CHAPTER - VII

CONCLUSIONS AND RECOMMENDATIONS

This chapter deals with major conclusions drawn, important suggestion and implications of SEZ policy in the Konkan and Marathwada region of Maharashtra state. In pervious chapters, the study attempted a critical analysis of Special Economic Zones (SEZs) and Rural Development in study area. It focused on SEZ project areas wherein general public and landowners felt its direct and indirect impact affecting their socio-economic development.

The establishment of SEZ units, as the proposed objectives imply, are promoted by government as helping hand in the rural development initiatives in Konkan and Marathwada regions in the state of Maharashtra. However, its positive and negative impact needed more attention by government itself. The SEZs have totally altered the social, cultural, political, economic conditions of general public in the target area. The study highlighted some of the key issues confronted by the general public living in and around the SEZ unit premises. With establishment of SEZ they expected employment generation, development of civil amenities like infrastructure facility, road and transportation, water and electricity facility in their locality. However, almost seventy five percent of the responses collected showed degraded condition of SEZ policy objectives.

As has been mentioned this research covered 13 districts in Konkan and Marathwada region including-Konkan: Mumbai, Thane, Ratnagiri, Raighad, Sindhudurg, and Marathwada region included Latur, Nanded, Parbhani, Osmanabad, Beed, Jalna, and Aurangabad. The responses collected are analyzed and conclusions, suggestion and recommendation were drawn concerning livelihood patterns of affected people who lost their land assets and employment resources.
The conclusions reflected plight of general public in terms of displacement issues, rehabilitation and resettlement of project affected people, rural development, industrial and infrastructural development, and urbanization in the said regions during the period 2006-2013.

**Presentation of the Study**

The *chapter first* dealt with the introduction of Special Economic Zones (SEZ) and SEZs Policy of government that aimed to address the economic condition of India. The chapter elaborated over the general problems faced by countries, Indian sub-continent especially, concept and establishment and evaluation of Special Economic Zones. And in Indian context issues like Global Debate on SEZs, experience in Chinese, history of SEZs, processing and non-processing areas, Exemption from taxes, duties or Cess and land acquisition, procedure of setting up SEZ units, future of SEZs an advantage, FDI policy on SEZ, benefits in India have been discussed.

An overall presentation of this chapter is detailed analysis of data and assesses the significance of the Study, Objectives of the study, Hypothesis tested, Scope and limitations of the study and research methodology use Primary data and secondary data about SEZs of Marathwada and Konkan region state of Maharashtra is sources of factual information. Based on Random Sample selection method 10% of present SEZs Industrial area and projected of SEZs taken for study. This chapter also discusses the research tools applied such as Tabulation, Recasting data as well as Graphs, Common Statistical tools, presentation of the study.

The *chapter second* focused on the scanned literature on Bibliometric study. The review of literature concerning SEZ and its implementation agencies dealt with SEZ projects and its implications of general public in India and Maharashtra state in particular. Several books and journals are scanned in order to identify the previous similar studies. Search on Internet bibliography of (AIU, 2009) database of theses and dissertation on (Inlibnet and
Vidhyanidhi, 2010) is used to formulate the topic for research and to check whether the research has been completed.

**Chapter third** highlights on the Policies of the state and central government regarding the SEZ and its implementation. It deals with SEZs Policies, Rules Regulation, and Guidelines for development of SEZs units, Special assistance and overall implementation of the policy.

**Chapter fourth** deals with the important aspect of Special Economic Zone (SEZs) and Rural Development. The government of India introduced a special economic zone (SEZ) Policy. The aim of the Policy is to promote export oriented industrial and economic development for the proponents of rapid development of India SEZs are engines of high economic growth. India is largest sector (Agriculture & Allied) in Indian economy and employing about 60 percent of the population. Chapter fourth Prepare for the SEZs and Its impact on Rural Development. *i.e.* employment, entrepreneurship, social, economic, and overall industrial and infrastructure development with the help of Special Economic Zones.

