



**UNIVERSITY OF AGRICULTURAL SCIENCES
COLLEGE OF AGRICULTURE, GKVK, BENGALURU-560065
DEPARTMENT OF AGRICULTURAL EXTENSION**

SEMINAR REPORT

on

SPECIAL ECONOMIC ZONES AND IT'S IMPACT ON AGRICULTURE

SUBMITTED TO:

SEMINAR TEACHERS

Dr. Y. N. Shivalingaiah.

Professor and Head

Dr. Ganesamoorthi. S.

Associate Professor

Department of Agricultural
Extension

UAS, GKVK, Bengaluru -65

SUBMITTED BY:

Manohar. K. N.

PAMB 0031

IInd Ph.D.

Dept. of Agricultural Extension

UAS, GKVK, Bengaluru-65



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INTRODUCTION

Special Economic Zones (SEZs) have been recognised as an important mechanism for exports and investment promotion, creation of infrastructure, employment generation, promotion of regional development, increase in foreign exchange earnings, improving export competitiveness and transfer of skills and technology. The SEZs have been in existence for decades, but have attracted renewed attention world-wide in recent years due to globalisation and financial markets. Now, it is a well-recognised fact that the SEZs are instrumental in developing local and regional infrastructure facilities, which, in turn, are necessary for overall economic development of a country.

The concept of SEZs in India was introduced in the year 2000 through a revision in the Export-Import Policy 1997-2002. The objective of the SEZ scheme was to make the SEZs as engines of economic growth. The SEZ Policy was announced in April 2000. The Special Economic Zones Act was passed by Parliament in May 2005 and SEZ Rules in 2006 to support the Act. The main objective of establishing SEZ scheme is to promote foreign investment and other transactions and create employment opportunities.

The SEZ Act 2005 defines the key role for the state governments to enable export promotion and creation of high class infrastructure facilities for commercial as well as residential inhabitation. Units operate in these zones are to be deemed as outside the country's customs territory and will have full flexibility of operations. Several measures have been adopted to improve the quality of governance of the zones.

Growth in exports is necessary to offset the deterioration in the balance of payments. This is done by establishing of Special Economic Zones. Therefore, there is a need to understand the contribution of SEZs towards Karnataka's trade. Against this background, the present paper analyses the trade performance of SEZs in terms of exports, investment and employment opportunities in Karnataka.

Agriculture plays a vital role in India's economy where 54.60 per cent of workforce is engaged in agriculture production and relies upon the income earned from agricultural activities (Anon; 2020). Industrialization in India can help the progress of agriculture, trade transport and all other economic activities. Industrialization is the key to economic commodity development. It will make possible in use of our human and physical resources. As of 31st January 2021; 265 SEZs are operational in the country. About 64 per cent of the SEZs are located in five states – Tamil Nadu, Telangana, Karnataka, Andhra Pradesh and

Maharashtra. About 22.84 lakh persons have been employed in the SEZs. In the financial year 2020-21, the exports from SEZs have decreased by about 7.25 per cent when compared to the previous financial year due to **lack of proper marketing facilities and** decrease in demand caused by pandemic situation all over the world.

OBJECTIVES OF SEMINAR

1. To know the concept of Special Economic Zones in India
2. To understand the purpose of the Special Economic Zone in India
3. To understand the impact of Special Economic Zones on agriculture
4. To review the related case studies and research studies

SEZ Background

- An SEZ Policy was announced for the very first time in 2000 in order to overcome the obstacles businesses faced.
- There were multiple controls and many clearances to be obtained before starting a venture.
- Infrastructure facilities were shoddy and well below world standards in India.
- The fiscal regime was unstable as well.
- In order to attract huge foreign investments into the country, the government announced the Policy.
- The Parliament passed the **Special Economic Zones Act** in 2005 after many consultations and deliberations.
- The Act came into force along with the SEZ Rules in 2006.
- However, SEZs were operational in India from 2000 to 2006 (under the Foreign Trade Policy).

Note:- A precursor to the SEZs, the Export Processing Zones were set up in India well before. The first EPZ came up in Kandla in 1965 to promote exports. This was the first EPZ not only in India but in all of Asia as well.

Definition and Meaning of SEZ:

To explain in simple terms, SEZ is a territorial region treated as a foreign territory for the purpose of industrial, service and trade operations with exemption from customs duties and a more liberal regime in respect of other levies. To promote foreign investment and other transactions, and to create of employment opportunities, domestic regulations, restrictions and infrastructure inadequacies are sought to be eliminated in the SEZs thereby creating a hassle-free environment. The SEZ scheme seeks to create a simple and transparent system and procedures for enhancing productivity and the ease of doing business.

□ **A Special Economic Zone (SEZ)** is a demarcated area with quality infrastructure. It is exempted from all taxes and duties to enable manufacturing and trade in a hassle free environment for export production.

• **Any Company** (private / public / joint sector) or State Government or its agencies and foreign companies can set up SEZ. The SEZ Act 2005, supported by SEZ Rules 2006, came into effect from 10-2-2006.

• **In the case of a SEZ**, 100% of land is to be acquired by consent and there is no compulsory acquisition of land. This besides, R & R Policy would be implemented as per Government of India guidelines. The SEZ Act provides for state governments to grant exemption from state taxes, levies and duties. Further, the various state Acts delegate powers to the Development Commissioner.

Types of Special Economic Zones:

Special Economic Zone have been developed in many countries, including India. In India, the Special Economic Zone Act was passed in the year 2005. SEZs were set up in the private, public, or in the joint sector by the state governments with permission from the central government. The onus is on the state government to provide an internationally competitive and comfortable environment for the investors to set up units for manufacturing goods and rendering of services.

□ **Export Processing Zones (EPZs):** EPZ refers to an area that allows aggressive economic activities in the form of tax exemptions, fiscal incentives and other benefits to revive weakening export business.

□ **Free Zones (FZ):** FZ is an area where immigration, visa, customs and taxation are relaxed.

□ **Free Trade Zones (FTZ):** FTZ refers to a particular area within a country where normal trade requirements such as taxes, tariffs, and quotas are either reduced or relaxed to attract investment.

□ **Industrial Parks or Industrial Estates (IE):** Industrial Parks or Industrial Estates, also known as trading estate, is an area where there are lighter industries such as offices. These areas are located away from the city's main residential area but close to transport facilities such as highways, airports, railroads and ports.

□ **Free Ports:** Free Ports refer to a special customs area with relaxed customs regulations or no customs duties or controls for transshipment.

□ **Urban Enterprise Zones:** Urban Enterprise Zone refers to an area that is free of certain local, state and central taxes and restrictions. Located in the industrial or commercial areas of a city, the sales tax rate within this zone would be half compared to other parts and the incentives would be much higher. This is done to revive the business climate of a city that has been shattered by economic problems.

Special Economic Zones Act, 2005

“It is defined as an Act to provide for the establishment, development and management of the Special Economic Zones for the promotion of exports and for matters connected therewith or incidental thereto.”

The chief objectives of the SEZ Act are:

1. To create additional economic activity.
2. To boost the export of goods and services.
3. To generate employment.
4. To boost domestic and foreign investments.
5. To develop infrastructure facilities.

SEZ Rules

The Rules provide for:

1. Simplified procedures to develop, operate and maintain SEZs and also to set up units and conduct businesses in the SEZs.
2. Single-window clearance to set up a Special Economic Zone, and also to set up a unit in

an SEZ.

3. Single-window clearance for matters connected to the Central and State governments.
4. Simplified compliance procedures and documentation with a focus on self-certification.
5. Different minimum land requirements for different classes of Special Economic Zones.

SEZ Approval Mechanism

The SEZ approval mechanism is a single-window process provided by a 19-member inter-ministerial SEZ Board of Approval (BoA).

