



Land Acquisition for industrial estates and Special Economic Zones: Case Study of 4 affected villages in Malur Taluk, Karnataka

Just 50 km from Bangalore in Malur taluk of Kolar district more than 700 acres of land has been identified for acquisition for the formation of industrial estates. This acquisition is part of Phase IV industrial area development in Malur following a total of 641 acres acquired in Phases I, II and III. So far, of the total 294 small scale industries set up in the industrial estates, only 90 are still functioning. This forces the question: why deprive so many farmers of their land and livelihood when most of the existing industrial units set up are closed or locked up? This displacement is particularly troubling because the chunk of land now being acquired is larger than that acquired in all three earlier phases.

Close by, in the same taluk, more than 2000 ha of land has been identified for a Special Economic Zone (SEZ). High level political leaders are to be developers of this SEZ. The land acquired includes wet land, dry land on which eucalyptus and 4 month ragi is grown, and government grant land to SC/ST people.

The Karnataka Industrial Area Development Board (KIADB) is the parastatal agency responsible for acquiring land on behalf of Malur Phase IV and for the SEZ. It is noted for its non-transparent and corrupt land acquisition processes. Despite considerable farmer protests from the affected villages, it has gone ahead with land acquisition by sending preliminary notifications to individual farmers and landowners. CASUMM visited four of the affected villages, two in the proposed industrial estate and two in the proposed SEZ and reports from the field.

Byalahalli Village – 130 acres acquired by KIADB for industrial estate

Who loses out?

65 families, mostly small farmers owning 1-2 acres, and agricultural labourers. 50% are general caste, 30% Dalit and 20% Thigalas. All people possess land rights documents.

What is being taken away?

1) Farming: In irrigated land 3-4 crops/yr of vegetables like carrot, potato, and tomato are grown. Roses are cultivated by 2 families (1 crop/yr). These are sold at market prices. In dry lands eucalyptus plantations are cultivated from which income is Rs 50,000-60,000 in 2-3 yrs. This doesn't need fertilizers. 4-month ragi is also grown under rain-fed conditions.

2) Wage labourers: Women earn daily wages of Rs 40. Men earn between Rs 50-75 sometimes up to Rs 100 depending on the type of labour- agricultural or in the brick factory or in other SMEs.

Land acquisition:

Preliminary notification has been given for 130 acres. *Lands being acquired include dry land, irrigated land and eucalyptus plantation. This violates the SEZ Act which specifies that land acquired should be wasteland or single crop land. Government grant*



land given to SC/ST people has also been acquired by KIADB. Application for land registration and conversion in these areas has been stopped.

No public information:

There is complete lack of awareness about which land will be acquired and which is spared, and for what purpose the land has been acquired. Land acquisition was not discussed in the local panchayat meeting showing that the panchayat has no role in this process even though it is constitutionally mandated as the local self government.

Strong local resistance to land acquisition for industrial estate:

1. **Filing objections with KIADB:** 300 applications citing their objections have been filed by farmers with the KIADB.
2. **Farmer meeting:** The village farmers had a meeting and decided:
 - They would not leave their land
 - they would not accept the final acquisition notices received from KIADB
 - they would meet the AC and then take a decision on further action
 - they would discuss and decide about the compensation amount
3. **Farmer's demands:**
 - More compensation
 - Setting up two charities locally. The entire responsibility has to be given to these trusts to ensure that developmental activities are initiated locally and provide employment to the local people. BR Ramu Gouda Charitable Trust is one such example.
 - Written promise of providing employment to one member of each family
 - Similarly written promise related to a site for each family
 - When the developmental activities are going on, KIADB should provide space to the local people and should permit them to run petty shops adjacent to the road

Vesegere Village – 50 acres acquired by KIADB for industrial estate

Who loses out?

120-150 families, mostly owning between 0.1-1 acres. 90% of them are farmers with 30% of them depending on agricultural labour. 15-20 people work in the nearby factory.