**Chapter fifth** highlights on the SEZs and Socio-Economic development in selected regions for the purpose of critical analysis of Special Economic Zones (SEZ) and Rural Development in Maharashtra State. In Konkan and Marathwada regions the establishment of SEZ units proposed socio-economic development harmonious construction of rural development by removing poverty, unemployment and backwardness of the rural people. Further it is aimed to foster economic growth by development of infrastructure and foreign direct investment (FDI). However, it was found that there are various problems the rural development under SEZ policy. Major issues are land acquisition process, compensation process to improve their performance, but very few people have received the apt compensation and due benefits of SEZ policy in the study area.
Chapter Six dealt with data collection and its analysis. The data in the form of responses forms the central part of this chapter. In order to collect data from Konkan and Marathwada region a questionnaire was designed. After that in the survey the researcher sought after the affected farmers and land owner who loss her land and entrepreneurs views, social activists, and general opinions of the people. The collected facts and figures are analyzed and interpreted. The data acquired primarily focuses on livelihood patterns of affected people who lost their land assets and employment resources Thus, an honest attempt has been undertaken to highlight socio-economic aspects such as displacement issues, rehabilitation and resettlement of project affected people, rural development, industrial and infrastructural development, and urbanization in Konkan and Marathwada regions, in particular, as proposed to be addressed through SEZ policy.

In general it has been found that majority of the people residing in and around the SEZ units are unsatisfied with development process undertaken in the form of setting up a SEZ unit that almost functions as foreign territory. It has its rules and regulations that contradict with the law of the land. Further, it must be mentioned that there have been agitations in India and Maharashtra in particular to withdraw this SEZ Act. Hence, it is clear that general public demands growth and development, but not at the cost of tradition and livelihood assets.

Chapter seventh overviewed major challenges before SEZ policy in India. There have been several problems in the implementation of SEZs as it has massive impact socio-economic bearings in selected regions in Maharashtra state. It concluded that the future prospects of the policy will depend on vision, a progressive approach, and strong commitment that reflect intense focus on growth, employment opportunity, infrastructural development, and adequate compensation to the land owner, cognizance of rehabilitation and resettlement problems of farmers.
Major Conclusions

This research study through its field survey, seeks to highlight and critically analyze the socio-economic plight of farmers, land owners, male and female worker, labourers etc. in terms of nature of employment, land acquisition, working population, environmental issues. It was an effort to ascertain the reasons behind discontent among localities that have been asserting their rights and the general failure of government to heed their protests. The following major conclusions are based on the critical analysis of SEZs in Konkan and Marathwada Regions

Major Conclusions

- Up to the year 2012-13 there are total 588 formal approvals, 49 in principle, 386 approvals are notified as SEZs, operational SEZs 158 Units in India. (Table No 4.1)

- Export performance of SEZs declined since 2011-12. It showed steep decline in its growth rate from 15.3 % to 4% in the year 2013-14. (Table No 4.2)

- Total land acquired for SEZs projects in Konkan region is 1543 (hectares) and Marathwada region is 3396 (ha)(Table No 4.4)

- Total land executed for SEZ units in Konkan 192 (ha) and in Marathwada region it is 225 (ha) (Table No 4.6)

- Total investment of SEZ in Konkan is 82,814 (crore) & in Marathwada regions it is 3,655 (crore) in the year of 2013. (Table No 4.7)

- Total SEZs 319 units exported products worth 12608 (Rs in Core) and its growth rate is 8.55 %. (Table No 4.8)

- Proposed employment generation under SEZs in Konkan region is 1.34 (lakh) & Marathwada region is 0.15 (lakh) (Table No 4.12)
• Majority of the respondents (148) from Konkan regions & Marathwada regions reported negative response over the civil amenities created by SEZs in the nearest villages (Table no 4.14)