- The developer has to submit the proposal to the state government.
- The state government forwards this proposal to the BoA along with its recommendation within forty-five days.
- The developer or applicant can also directly submit the proposal to the BoA.
- The Board, which has been constituted by the Central Government, and is a 19-member Board takes the decision considering the merits of the proposal. All decisions taken by the Board are by consensus.
- The Board is chaired by the Secretary of the Dept. of Commerce, Ministry of Commerce and Industry.
- The other members are from various bodies and ministries such as the Central Board of Excise and Customs (CBEC), the Central Board of Direct Taxes (CBDT), Department of Economic Affairs, Dept. of Commerce, Ministry of Science and Technology, Ministry of Home Affairs, Ministry of Law and Justice, Ministry of Urban Development, etc.
- Once the BoA gives its approval, and the central government notifies the area of the SEZ, units are allowed to be established inside the SEZ.

SEZs Facilities & Incentives

The government offers many incentives for companies and businesses established in SEZs. some of the important ones are:

- Duty-free import or domestic procurement of goods for developing, operating and maintaining SEZ units.
- 100% Income tax exemption on export income for SEZ units under the Income

Tax Act for first 5 years, 50% for next 5 years thereafter and 50% of the ploughed back export profit for next 5 years. (Sunset Clause for Units will become effective from 2020).

- Units are exempted from Minimum Alternate Tax (MAT).
- They were exempted from Central Sales Tax, Service Tax and State sales tax. These have now subsumed into GST and supplies to SEZs are zero-rated under the IGST Act, 2017.
- Single window clearance for Central and State level approvals.
- There is no need for a license for import.
- In the manufacturing sector, barring a few segments, 100% FDI is allowed.
- Profits earned are permitted to be repatriated freely with no need for any dividend balancing.
- There is no need for separate documentation for customs and export-import policy.
- Many SEZs offer developed plots and ready-to-use space.

Apart from the firms operating in SEZs, developers of SEZs also receive many benefits and incentives from the government.

Administrative set up

The functioning of the SEZs is governed by a three tier administrative set up. The Board of Approval is the apex body and is headed by the Secretary, Department of Commerce. The Approval Committee at the Zone level deals with approval of units in the SEZs and other related issues. Each Zone is headed by a Development Commissioner, who is ex-officio chairperson of the Approval Committee.

Once an SEZ has been approved by the Board of Approval and Central Government has notified the area of the SEZ, units are allowed to be set up in the SEZ. All the proposals for setting up of units in the SEZ are approved at the Zone level by the Approval Committee consisting of Development Commissioner, Customs Authorities and representatives of State Government. All post approval clearances including grant of importer-exporter code number, change in the name of the company or implementing agency, broad banding diversification, etc. are given at the Zone level by the Development Commissioner. The performance of the SEZ units are periodically monitored by the Approval Committee and

units are liable for penal action under the provision of Foreign Trade (Development and Regulation) Act, in case of violation of the conditions of the approval.

SEZs in India

As of 31st January 2021; 265 SEZs are operational in the country. About 64% of the SEZs are located in five states – Tamil Nadu, Telangana, Karnataka, Andhra Pradesh and Maharashtra.

The following table gives data about the SEZs as of 31st January 2021

SEZs approved	425
SEZs notified	378
SEZs approved in-principle	33
SEZs operational	265

A few important figures related to SEZs in India:

- As of 31st December 2020; 22.84 lakh persons have been employed in the SEZs, the division of which is given below:
 - Number of persons employed in the Central Government SEZs – 186768
 - Number of persons employed in the state/private SEZs set up before 2006 – 98309
 - Number of persons employed in the SEZs notified under the act – 1999871
- In the financial year 2020-21 (As of 31st December 2020) the exports from SEZs have decreased by about 7.25% when compared to the previous financial year (2019-2020).
- Examples of SEZs in India:
 1. SEEPZ Special Economic Zone (Mumbai),
 2. Kandla SEZ
 3. Cochin SEZ
 4. Madras SEZ
 5. Visakhapatnam SEZ
 6. Falta SEZ

Classification of SEZs in India

SEZ Policy highlights that in India, the normal procedure of establishing a textile special economic zone (or any other SEZ) is getting approval on the basis of fulfillment of SEZ ACT 2005 and SEZ rules 2006. The normal procedure for approval of SEZ is divided in three steps. Firstly, they get a formal approval when land is available to set up an SEZ. Then the SEZ receives an in-Principal approval when the land has not yet been secured but all other criteria are fulfilled. The SEZ is then notified when the land is also secured and it is all ready for beginning the physical development of work. Majority of SEZs in India are of less than 49 hectares in area. Finally, the SEZ completes with development of required infrastructure and allots plots to unit holders. When the production work is finally started by the unit-holders, the SEZ gains the title of being operational. SEZs in India can be categorized on the basis of four categories namely, on the basis of sector, on the basis of function or location, on the basis of governance and on the basis of requirement of having processing as well as non-processing areas.

SEZ comprises of

Processing area

- Processing area is the demarcated area in SEZ where units can be located for manufacture of goods or rendering of services
- Minimum processing area has been uniformly fixed at 50 % for multi product SEZ 90 % for product specific SEZ

Non-processing area

- Non-processing area is intended to provide support facilities to SEZ processing area and may include:
 - (i) Educational institutions
 - (ii) Hospitals
 - (iii) Hotels
 - (iv) Recreation and entertainment facilities
 - (v) Residential and business complexes

CLASSIFICATION OF SEZs IN INDIA		
Sector	Sector Specific SEZ	1.Manufacture one or more goods in a particular sector 2.Render one or more services in a particular sector
Function or location	Multi-product SEZ	Manufacture multiple goods in one sector or across multiple sectors -----Trading and warehousing ----Render two or more services in a sector or two or more sectors
	SEZ in a port or airport	SEZ in an existing port or airport for the manufacture of goods falling in two or more sectors or for trading and warehousing or rendering or services.
Governance	1.Established and run by Central Government	
	2.Established jointly by State Government or Private Developers prior to SEZ ACT 2005	
	3.Notified under SEZ ACT 2005,developed and run by State Government under SEZ ACT 2005 or SEZ Rules 2006	

Present Scenario of the Land Requirement for Various Classes of SEZs is as Follows

Type	Area	Area for Special States / UTs
Multi- product	1000 hectares	200 hectares
Multi services	100 hectares	100 hectares
Sector specific	100 hectares	50 hectares
Handicraft	10 hectares	10 hectares
IT	10 hectares & min. built up area as per SEZ rules.	10 hectares & min. built up area as per SEZ rules.
Gems and Jewellery	10 hectares & min. built up area as per SEZ rules.	10 hectares & min. built up area as per SEZ rules.
Bio-tech and Non-conventional energy (including solar energy equipments/cell but excluding SEZs for non-conventional energy production and manufacturing)	10 hectares & min. built up area as per SEZ rules.	10 hectares & min. built up area as per SEZ rules.
FTWZ	40 hectares & min. built up area as per SEZ rules.	40 hectares & min. built up area as per SEZ rules.

