

COMMENT

## **'No' to Mumbai SEZ**

A Bench headed by Justice B Sudarshan Reddy of the apex court dismissed Mumbai SEZ's plea challenging a Bombay High Court interim order that refused to stay the land acquisition process. A stay by the Supreme Court would have made the deadline – June 8 – redundant.

The company has spent Rs 600 crore on land acquisition but the process had stalled following protests in 22 villages. The state government then held a referendum on the project among villagers last year but has not yet released the results.

Mumbai SEZ had filed a writ petition last month before the high court, seeking a direction to the Raigad district administration to speed up the land acquisition initiated under the provisions of the Land Acquisition Act, 1984.

Land acquisition for SEZs has to be completed within two years from the date of approval.

The Mumbai SEZ project, which was to come up over 10,000 hectares at an investment of Rs 40,000 crore, was approved in June 2005 and the deadline has been extended twice.

A Mumbai SEZ spokesperson declined to comment when asked about the company's course of action.

Senior Maharashtra government officials, however, said the project's future appeared bleak, given that the state was headed for Assembly elections in October. Land acquisition for industrial projects is a highly emotive issue and no government wanted to do anything that was perceived as being harmful to the villagers' interests.

Sources familiar with the developments, however, said there was hope for Mumbai SEZ. One, the Supreme Court simultaneously issued a notice to the Maharashtra government on another plea by the Mumbai SEZ, seeking to transfer its petition pending before the Bombay High Court.

Last year, the apex court had transferred a number of SEZ cases to itself from various high courts. All the writ petitions, some by land owners and some in public interest, challenge the validity and procedure of land acquisition in various states for building SEZs. The Supreme Court is yet to hear those cases.

J P Dange, the state's additional chief secretary (revenue forests), said the government would take a decision on granting an extension to the land acquisition process only after receiving a specific request from the company to that effect.

Convener of the People Against Globalisation, Ulka Mahajan, who headed the anti-SEZ agitation, welcomed the apex court's decision and said, "The decision has strengthened our belief that even mighty corporations can be forced to eat humble pie using peaceful and democratic means of agitation."

The state government will need to carry out detailed consultations and study the legal provisions before deciding what to do with the land the company has already acquired from farmers. If the project is scrapped, one option available to the state government is to return the land after taking it over from the company. However, the state government can also use it for other public purposes. A Supreme Court judgement in the case involving the Kerala government allowed such a change of purpose. □ *[Contributed]*