• Setting up of SEZs in locality affected over 175 (87.5 %) Male and 25 (12.5 %) female respondents in villages and talukas places. (Table No 6.1)

• Majority of the respondents affected by the SEZs were in the age group of 15-35 years (Table No 6.2)

• It was found that majority of SEZ project affected people i.e. 66 in Konkan and 73 in Marathwada regions were married. (Table No 6.3)

• Maximum population affected by the SEZ was literate up to HSC and rests of them were illiterate. As a result majority of the population had no idea about the policy of SEZ which lead to agitation over the land acquisition and compensation issues. (Table No.6.4)

• Majority of the population (135) in both the regions was Hindu who own land and around 35 respondents belong to Buddhist community who have no land assets. (Table No 6.5.)

• Majority of the land acquired for SEZ was irrigated land which was used for various agricultural activities. When this land was acquired for SEZ the dependents families had to undertake sundry jobs in SEZ, industrial areas which alternatively lead to unemployment. (Table No 6.6)

• Majority of the respondents said that their land was fertile and seasonal crops used to be taken in that land and maximum of the respondents complained that their land was fertile and irrigated. In fact they all were depended on agrarian land for livelihood. refer (Table No. 6.12)
• Land holding in Konkan and Marathwada region. Maximum people (105) own the land that is in vicinity of SEZ area or is soon to be acquired for the purpose. refer (Table No 6.13)

• Respondents reported acquisition of land by SEZs project owned companies. (Table No 6.15.)

• It was found that nearly 153 respondents were completely unaware about the complex procedure of acquiring land. Lack of awareness about the land acquiring process resulted in growing complexities in problems in getting compensations for the landowners. refer (Table No.6.16)

• Around 122 respondents said that they had no idea about the type of SEZ project being established or in process in the vicinity. (Table No 6.17)

• Majority of the landowner resented the process. In Konkan (65) and Marathwada region (75), more than half of the respondents gave negative reply. (Table No 6.18)

• In Konkan region and Marathwada region most of the landowners reported that their land was acquired forcefully. (Table No 6.19)

• It is clear from the data that around 136 respondents showed reluctance over giving land for SEZ as compared to the 64 respondents who seemed to lured by the private companies in exchange of large monetary compensations. refer (Table No 6.20)

• Around 121 respondents in both the region reported there was certain pressure to sell the land and just 79 of them reported willingness to sell the land for SEZ. (Table No 6.21)

• The compensation from government agency or private company was not satisfactory. In Marathwada region most of the people staged more protest to get compensations. refer (Table No.6.23)
• In Konkan region total 63 and in Marathwada region 135 respondents registered their discontent over the compensation by government and private agencies. refer (Table No. 6.25)

• As total 71 people used money to establish new real-estate business and maximum 129 respondents preferred spending money for luxurious pleasures after getting the compensations. (Table No 6.26)

• In Konkan and Marathwada region total 71 people expressed satisfaction over the land deal, since they received compensation for the barren land. However, around 129 people were dissatisfied with land deals as they were forced to sell the land. refer (Table No 6.27)

• The source of employment/Job creation before the land acquisition for SEZs Projects. In both regions majority of the respondents depended on their farms for employment whereas others took to labours, daily wages. (Table No 6.30)

• Around 60 % respondents said that the SEZ is not providing employment in both regions. About 20% respondents got job as a Helper, Labour, Workers, Helper, and such types of directly and indirectly employment created in project affected areas. (Table No 6.31.)