Fact Sheet on Special Economic Zones as on 30.06.2022

(Dedicated website: www.sezindia.nic.in)

Number of Formal approvals (As on 30.06.2022)		425			
Number of notified SEZs (As on 30.06.2022)		<i>376 (Including 7 Central Govt.+12 State Govt. / Private Sector SEZs setup prior to the enactment of SEZ Act, 2005)</i>			
Number of In-Principle Approvals (As on 30.06.2022)		35			
Operational SEZs (As on 31 st March, 2022)		268			
Units approved in SEZs (As on 31 st March, 2022)		5,576			
Land for SEZs (As on 30.06.2022)	<i>7 Central Govt. + 12 State Govt. /Pvt. SEZs notified before SEZ Act, 2005.</i>	<i>Notified SEZs under the SEZAct, 2005</i>	<i>Total Notified SEZs Area (1+2)</i>	<i>Formally Approved SEZs (425-357)</i>	<i>Total Area (3+4)</i>
	<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>
	2132.18 Ha	39371.44 Ha	41503.62 Ha	5510.03 Ha	47013.65 Ha
	<i>Land is a State subject. Land for SEZs is procured as per the policy and procedures of the respective State Governments.</i>				
INVESTMENT		Investment (As on February,2006)	Incremental Investment	Total Investment (As on 31 st March,2022)	
Central Government SEZs		Rs. 2,279.20 cr.	Rs. 20,834.12 cr.	Rs. 23,113.32 cr.	
State/Pvt. SEZs setup before 2006		Rs. 1,756.31 cr.	Rs. 12,396.07 cr.	Rs. 14,152.38 cr.	
SEZs Notified under the Act		-	Rs. 6,12,439.31 cr.	Rs. 6,12,439.31 cr.	
Total		Rs. 4,035.51 cr.	Rs. 6,45,669.50 cr.	Rs. 6,49,705.01 cr.	
EMPLOYMENT		Employment (As on February, 2006)	Incremental Employment	Total Employment (As on 31 st March,2022)	
Central Government SEZs		1,22,236 person	73,731 person	1,95,967 person	
State/Pvt. SEZs set up before 2006		12,468 person	97,437 person	1,09,905 person	
SEZs Notified under the Act		0 person	23,90,308 person	23,90,308 person	
Total		1,34,704 person	25,61,476 person	26,96,180 person	
Exports in 2020-21		Rs. 7,59,524 Crore [102.32 Billion USD] (Decrease of -4.66% over FY 2019-20)			
<i>DTA Sale (Deemed exports)</i>		<i>Rs. 20,167 Crore (2% of total production) Rs.</i>			
<i>DTA Sale (Not counted for +ve NFE)</i>		<i>1,76,634 Crore (18% of total production)</i>			
Exports in 2021-22		Rs. 9,90,747 Crore [133 Billion USD] (Growth of 30% over FY 2020-21)			
<i>DTA Sale (Deemed exports)</i>		<i>Rs. 27,401 Crore (2% of total production) Rs.</i>			
<i>DTA Sale (Not counted for +ve NFE)</i>		<i>3,27,642 Crore (24% of total production)</i>			
Exports in 2022-23 (As on 30 th June, 2022)		Rs. 2,89,429 Crore [37.50 Billion USD] (Growth of 32% over the exports of the corresponding period of FY 2021-22)			
<i>DTA Sale (Deemed exports)</i>		<i>Rs. 7,415 Crore (2% of total production)</i>			
<i>DTA Sale (Not counted for +ve NFE)</i>		<i>Rs. 67,705 Crore (19% of total production)</i>			

Table 1: States/Union Territories-wise distribution of approved SEZs in India

States/Union Territories-wise distribution of approved SEZs					
States/UTs	Central Government SEZs set up prior to the enactment of SEZs Act, 2005	State Government/Private Sector SEZs set up prior to the enactment of SEZs Act, 2005	Formal Approvals granted under the SEZs Act, 2005	Notified SEZs under the SEZ Act, 2005	Total Operational SEZs (Including prior to SEZs Act + under the SEZs Act, 2005)
Andhra Pradesh	1	0	32	27	24
Chandigarh	0	0	2	2	2
Chhattisgarh	0	0	2	1	1
Delhi	0	0	2	0	0
Goa	0	0	7	3	0
Gujarat	1	2	26	22	21
Haryana	0	0	25	22	7
Jharkhand	0	0	2	2	0
Karnataka	0	0	63	52	34
Kerala	1	0	29	25	20
Madhya Pradesh	0	1	12	7	5
Maharashtra	1	0	51	45	37
Manipur	0	0	1	1	0
Nagaland	0	0	2	2	0
Odisha	0	0	7	5	5
Puducherry	0	0	1	0	0
Punjab	0	0	5	3	3
Rajasthan	0	2	5	4	3
Sikkim	0	0	0	0	0
Tamil Nadu	1	4	56	53	48
Telangana	0	0	63	56	34
Tripura	0	0	1	1	0
Uttar Pradesh	1	1	24	21	14
West Bengal	1	2	7	5	7
GRAND TOTAL	7	12	425	359	265

Table 2: Sector-wise Distribution of approved SEZs

Sector-wise Distribution of approved SEZs (As on 1 December 2017) ^[2]				
Sectors	Formal approvals	In-principle approvals	Notified SEZs	Exporting SEZs (Central Govt. + State Govt./Pvt. SEZs + notified SEZs under the SEZ Act, 2005)
Agro	5	2	5	1
Airport based multiproduct	2	0	0	0
Auto and related	1	1	1	1
Aviation/Aerospace/Animation & Gaming/Copper	7	1	5	4
Beach & mineral/ metals	2	0	2	1
Biotechnology	23	1	16	3
Building products/transport equipments/ceramic and glass	2	2	2	2
Electronic product/Industries	2	0	2	2
Engineering	13	1	13	13
Footwear/Leather	5	0	5	3
Food Processing	3	0	2	2
FTWZ	9	4	5	4
Gems and Jewellery	8	3	3	3
Handicrafts & Carpets	3	0	2	2
IT/ITES/Electronic Hardware/Semiconductor/Services	274	0	234	129
Alumina/Aluminium	2	0	2	1
Light Engineering/Metallurgical Engineering /Automotive Components	1	0	0	0
Multi-Product	20	9	17	23
Multi-Services	7	1	7	2
Non-Conventional Energy	2	0	2	2
Plastic processing	0	0	0	0
Petrochemicals & petroleum products/oil and gas	2	1	0	0
Pharmaceuticals/chemicals	16	2	16	12
Port-based multi-product	4	1	3	2
Power/alternate energy/solar	3	1	3	3
Textiles/Apparel/Wool	7	1	7	7
Writing and printing paper mills	1	0	1	0
Granite processing industries and other allied machinery/ manufacturing	2	0	1	0
Total	423	31	356	222

Table 3: Performance of exports under operational SEZs in India

Years	Exports (In Cr.)	Growth rate over previous
2005-06	22840	
2006-07	34615	52
2007-08	66638	93
2008-09	99689	50
2009-10	220711	121.40
2010-11	315868	43.11
2011-12	364478	15.39
2012-13	476159	31
2013-14	494077	4
2014-15	463770	-6.13
2015-16	467337	0.77
2016-17	523637	12.05
2017-18	266773	13.99
2018-19	701179	21.00
2019-20	796669	13.62
2020-21	553396	-7.25

