agreement. Moreover, this cannot be said to be a project which can be an SEZ project under the SEZ Act 2005. Before setting up any industrial venture, the principle of sustainable development should be made an integral part of planning process. It could have been better if the KSEZ could have properly proposed the environmental friendly projects which were being done by the peasants there before the displacement. They had been growing nurseries of Casurina, Eucalyptus and exporting the saplings to different states besides growing the same. They were growing fruit bearing crops like Mango, Sapota, Cashew etc., and the prawn hatcheries. The SEZ could have initiated export oriented fruit units and other food processing units there on its own or must have canvassed for the same. It could have been so conducive a project that it could have been fit to utilize the local man power and provide employment opportunities.

Conclusion

Per se SEZ policy may be a right step towards attaining industrial development in tune with the challenging opinion of many economists. But, at the same time the executive shall initiate to implement the policy keeping in view of striking the balance between industrialization and environment-[the green activities of the Project Affected Families] which includes human beings i.e., the poor peasants and ensure that the SEZ projects are properly executed at the appropriate time period granted to the respective projects like Kakinada SEZ. There is no meaning in granting the projects like Kakinada SEZ which goes on seeking extensions without launching even a single project in the Affected Area which would naturally affect not only the fundamental rights of livelihoods but also the environment. The in ordinate delay and improper execution of the SEZ projects is no doubt result in an anti thesis of sustainable development. The Kakinada SEZ Project had been launched as a public private partnership with ONGC. When substantial part of the land acquisition process was completed, the ONGC had withdrawn from the project leaving the public private partnership a myth. The Kakinada SEZ remained in the hands of the initial private proposer the Kakinada Sea Ports Private Limited. In the land acquisition process of over the 1000 Hectares inter alia displacing 10 villages/hamlets, cultivable land had been taken over against to the policy declarations that cultivable land shall not be taken over even without hesitating to use police force vitiating the fundamental rights of the people. Now, Kakinada SEZ is a partnership with the GMR Group as the GMR has acquired larger shares. At this juncture, as there being no project launched by the Kakinada SEZ, even after the lapse of more than half a decade, vitiating the objective of promoting exports and creation of job opportunities, the lands may be given back to the poor peasants who had been farming the nurseries to really compensate the loss put to them and to really rehabilitate them.

The traditional concept that development and ecology are opposed to each of other has not been acceptable. Sustainable Development is considered as the answer to resolve the conflict between development and industrialization. There have been several development initiatives including the Special Economic Zone (SEZ) policy in India. Per se SEZ policy may be a right step towards attaining industrial development in tune with the challenging opinion of many economists. But, at the same time the executive shall initiate to implement the policy keeping in view of striking the balance between industrialization and environment. In the land acquisition process of Kakinada SEZ of over 1000 Hectares inter alia displacing about 10 villages/hamlets, cultivable land had been taken over against to the policy declarations that cultivable land shall not be taken over even without hesitating to use police force vitiating the fundamental rights of the people. Now, Kakinada SEZ is a partnership with the GMR Group as the GMR has acquired larger shares. At this juncture, as there being no project launched by the Kakinada SEZ, even after the lapse of more than half a decade, vitiating the objective of promoting exports and creation of job opportunities, the lands may be given back to the poor peasants who had been farming the nurseries to really compensate the loss put to them and to really rehabilitate them.

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