• Majority of the respondents (155) expressed grave concerns over the employment in SEZ projects, whereas just 45 respondents could get jobs in the SEZ. It can be concluded that SEZ units in Maharashtra are not entitled to generate employment for the local people. refer (Table No 6.32 )

• It is observed during the study that, few respondents could get entry into SEZ project sites, but they were asked about their job satisfaction it was realized that about 35 respondents strongly agree and 57 of the total respondents agree over the job satisfaction they conferred with.
However, around 48 and 70 respondents expressed disagreement and strongly opposed the stringent labour laws framed for SEZ territories. refer (Table No.6.33)

- 56 respondents including farmers, businessmen, men and women, workers, tribal landless labours reported that they come to know about SEZ from local leaders, business men, MIDC workers and government offices. On the contrary about 144 respondents had either no idea or paid heed to the SEZ units being set up under government regulation. Most of them got aware only when there was news about massive agitation in their area. This indicates ignorance about SEZ and government policies among general public in India. refer (Table No 6.35)

- Above responses highlight awareness about the general and specific information about SEZ established in the area once the SEZ policy was regularized in India. As per the findings in survey, around 40 respondents had detail idea about the setting of SEZ, its role, its operation, its ownership, its infrastructure, management, land acquisition and issues like foreign territory etc. However, majority 160 respondents of the public in Konkan and Marathwada had no idea about SEZ policy its detail provisions and outcomes. refer (Table No 6.36)

- 200 respondents asked question for whether you were aware about the purpose of land acquisition by SEZ. Only 93 respondents gave positive response in Konkan and Marathwada region about awareness process of land acquisition. On the contrary, majority of the respondents (107) registered negative response as they was not aware about SEZ land acquisition process. refer (Table No 6.37)

- 200 selected respondents in Konkan & Marathwada regions for how loss her land in SEZs project, what about job of these peoples. The researcher collected respond for both regions and observer by the total
40 respondents getting job for workers in SEZs project and his percentage is 20%. 60 respondents are getting labourer work in SEZs project and that’s total percentage is 30%. And 30 respondents are getting Trainees job for projects and that is percentage is 15% and 70 respondents are in other categories for and that percentage is 35%. Here easy understanding towards the SEZs project are not providing good job for farmers. Because, framers are not technically and highly educated and farmers also negative for project. Because, they loss his land for SEZ projects. (Table No 6.38)

- Total 200 respondents indicate ground reality of SEZ policy in respect of their generating employment for rural peoples and surrounded areas. In all only 21 respondents gave positive response in Konkan and Marathwada region when asked about employment generation under SEZs policy. On the contrary, majority of the respondents (179) registered negative response as they were constantly facing unemployment factors for due to suffer in land acquisition by SEZ projects in the residential areas. refer (Table No 6.39)

- Total 200 respondents male and females are indicate ground reality of SEZ policy in respect of their SEZs provide employment opportunities for women’s. In all only 28 respondents gave positive response in Konkan and Marathwada region when asked about employment generation for women under SEZs policy. On the contrary, majority of the respondents (172) registered negative response as they were constantly facing unemployment factors for due to suffer in land acquisition by SEZ projects in the residential areas. refer (Table No 6.40)

- 200 respondents indicate ground reality of SEZ policy in respect of their providing employment for landowner in SEZs project. In all only 14 respondents gave positive response in Konkan and Marathwada region when asked about employment generation under SEZs policy. On the
contrary, majority of the respondents (186) registered negative response as they were constantly facing unemployment factors for due to suffer in land acquisition by SEZ projects in the residential areas. refer (Table No 6.41)

- Nature of Employment 3.2 % Respondents are got permanent Employment, and 12.1 % Respondents got Part-time,and 5.3 % Respondents got Cotrautal Employment, and 77 % respondent Getting Seasonal Employment, and 57 % respondents Getting trainees Job, and SEZs not provide employment for 46.4 % respondents said No employment in Konkan and Marathwada regions. refer (Table No. 6.42)

- 200 respondents indicate ground reality of SEZ policy in respect of their responsibility towards welfare facility for villages and surrounded areas. In all 62 respondents gave positive response in Konkan and Marathwada region when asked about infrastructure facilities under SEZs policy. On the contrary, majority of the respondents (138) registered negative response as they were constantly facing road, electricity and water supply problems in the residential areas. refer (Table No. 6.43)