What is being taken away?

1) **Farming:** In irrigated land, paddy and vegetable crops are grown. These are sold at market prices. In dry lands, eucalyptus plantations are cultivated.

2) **Wage labourers:** Women earn daily wages of Rs 40. Men earn between Rs 50-100.

Land acquisition:

Preliminary notification has been given for 50 acres. Final notification is expected in last week of November or first week of December. ***Lands being acquired include dry land, irrigated land and eucalyptus plantation. This violates the SEZ Act which specifies that land acquired should be wasteland or single crop land. KIADB had previously acquired 750 acres from the village in 1975-78 and again in 1981-82. Now only 30-40 acres of agricultural land is left in the village. How much must one community sacrifice for the entire region's industrial development?***

No public information:

There is lack of awareness about which land will be acquired and which is spared. KIADB has informed them that IT and BT companies will occupy the land. The fate of



those who have completed sale agreements is not clear. Farmers might get compensation money and spend it but they are clueless about what they are going to do or how they are going to manage in the future.

Strong local resistance to land acquisition for a SEZ:

1. **Court case:** Farmers had challenged the prior acquisition of 750 acres in court but their case was struck down.
2. **Forming a union:** Farmers have formed a union. They have decided they will not leave their land and will not accept the final acquisition notices received from KIADB. They went to meet the Tehsildar, AC and DC. They protested the land acquisition in front of the tehsildar's office.
3. **Formation of committee:** A committee has been formed to protest against these acquisition processes by leaders of farmers unions including Dr. Singh, Gopal Rao, Lingesh, Krishnappa and Venkateshappa.
4. **Farmers meetings and interaction with elected representatives:** four meetings have been held regarding the acquisition of lands in Malur taluk. It has been reported that in these meetings Krishnayya Shetty and Krishna Bhairegouda, MLA's of Malur and Vemagal taluks respectively, and V R Sudarshan, the then chairman of Vidhana Parishad, were present.

Development for whom?

Farmers are very suspicious of the promises for a better life made to them by KIADB. KIADB has said that the region will be developed because of the IT and BT companies coming there, the roads will be widened, local youths will get employment and the price of land owned by farmers will rise 10 times. But existing industrial estates have been misused and underutilized with less than 1/3rd of the total industries still functioning. Some local youths might get jobs but how many and what kind of jobs? In the past, these small scale industries have generated very few jobs for locals, there is no job security with many jobs being temporary ones, and opportunities for women are very limited. Giving up their land and their only known livelihood seems a very high price to pay.

Farmers argue that the price of the land will increase and this will create more demand for KIADB to provide land to companies. A few villagers will get employment and the locality will be improved to some extent but the density of the population and prices will increase as outsiders will come and settle here. Only a few will benefit from the rise in price of the land from Rs. 5 lakhs to about Rs.50 lakhs.

Farmers have been promised one site per family and employment to one member of each family as compensation. KIADB has also promised that tanks and lands surrounding the village will not be acquired. But all these promises have been made orally, nothing is there in writing. So farmers are worried that these promises will not be kept.



Mendalli Village – 1000 acres acquired by KIADB for SEZ

Who loses out? Most are farmers with around 35-40 people working in a brick factory, and a few more working in a poultry farm.

What is being taken away?

1) **Farming:** In irrigated land, 4 vegetable crops are grown annually. These are sold at market prices. In rain-fed lands, eucalyptus plantations are cultivated. For 3 years, the farmers are getting anywhere from Rs.1.20 lakhs to 1.50 lakhs. Most villagers' livelihoods depends on eucalyptus cultivation. Despite this, this land has been acquired by KIADB.

2) **Wage labourers:** 35-40 people work in the brick factory and a few in the poultry farm.

3) **Livestock:** Some people own livestock from which they are earning Rs. 1,500-3,000 once in every 15 days.