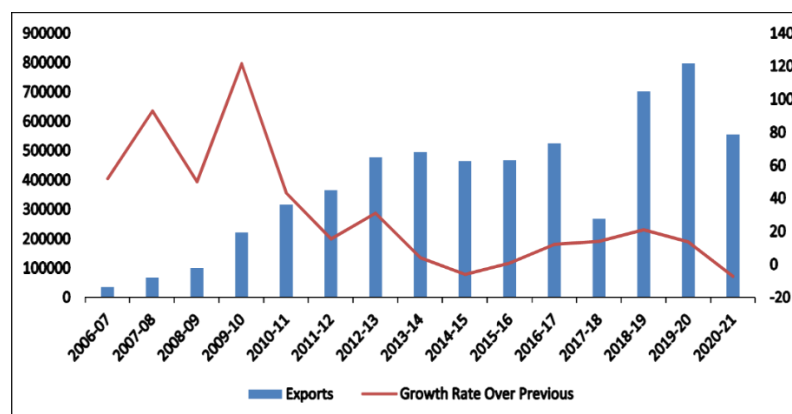
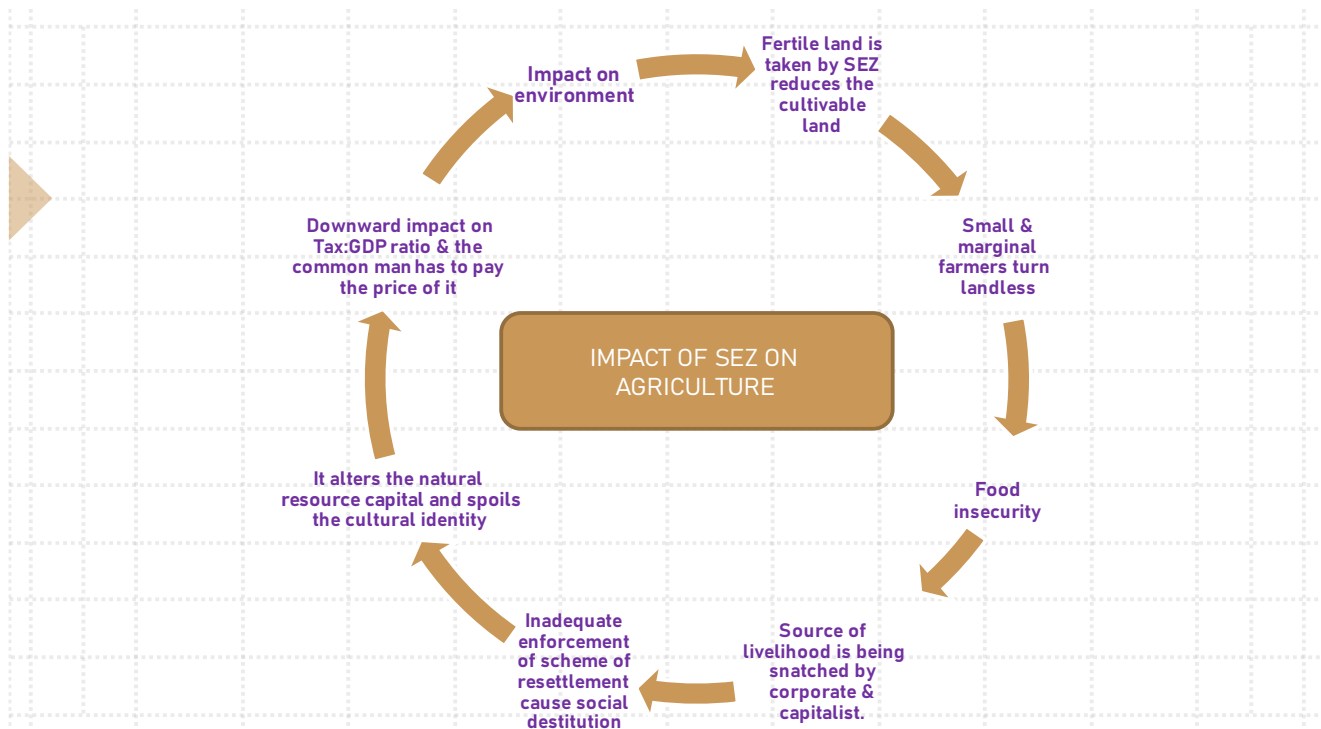


Table 2 represents the exports performances SEZs in India. In the year 2009-10, the exports are highly increased with the growth rate of 121.40 over the previous year. But, in the year 2014-15, it was decline and the growth rate recorded in negative (-6.13) over the previous year. Again, in the year 2020-21, the growth rate of exports shows negative (-7.25) over the previous year. Covid-19 is may be one of the reasons behind this negative growth rate. Overall, the table shows the fluctuating trends in the entire time period

Impact of Special Economic Zones on Agriculture



1. Fertile land taken by SEZ Reduces the cultivable land

- ❖ By diverting cultivable land to non-agricultural purpose (setting up of SEZs).
- ❖ Acquisition of land from farmers.
- ❖ Leads to reduced growth of agriculture.
- ❖ Leads to decrease in the production of agriculture.
- The cultivable land in India has **shrunk marginally by 0.43 per cent to 182.39 million hectare in last five years**. This is due to shift in area for non-agricultural purposes such as buildings, road and railways among others

Printed from
THE TIMES OF INDIA

Urbanization effect: Karnataka is losing its farmland at fast pace

TNN | Nov 14, 2016, 07:37 AM IST



BENGALURU: Agriculture land in Karnataka is shrinking at an alarming rate, particularly in and around Bengaluru, Mysuru and Mangaluru, even as the state government continues to be a mere spectator to the onslaught of urbanization. Latest data from the Karnataka Agriculture Price Commission (KAPC) shows that 11% of cultivable land to the extent of 12.49 lakh hectares has dwindled in the state over the last decade (between 2005 and 2015).

Though there are a multiple reasons for this trend, the decrease is mainly attributed to diversion of cultivable land for non-agricultural purposes, including construction, industries and other development activities. Most strikingly, the data suggests that about 60,000 hectares of agriculture

land have been converted for non-agriculture purposes every year in the said period.

"About 80% of people engaged in agriculture are in rural areas of the state and their sole means of livelihood is farming. If the trend continues for another 10 years, the state could see a major food crisis," said KAPC chairman Prof T N Prakash Kammaradi, who recently submitted the study report to chief minister Siddaramaiah, seeking his urgent intervention to arrest the trend.

Example : Case study : **Urban expansion and loss of Agriculture land - A case of Bengaluru city**

Author : Kavitha et al., (2015)

The study was conducted in close vicinity of Banglore i.e., parts of Ramnagar, Banglore rural and Kolar.

Fig 1. Map showing study area

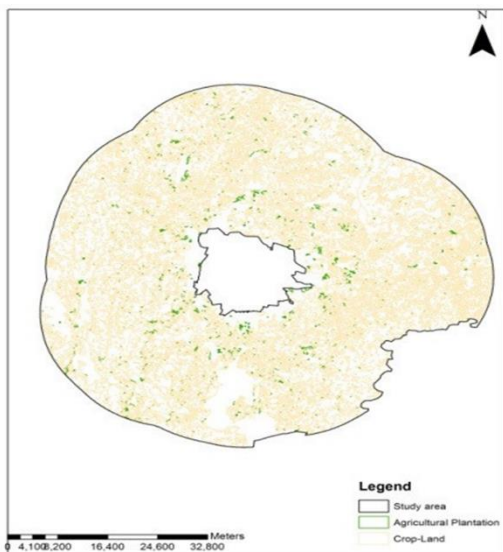
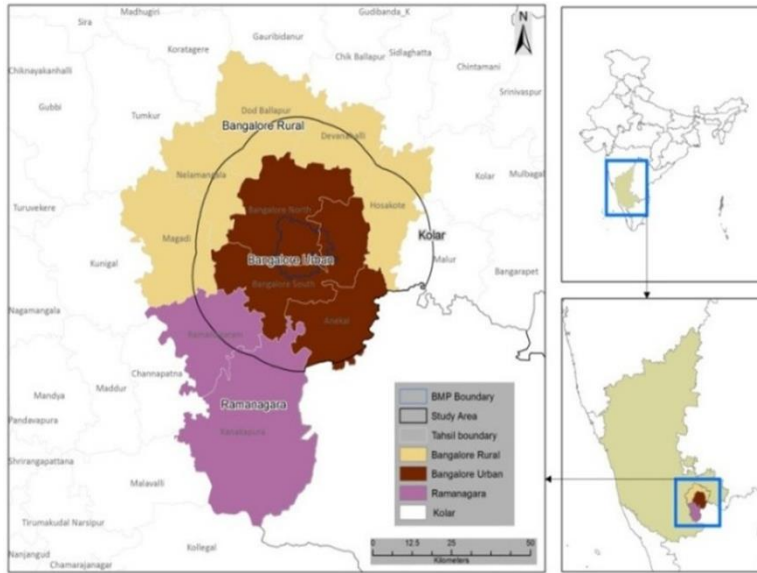