- 200 respondents indicate ground reality of SEZ policy in respect of their responsibility towards Health and Sanitation facility for villages and surrounded areas. In all 32 respondents gave positive response in Konkan and Marathwada region when asked about infrastructure facilities under SEZs policy. On the contrary, majority of the respondents (163) registered negative response as they were constantly facing health and sanitation problems in the residential areas. refer (Table No. 6.44)

- Majority of the respondents (132) expressed their concern over supply of water for rural people and villages. However, 68 respondents in Konkan and Marathwada region reported their positive response. Konkan region 49 respondents stated their positive response regarding
availability of water due course of establishment of SEZs. In contrast, only 19 respondents expressed satisfaction over the SEZs projects in Marathwada region. refer (Table No 6.45)

- Regarding the basic amenities such a road and transport facility provided by SEZ in the vicinity, 148 respondents from Konkan and Marathwada region reported negative response. It can be concluded that SEZs have been neglecting their responsibilities towards the nearby areas. (Table No 6.46)

- In Konkan region only 36 respondents confirmed the availability of telecommunication facility supported by SEZs as compared to 27 least number of respondents in Marathwada region. In contrast, maximum 64 and 73 respondents, in Konakan and Marathwada region respectively, gave negative reply to the question asking for any telecommunication facility made available by SEZs in the area. refer (Table No 6.47)

- To harness the local talent to meet future man power needs of the SEZs none of the SEZ is running education unit in Konkan and Marathwada region. (Table No 6.48)

- The government should look into the matter in order to justify distribution of electricity facility as majority of the respondents live in darkness without electricity in locality.

Important Suggestion
The state Government should create a land bank by acquiring infertile land and developing its manufacturing and connectivity to attract investors.

- To create a farmers investment fund. The Government can levy some taxes on the SEZs for a period of 25 years and the money should be spend solely to provide necessary inputs to the farmers in the area.

- The Government should frame a compensation policy on the implement it in right earnest.

- The landowners should be allotted with the share of the SEZs Companies on Preferential basis and at lower rate so that they become stakeholders in the company to which they have contributed by selling their land.

- The residential areas in the villages should not be acquired even if the surrounding land is. If the homesteads are left intact within the projects acquisition will not displace people from the area.

- Set up a Special Agricultural Zone in the interest of farmers than the SEZs.

- The whole policy of tax & tariff exemption needs to be reviewed.

- Government should identify rural areas where the land is non-productive, barren lands which really need to be development. This will serve the purpose of rural development, employment generation, and infrastructural development.

- Adopt Sons of the Soil Policy, to make justice with previous land owners.

- SEZs should be set up only on wasteland and non-agricultural land besides exhorting them not to intervene in land purchases made by private developers from original owners.
Better infrastructural facilities in SEZ project areas, like cheap power supply, road networks and telecommunication services, investor friendly administration, good governance, especially with respect to labour laws etc. should be provided.

Along with cash compensations the affected people must receive means of livelihood.

New policy regarding the relief to common people should be drafted under National Rehabilitation Policy.

Every industry that becomes part of a SEZ has to be treated at par with other enterprises.

People’s livelihoods must be protected, and socio-economic inequalities reduced rather than increased.

SEZ policy completely bypassed the 73rd and 74th constitutional amendments, which give primacy to the Gramsabhas and Bastisabhas.

The Govt. should revise the policy on SEZ as it goes against the interest of farmers and agricultural sector. It should not acquire fertile agricultural land for non-agricultural purposes.

SEZ should look into the matter of lack of job advancement opportunities. Women should be represented in supervisory and managerial positions.

SEZ policy should address the large-scale migration in area and put significant pressure on socio-legal aspects such as weak social infrastructure, particularly regarding the provision of decent housing, education, and health services.