Land acquisition:

Preliminary notification has been given for 1000 acres. ***Only about 20 acres of irrigated land and the area comprising the village hutments has been spared.*** KIADB has not even considered whether the land belongs to poor or rich or whether it is dryland or wetland, but for the entire 1000 acres, preliminary notice has been issued. ***Lands being acquired include dry land, irrigated land and eucalyptus plantation. This violates the SEZ Act which specifies that land acquired should be wasteland or single crop land.*** Preliminary notification has been issued to the brick factory land also as the land has not been converted to non-agricultural land.

No public information: People do not have any information about where land is being acquired. The authorities have not convened any meeting with the villagers about the acquisition. KIADB has said that they will spare about 900 ft of land as gramthana but people do not know if this will really happen.

Strong local resistance to land acquisition for a SEZ:

1. ***Filing objections with KIADB:*** KIADB has promised compensation of Rs 8-10 lakhs per acre. The farmers have challenged this and filed an objection.
2. ***Approaching the local MLA:*** The farmers have approached the local MLA who has given them assurance of his support.

Karinayakanahalli Village (Border area): 420 acres acquired by KIADB

Who loses out? There are 90 families living here. All of them are farmers and own lands from 0.1 guntas to 5 acres, with a few owning between 5-8 acres. The area is near the main road, almost adjacent to NH 4. There is one brick factory but migrants from other states, not local people, work there.

What is being taken away?

1) **Farming:**

The remaining 220 acres comes under dryland belt where part of the land has been used to grow Eucalyptus trees. Under irrigation conditions, 2 – 3 vegetable crops are grown annually

2) **Wage labourers:** Some of the villagers are employed in the neighbouring factories. The women earn Rs. 55 and men Rs.100 as agricultural labour.



3) Poultry farming: Some villagers manage poultry farms on contract. Most of the inputs like chickens and feeds are provided by M/s Suguna poultry farm based in Bangalore. They also have an agreement for a buy-back scheme. After 42 days of the new born chickens, the farmers will get Rs.2.5 per kg. The farmers make Rs. 15,000-20,000 in one and a half months.

Land acquisition:

Out of the 420 acres being acquired, 200 acres of land have irrigation facility. This violates the SEZ Act which specifies that land acquired should be wasteland or single crop land.

No public information: Some people say that a pipe factory and small scale industries will be set up in the area. Others are talking about I.T and B.T companies. No one has any clear information on which companies will locate there.

Strong resistance to land acquired for a SEZ:

- **Farmer protests:** If the lands are acquired, the people will face severe problems. They have therefore protested this move by KIADB and agitated in front of the Taluk Office. They have also blocked the NH 4 by-pass road.
- **Approaching the MLA:** The then MLA of the area, Nagaraj, has been briefed about the developments and he also joined the protest group.
- **Support from Raitha sangha:** The Raitha sangha from Bangalore have assured support to the farmers
- **Formation of a committee:** A committee has been initiated in the village. People belonging to SC and ST are also part of this committee. Preliminary notice has been issued to their lands also.

Development for whom?

Farmers from Mendalli Village say that they don't need the compensation and they are not selling their land. If all the agricultural land in the village is acquired, there is no other land for them to survive. The villagers might have houses but they will not have employment. Their problems will be severe and might lead to villagers committing suicide. Additionally, if the lands are acquired, the compensation money from the government will not be given at once. The government might take one to ten years to pay the compensation amount and farmers will not be able to do anything about this. How will they survive?

The farmers of Karinayakanahalli Village said that their entire lands have been acquired but there are 300 acres of land near the village which belongs to Krishnayya Shetty and Krishna Bhairegouda, the MLAs of Malur and Vemagal taluks respectively. These lands have not been acquired. Does this mean that only the poor lose from such a model of development? That if you are rich and have political connections, you only benefit from this model of development but do not have to pay the price for it?



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With the support of Action Aid India