Figure 2: Agriculture land in Bengaluru fringe in 2007

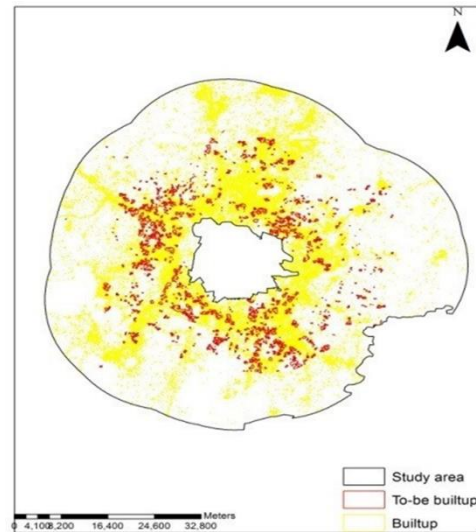


Figure 3: Built up and To-be built 2014 in Bengaluru fringe

Table 1: Agriculture land 2007, Built up and To-be built up 2014

Agriculture Land(2007)	Total area (km ²)	Built up (2014) (km ²)	Change (%)	To- be built up (2014) (km ²)	Change (%)	Total change (2014) (km ²)	Change (%)	Change in agriculture land (%)
Agricultural Plantation	302.76	27.57		15.19		42.77		16.31
Crop-Land	2221.85	184.91		81.1		266.02		
Total agriculture land	2524.61	212.49	47.58	96.29	58.68	308.78	50.57	
Other landuse	1218.39	234.07	52.42	67.79	41.32	301.86	49.43	
	3743	446.56	100	164.08	100	610.64	100	

The forest department landuse category map of 2007 (Figure 3) shows an area of 2524.61 square kilometers for agriculture land and 1218 square kilometers for other land use category. The other land category includes: previous built up, open land, water bodies, forestland, rock, quarry etc.,. Out of the 2524.61 square kilometers of agriculture land, 302.76 square kilometers comprises agricultural plantation and 2221.85 square kilometers is cropland area (Table 2).

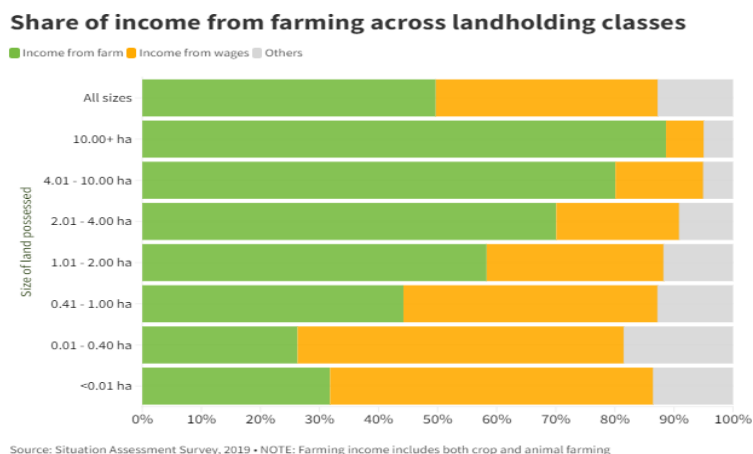
The 212.49 square kilometers of agriculture land and 234.07 square kilometers of other land has contributed to built up area of 446.56 square kilometers in 2014. Out of the 212.49 square kilometers of agriculture land comprises 27.57 km² agricultural plantation and 184.91 square kilometers of cropland. In the “to-be built up” land category of 164.08 square kilometers, 96.29 square kilometers is from agriculture land comprising 15.19 square kilometers of agriculture plantation and 81.1 square kilometers of cropland. The remaining 67.79 square kilometers is from the other landuse.

The total land of 610.64 square kilometers of “built up” and “to-be built up” has been contributed from 302.78 square kilometers (50.57%) of agriculture and 301.86 square kilometers (49.43%) of other land category. This reveals that, agriculture land category has contributed majorly to built up compared to other land which consist several other smaller landuse categories. Across the years 16.31% of agriculture land has gone to built up.

2. Small & marginal farmers turn landless

It is estimated that more than 10 lakh people who are dependent upon agricultural lands will be evicted from their lands.

Almost 80 % of the agricultural population owns only about 17 % of the total agriculture land, making them near landless farmers.



In the name of the development or urbanisation many farmers are at the extinct of becoming landless, for the big farmers it may not affect much but for the small farmers those who have less than acre of land will become poor. One such example of farmers protesting for their land was cited below.

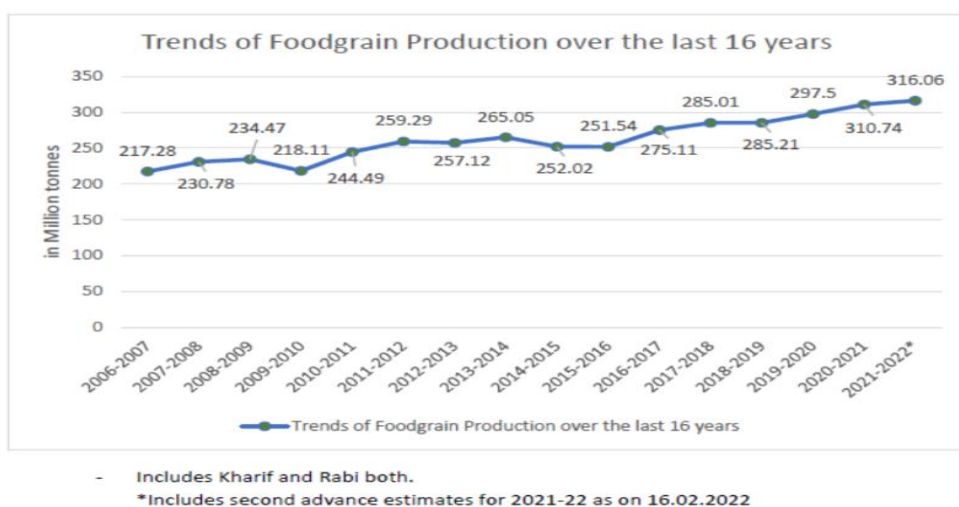
Example : Farmers' Protest: Bengaluru's Farm Hub Devanahalli To Lose Land To Industries?



“I fear that we will be out of employment very soon. The government is taking away the land for building big industries and the land owners will be compensated. But, what about us? Where do we go for work, there is no land anymore,” complained Anithamma, as she spoke to **The Reporter**.

Over 350 families in Devanahalli will becomes landless due to the new land acquisition policy in Karnataka.

3. Food insecurity



As depicted in the above figure it was observed that, there was increasing trend of food production from 2006 to 2021. Even though we are increasing production due to over population we are not meeting the poorest among poor and In the 2021 Global Hunger Index, India ranks **101st** out of the 116 countries with sufficient data to calculate 2021 GHI scores. With a score of **27.5**, India has a level of hunger that is **serious**. Due to malnutrition, poverty and agricultural land acquisition for the developing activities also one of the reason for food security problem.

One such example, how the SEZ was affecting agriculture was shown below,

Example: Special Economic Zones and its Impact on Agriculture- A Case Study of Telangana State, India.

Author : Bixapathi and Omakr (2018)

Table1: Fertile Agriculture land losers

Land lost	Respondents	Percentage
Yes	176	73.33
No	64	26.67
Total	240	100.00

Agriculture is the primary occupation of most of the people of Telangana state. To access the impact of special economic zones on agriculture, land lose and non-land lose respondents were asked to season wise, crop wise, net shown area. Out of 240 respondents 176respondents lost their land due to establishment of SEZs in their village. 73.33% of total respondents lost the fertile agriculture land due to establishment of SEZs in their village.

Table 2: Total Acres of Fertile Agriculture land lost

Land lost (Acres)	Respondents	Total land lost (Acres)
1	37	37
2	57	114
3	33	99
4	14	56
5	7	35
6	3	18
7	3	21
8	4	32
9	6	54
10	2	20
12	1	12
13	1	13
15	3	45
16	1	16
19	1	19
25	1	25
30	2	60
Total	176	676

Out of 176 land loser , majority of them lost 2 acres of land (table 2). The total area of the land lost by the respondents is 676 acres.