The present SEZ policy should check the in bypassing of Labour law in India which is being shaped by the unequivocal acceptance of the neo-liberal model of development not only as a means to promote economic
growth but also to enhance the employment net and thus secure wellbeing of labour.

- Fertile piece of land should not be allocated for SEZ development at any condition.

- Farmers should be taken in to full confidence before enforcing them to vacate their lands. External valuation agencies should be given the task of correctly pricing the land to be taken away from the farmers.

- State Governments should initiate skill programmes required by the SEZs manufacturers as regards the type of labour skills required and accordingly design such programmes.

**Recommendations**

1. The government employment schemes (Employment Guarantee Schemes) should have the objective of increasing the purchasing power of masses working in SEZs.

2. SEZ should create employment for local population which will generate employment for literate and skilled people.

3. Ban on acquiring the fertile and irrigated agricultural land by the Governments for SEZs.

4. Considerations of equity for farmers, farm workers and allied rural workers in the businesses operations in SEZs.

5. In order that farmers get to benefit from substantial value appreciation of their land minimum of 15 percent of the area in the processing and the residential/commercial parts in the non-processing zone should go back to the farmers on pro-rata basis.

6. Each SEZ proposed must include a plan for rehabilitation of the people. The Development commissioner of the SEZ should be enjoined to oversee the implementation of the rehabilitation plan.
7. Tax incentives for business units in the processing zone of an SEZ should not be made available in the non-processing zone.

8. There should be special incentives for SEZ that are established closer to small towns.

9. There should be independent regulatory authority to deal with the issues related to the SEZs.

10. The union government should create New Township Development Policy with adequate provisions of housing, affordable means of mass transport, and access to basic social infrastructure amenities for peoples in the low-income category.

11. There should be guidelines to protect workers’ rights and promote their welfare and also guidelines for environmental protection.

12. It will be advisable to recognize and acknowledge the ‘right to information’ of the local population, there are numerous questions, feeling, confusion, fear, anger and anxiety among the people over the project.

13. Common Property Resource (CPR) from a valuable part of socio-economic life of rural peoples. These includes common land, trees, ponds, community hall, community services (temples, masques, ‘samadhis’, schools, health care center, panchayat office, post office, PDF office, playground etc) community amenities (Water, Electricity, road, and communication facility) and natural resources (water, flora, and fauna). Project affected peoples need to be compensated adequately with all these basis community assets/ infrastructure at new side of rehabilitation. Wherever feasible, the common property resources (CRPs) need to be replicated.

14. In villages traditional skilled labours must be imparer with training for improvement of skills.
**Future Scope for the Further Research**

Further scope of the further research as based on geographic study of Maharashtra state. It is critical study of social and economic purpose of rural development of Maharashtra state with help of stainable development of farmer policy as well as industrial policy of landowners. Scope of the further research is limited to Konkan and Marathwada region in selected overall 13 Districts which is Special Economic Zones its impact on rural people and to know the problems and prospects in implementation of SEZ and its impact’s on rural people.

The critical analysis of special economic Zones (SEZ) and rural development in Maharashtra state with special reference to Konkan and Marathwada region, for the major scope of study to position of rural people in the state and its impact of farmer, land owner and industrial views and limitation on to region in Maharashtra. This is rapidly growth of industrial scenario to SEZs policy for socio-economic impact of rural people for the further study limitation on 2006-2013.

**Concluding Remarks**

This study highlights on the impact of SEZ and its impact on the society particularly in Konkan and Marathwada region. The researcher has selected only two regions but in future regions or state of Maharashtra, or India will have to be covered in future, to know the performance of SEZs and its impact. This study will also be cover the impact of SEZ and industrial development and different opportunities generated through SEZ by employment and related regions. The study will be useful to the Govt, industrial policy makers, research scholars, Academicians and other related policy makers. This type of studies will be helpful to the balance for regional imbalance and other related socio-economic developmental studies.