Conclusion

Out of 988 acres of land only 312 acres land is available for cultivation due to the impact of special economic zones in the selected villages, among selected respondents.it means that 68.42% of agriculture land lost. 45.74% of food grains production land in karif season. And 43.82% of land food grain land in rabi season are available for production of food grains due to the impact of special economic zones. And it will lead to deficiency in availability of food grains its leads to food security.

4. Displacement and loss of livelihoods

Estimates show that close to 1,14,000 farming households and an additional 82,000 farm worker families who are dependent upon these farms for their livelihoods, will be displaced.

Experts calculate that the total loss of income to the farming and the farm worker families is at least Rs. 212 crores a year.

(www.business.mapsofindia.com)

If SEZ is built on agricultural land the farmers will lose their livelihood as they are not skilled laborers & it would be tough to relocate them to other jobs. For example : for the sake of economic corridor and in the name of industrialization many tribal areas and rural areas were evacuated from their dwelling places it will lead to loss of their livelihood.

5. Inadequate enforcement of scheme of resettlement cause social destitution

“For the larger public purpose, displacement of a few people is unavoidable.” refrain amongst officials. Mere monetary compensation for loss of their lands and physical relocation to other places in the name of rehabilitation can never be an adequate measure.

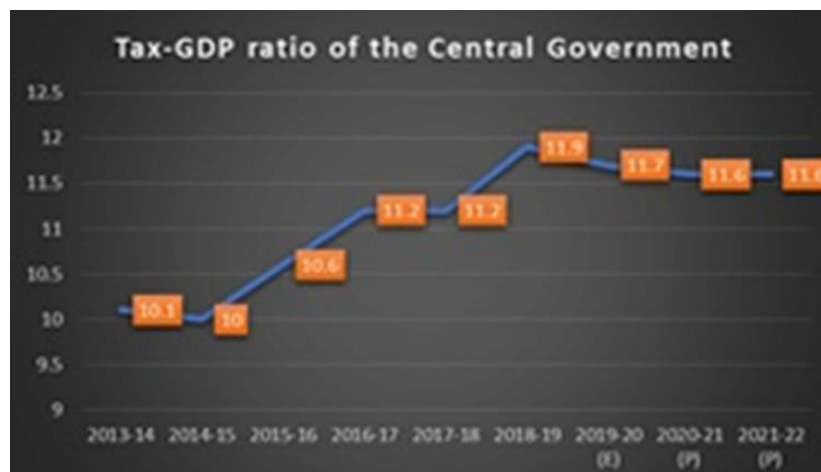
Agricultural land acquisition may not cause problem to big farmers but it seriously affects the small farmers they may enjoy the compensation money for 2-3 years afterwards they become landless and they might work on the others farm as labours this might cause poverty.

6. Alters the natural resource capital and spoils the cultural identity

Displaced farmers move into cities and resettlement sites which leads to loss of their cultural identity. For example: tribal people in tribal areas if they leave their dwelling places for the industries, hotels and other developmental activities it might also lead to

- Loss of indigenous tradition and culture.
- Disintegrations of firmly settled communities.
- Altering the natural resource capital.

7. Downward impact on Tax: GDP ratio leads to loss of public revenue



As shown in the figure the tax-GDP ratio was increasing over the years from 2013-2019 but after that it gradually decreases due to covid pandemic and lack of improper payment of taxes from many big industrialists and business people. If the tax – GDP ratio was increasing the government will take up welfare activities and implement public welfare programmes. If the tax-GDP ratio was decreasing in order to collect the tax government will impose tax on daily necessary good and products thus it may affect the common man to pay for it.

8. Impact on Environment

Some of the problems caused due to establishment of industries under special economic zones were listed here;

- Effluent will deteriorate physical condition of soil.
- The chemical effluents will also effect the bio-resources.
- The sub-surface and under ground water quality will be impaired.
- The fertile land will become unproductive for the agriculture.
- The environment will be affected by such pollution.
- The land value will be decreased.

Suggestions

In the above context the major impact of these SEZs were discussed and some of the suggestions to overcome those problems are;

1. Fertile agricultural land should be used only for agricultural purpose.
2. Youth should get enriched with importance of agriculture.
3. Industrial wastes has to be recycled in an appropriate way.
4. SEZ (Special Economic Zone), Thermal Power Plant, for such a large Industrial area agricultural land should not be used.
5. To stop the migrating farmers small scale business must be nurtured in rural areas. It will enable the farmers with job for throughout the year which otherwise will be only on occasional seasons.
6. Industries should not be established in rural areas. In such case they should be allotted by non agricultural land.

7. Farmers should be encouraged to make more food production.
8. Farmers should be made aware by the importance of agricultural growth and precaution to deal with food problems.
9. Farmers should be provided with more Subsidy for food crops.
10. Govt should provide good educational facility for farmers in rural areas.
11. Govt should not seize agricultural land while building SEZ.
12. Farmers should get productive seeds & fertilizers from the Govt.
13. Govt should provide good market facility along with good prize for Agricultural products.

REVIEW OF LITERATURE

Research article 1: Performance of Hassan Food Processing Special Economic Zone

Author: Manjunath, A. L., (2013)

Methodology:

Hassan district was purposively selected since the Special Economic Zone in Hassan is operating under three sectors namely Pharmaceuticals, Textiles, Agro and Food Processing Industries. The present investigation was confined to the industries under Agro and Food Processing Special Economic Zone in the Hassan District. It is well known that 5 companies started implementation in this area with lot of scope for processing and to create employment opportunities to people of the district. As the airport and ports are nearer to Hassan, it is easy to export finished products to foreign countries.

Opinion survey: Opinions of farmers in and around the villages of Agro and Food processing Industry was collected to know their awareness level, willingness to take participation and benefits realized by the participated farmers.

Results and Discussion

Table 1: Willingness of farmers to participate in HFPSEZ

No.	Particulars	Number	Percentage
1	Number of farmers interested to take part in SEZ activities	35	83.33
2	Interest in selling produce to SEZ companies	33	78.57
3	Contract farming with SEZ food processing companies	30	71.42

Out of sixty farmers interviewed, only forty two farmers (66.66 %) knew that there is Agro and Food Processing Industry in their area. Out of that thirty five (83.33%) farmers are interested to take part in activities which come under Agro and Food Processing Special Economic Zone. Thirty three (78.57%) farmers have interest to sell their produce to Agro and Food Processing Industry of Special Economic Zone. Out of forty two respondents, thirty (71.42%) respondents have interest to do contract farming with Agro and Food Processing Industry of Special Economic Zone.

There is no participation of farmers in HFPSEZ, except general procurement activity done by the Hassan Biomass Power Company Private Limited.

Research article 2: A Study on Impact of Industrialization on Agriculture Reference to Mangalore Taluk

Author: Preethamshetty, K. and Sureshramana, M., (2015)

▪ Objectives of the Study

1. To study the effects of Industrialization on agriculture.
2. To examine the effect of Industrialization on agriculture land.

Result and Discussion

No	Causes	No of Respondents
1.	Industries	40
2.	Urbanization	24
3.	Population	15
4.	Irrigation problem	11
5.	Negligence by Govt	10

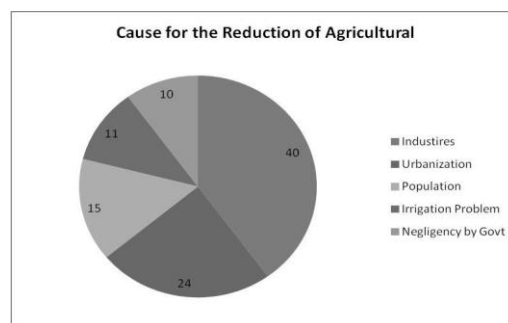


Table 1: Cause for the Reduction of Agricultural Land

According to the respondents agricultural land has been reduced by industries and this has been informed by 40 respondents and 10 people blamed on the negligence of the Govt. 24 people urbanization is the reason for the reduction of agricultural land, population by 15 people, Lack of irrigation facility by 11 people. According to the survey reduction in the agriculture land is due to industrialization. Urbanization has been generated due to industrialization and the diagram makes it clear that nearly 70 per cent of industrialization is the cause for decline of Agricultural land

Table 2: Impact of Industrialization on Agriculture

No	Impact	No of Respondents
1	Reduction in Agricultural Land	35
2	Shortage of Agricultural Labour	30
3	Lack of Irrigation facility	10
4	Shortage of food production	25

The above table shows the impact of industrialization on agriculture. The provided facts shows that the problems faced by 35 people due to a shortage of agricultural land. Shortage in the supply of agriculture laborers by 30 people shortage of food production by 25 people lack of irrigation facility by 10 people has effected on agriculture.

**Research study 3: Effect of industrialization on agriculture and allied sectors from
Raigad district of Konkan region**

Author: Holkar et al., (2018)

Result and Discussion

Table.1. Distribution of respondents according to their detail perceived effect of Industrialization on agriculture and allied activities

Sl. No	Statements	Perceived effect (N=120)		
		Strongly Agree	Agree	Not Agree
1	Area under agriculture decreased	04 (3.34)	111 (92.50)	05 (4.16)
2	Minimization in milk production	05 (4.16)	115 (95.84)	-
3	Adverse effect on crop growth	14 (11.66)	99 (82.50)	07 (5.84)
4	Increase in environment heat	120 (100.00)	-	-
5	Adverse effects on germination	29 (24.16)	82 (68.34)	09 (7.50)
6	Increase employments	24 (20.00)	94 (78.33)	02 (1.67)
7	Basic infrastructural facilities available in village viz, electricity, road, water etc.	99 (82.50)	16 (13.33)	05 (4.17)
8	Water contamination leads to death of fishes and aquatic insects	26 (21.66)	77 (64.17)	17 (14.17)
9	Increase air pollution	120 (100.00)	-	-
10	Adverse effect on human health	77 (64.16)	39 (32.50)	04 (3.34)

It is depicted from Table 1. That all of respondents strongly agree, regarding increase in air pollution and increase environment heat. However, 95.84 per cent are agree with minimization in milk production and 92.50 per cent of respondents are agree with area under agriculture decreased. Majority (68.34 per cent) of respondents are agree with adverse effect on germination, followed by more than half (64.17 per cent) are agree with water contamination lead to death of fishes and aquatic insects and 64.16 per cent are strongly agree with adverse effect on human health. The reason behind this was an adverse increase in the establishment of industries in that region leads to affecting the human and also animals health and also leads to decrease in milk production due to grazing on contaminated grass lead to animals poisoning and reduction in reproduction capacity of animals.

CONCLUSION

Special Economic Zones plays very important role in income generation, export promotion and employment generation but also affecting agriculture by land acquisition of cultivable land and migration problems. It would be difficult to produce enough food to feed the population, if industries start to utilize the agricultural lands to construct their plants. The country only be developed if industries act in favour of agriculture and being complementary to each other. The SEZs in India more focused about the IT, manufacture and service oriented, there is a lot of opportunities in agriculture to collaborate with industries and private partnership since India is primarily an agricultural country due concentration must be paid to agriculture development. One such example of Agricultural Special Economic Zone, Uttarakand was the first state to start SEZs mainly focused on agriculture to increase the varieties productions in hilly areas and to boost the production of the state.

Even though SEZ had both positive and negative benefits from past 2 years the export through these SEZs decreased due to lack of proper market facilities and pandemic situation all over the world. In order to overcome these problems, our finance minister Nirmala Sitharaman announced the DESH bill (Development of Enterprise and Service Hubs) in the budget announcement for 2022-23. This DESH bill has the provision of reverse job work, allowing SEZ units to cater the domestic tariff area.

DISCUSSION QUESTIONS

1. Who started the SEZ concept in India ?

A revolution came in 2000, when Murlisone Maran, then Commerce Minister, made a tour to the southern provinces of China. After returning from the visit, he incorporated the SEZs into the Exim Policy of India. Five year later, SEZ Act (2005) was also introduced and in 2006 SEZ Rules were formulated

2. Whether the SEZ is successful in India ? if failure give reasons.

SEZ policy came up in year 2005 through legislation with vision but that has not been achieved. Special Economic Zones are duty free enclaves where supporting mechanism is very sound and conducive. They are inspired from China's SEZ which have achieved remarkable success. In initial years, central govt, state govt, private companies invested heavily and get some success also. Due to policy structure and bureaucratic red tapism, these initiatives lost its importance. Following are the main reasons for failure of SEZ:

- 1) Imposition of Minimum Alternate Tax (MAT) & Dividend Distribution Tax (DDT)
- 2) Unavailability of external support mechanisms like port connectivity, roads, etc
- 3) Problems with land acquisition for SEZ
- 4) More number of Free Trade Agreements FTAs are decreasing the importance of SEZs.

It is incongruous to say that SEZ is complete failure. Little failure is due to policy paralysis and execution of the same. Although, some significant changes may extract the full potential of SEZ and make in India will get impetus

3. Any loss for government revenue due to SEZ ?

Yes, tax incentives extended to SEZs may lead to a loss of four to five per cent of the total tax revenues. According to the Finance Ministry estimates, revenue loss from SEZs could be over 25 billion dollars, more than the earlier estimate of 23 billion dollars for the period 2007-10. "Nevertheless, should revenue losses become too great there is a risk that the government could reverse the policy and reduce exemptions."

4. Is ODOP concept was based on SEZ ?

The 'One District, One Product (ODOP) was launched by the Ministry of Food Processing Industries in 2018, to help districts reach their full potential, foster economic and socio-cultural growth, and create employment opportunities, especially in rural areas. The objectives of ODOP were similar to the functionality of the SEZs but ODOP was not working on the basis of the SEZs.

5. Is SEZ and EPZ are same ?

Before the introduction of SEZs, these zones were working under the name of Export Processing Zones and now EPZ are one of the components under the SEZ. The main differences between them are: SEZ is found all countries but EPZ is generally located in under developed or developing countries. The infrastructure of SEZ consists of manufacturing units, townships, roads, hospitals, schools and other services but EPZs are confined to manufacturing establishments.

6. SEZ is more focusing on export , then what about import ?

Initially, the concept of SEZ was started mainly to boost export and attract foreign direct investment. Through this export was increased and indirectly it was helping the economic development of the country and some of the manufacture goods and services were imported through these SEZ. If the export through these SEZs increased we gaining recognition in other counties so it will helps in developing the country.

7. SEZ in contributing to global hunger ? if so what is the reason and the suggestions ?

SEZ might be one of the factors to cause global hunger, the main reason was agricultural land acquisition for the establishment of SEZ units in rural and semi urban areas. The suggestions to overcome the problem are;

- Fertile agricultural land should be used only for agricultural purpose.
- Youth should get enriched with importance of agriculture.
- SEZ (Special Economic Zone), Thermal Power Plant, for such a large Industrial area agricultural land should not be used.
- Farmers should be encouraged to make more food production.
- Farmers should be made aware by the importance of agricultural growth and precaution to deal with food problems.
- Govt should provide good educational facility for farmers in rural areas.
- Govt should not seize agricultural land while building SEZ.
- Govt should provide good market facility along with good prize for Agricultural products.

8. What are the disadvantages of SEZs ?

Loss of revenue to government

Generally government gets huge tax from industries. But, as government is providing tax holidays for industries, it loses most of the revenue from it. This reason government has to lay more burdens on common man. If it is not laid government may not fulfill its stint properly. Even government fails to give subsidies, it falls on poor and middle class. Hence, there is criticism on government that it is helping the rich.

Land grabbing

Lands are grabbed from poor and middle class people on the pretext of development. Generally, the land is considered to be an asset to these people and they invest on it working their entire life. But, government with its simple G.O., it evacuates people. This is the reason in so many states there are widespread movements by people.

Loss of agricultural land

As land grabbing is going on, there are instances that fertile agriculture lands are being taken in order to provide way for industries. This is not only keeping agriculture at stake but also food crisis may arise in near future.

Compensatory problems

Government provides compensation. But it is not equal to the loss rendered. People have to sacrifice their lands for private persons which they have earned with years of their hard work. In land related issues, agriculture land loss due to SEZs is more problematic as farmer loses his livelihood and his asset. He has to search for another livelihood which is not easier. He has to work as a labour in another farm or has to leave his village.

Deindustrialisation

SEZs attract many industrialists in other places in India and they show interest as there is tax exemption. This process enables deindustrialisation in already existed places and migration starts. This is not a good omen. There should be development equally.

Regional disparity

The places which are near to SEZs get good facilities and good infrastructure is available. This produces disparity among places. There may be tensions prevail like new states movements. Even there are demerits regarding Special Economic Zones, there are merits regarding it which can India develop.

9. Power supply infrastructure near to port is helping or not ?

Yes, SEZs nearer to the ports are helping in power supply.

10. How much of SEZ have agriculture industries ?

Eight Special Economic Zones (SEZs) have been approved for the Agro and Food Processing sector in India. Out of these 8 SEZs, 7 have been notified and 3 SEZs are operational. Details of Agro and Food Processing SEZs in India is given below:

List of Agro and Food Processing SEZs in India				
Sl. No.	Name of the developer	Type of SEZ	Location	SEZ status
1	Kerala Industrial Infrastructure Development Corporation (KINFRA)	Agro Based Food Processing	Malappuram District, Kerala	Operational
2	Parry Infrastructure Company Private Limited	Food Processing	Kakinada, Andhra Pradesh	Operational
3	CCCL Pearl City Food Port SEZ Ltd.	Food Processing	Tuticorin District, Tamil Nadu	Operational
4	Nagaland Industrial Development Corporation Limited	Agro and Food Processing	Demapur, Nagaland	Notified
5	Ansal Colours Engineering SEZ Limited	Agro and Food Processing Products	Sonepat, Haryana	Notified
6	CCL Products (India) Limited	Agro based Food Processing	Chittoor District, Andhra Pradesh	Notified
7	Tripura Industrial Development Corporation Limited	Agro Based Food Processing	South Tripura District, Tripura	Notified
8	Akshaypatra Infrastructure Pvt. Ltd.	Food Processing	Mehsana, Gujarat	Formal Approval

The State-wise revenue generated by Food and Agro Industry units in SEZs during the last two years and current year is given below:

(Rs. Crores)			
State-wise	2019-20	2020-21	2021-22 (Upto 30.09.2021)
Andhra Pradesh	7.80	14.41	5.12
Gujarat	21.94	41.32	25.65
Karnataka	6.93	19.64	7.06
Kerala	7.22	6.08	3.39
Madhya Pradesh	17.65	13.23	6.44
Maharashtra	0.02	0.01	0.05
Uttar Pradesh	0.02	0.01	0.01
West Bengal	0.17	0.01	0.31
Total	61.75	94.71	48.03

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SYNOPSIS

UNIVERSITY OF AGRICULTURAL SCIENCES, BANGALORE
DEPARTMENT OF AGRICULTURAL EXTENSION
CoA, UAS, GKVK, BENGALURU-65

Name: MANOHAR K N
ID No: PAMB 0031
Class: II Ph. D.

Date: 24/09/2022
Time: 10:30 AM
Venue: Dwarakinath hall

II Seminar on

Special Economic Zones and it's Impact on Agriculture

Synopsis

India was one of the first in Asia to recognize the effectiveness of Export Processing Zone (EPZ) model in promoting exports, with Asia's first EPZ set up in Kandla in 1965. With a view to overcome the shortcomings experienced on account of the multiplicity of controls and clearances; absence of world-class infrastructure, unstable fiscal regime and with a view to attract larger foreign investments in India, the Special Economic Zones (SEZs) Policy was announced in April 2000.

A Special Economic Zone or SEZ is a specially marked territory or enclave within the national borders of a country that has more liberal economic laws than the rest of the country, in which it helps the country's growth by encouraging foreign direct investment and export.

According to special economic zone act 2005, "SEZ is an enclave within a country that is typically duty-free and has different business and commercial laws chiefly to encourage investment and create employment". Apart from generating employment opportunities and promoting investment, SEZs are also created to better administer these areas, thereby increasing the ease of doing business which in turn helping the overall development of the country. With this background the present seminar is conceptualized with the following objectives:

1. To know the concept of Special Economic Zones in India
2. To understand the purpose of the Special Economic Zone in India
3. To understand the impact of Special Economic Zones on agriculture
4. To review the related case studies and research studie

Special Economic Zones in India

Agriculture plays a vital role in India's economy where 54.60 per cent of workforce is engaged in agriculture production and relies upon the income earned from agricultural activities (Anon; 2020). Industrialization in India can help the progress of agriculture, trade transport and all other economic activities. Industrialization is the key to economic commodity development. It will make possible in use of our human and physical resources. As of 31st January 2021; 265 SEZs are operational in the country. About 64 per cent of the SEZs are located in five states – Tamil Nadu, Telangana, Karnataka, Andhra Pradesh and Maharashtra.

About 22.84 lakh persons have been employed in the SEZs. In the financial year 2020-21, the exports from SEZs have decreased by about 7.25 per cent when compared to the previous financial year due to lack of proper marketing facilities and decrease in demand caused by pandemic situation all over the world.

Impact of SEZs on agriculture

Even though SEZs have more benefits to the economic development by means of foreign direct investment, export promotion and employment generation it also affects the agriculture in many ways such as: Fertile land taken by SEZ reduces the cultivable land. Food insecurity. Small & marginal farmers turn landless. Source of livelihood is being snatched by corporate & capitalist. Inadequate enforcement of scheme of resettlement causes social destitution. It alters the natural resource capital and spoils the cultural identity. Downward impact on Tax: GDP ratio leads to loss of public revenue and Impact on environment.

Suggestions to overcome the problems of SEZ on agriculture

Fertile agricultural land should be used only for agricultural purpose. Youth should get enriched with importance of agriculture. Industrial wastes have to be recycled in an appropriate way. SEZ (Special Economic Zone), Thermal Power Plant, for such a large industrial area agricultural land should not be used. To stop the migrating farmers small scale business must be nurtured in rural areas, it will enable the farmers with job throughout the year which otherwise will be only on occasional seasons. Industries established in rural areas should prefer non-agricultural land.

Review of the research studies

Preethamshetty and Sureshramana (2015) in a study on impact of industrialization on agriculture in Mangalore taluk reported that, 40 per cent of farmers expressed agriculture land has been reduced due to industries followed by 24 per cent were informed due to urbanization agriculture land was decreased and 11 per cent respondents expressed due to lack of irrigation facilities and 10 per cent people blamed on the negligence of the Government are the major causes for the reduction in agricultural land.

Holkar *et al.* (2018) stated that, all the respondents strongly agree, regarding increase in air pollution and increase environment heat. However, 95.84 per cent are agree with minimization in milk production and 92.50 per cent of respondents are agree with area under agriculture decreased. More than two third (68.34 %) of the respondents opined that industrialization has adverse effect on germination and more than three fifth (64.17 %) of them opined that industrialization leads to water contamination which leads to death of fishes and aquatic insects and 64.16 per cent were strongly agree that industrialization has adverse effect on human health.

Conclusion

Special Economic Zones plays very important role in income generation, export promotion and employment generation but also affecting agriculture by land acquisition of cultivable land and migration problems. It would be difficult to produce enough food to feed the population, if industries start to utilize the agriculture lands to construct their plants. The country only be developed if industries act in favor of agriculture and being complementary to each other. The SEZs in India more focused about the IT, manufacture and service oriented, there is a lot of opportunities in agriculture to collaborate with industries and private partnership since India is primarily an agricultural country due concentration must be paid to agriculture development.

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