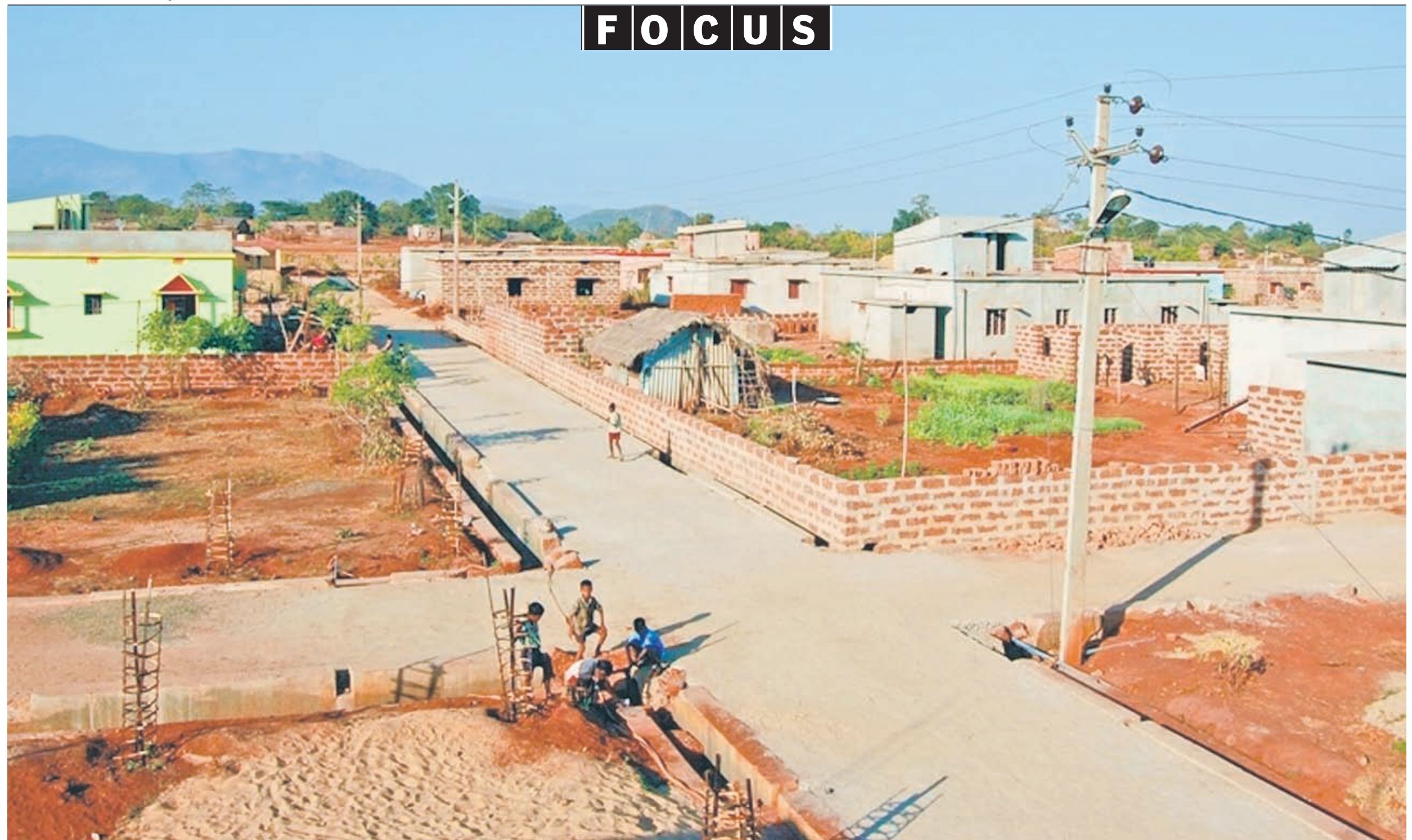


FOCUS



BREAKING NEW GROUND

Tata Steel's labourious rehabilitation work for its upcoming six-million tonne integrated steel plant at Orissa's Kalinganagar Industrial Complex, may just be the 'model' for an otherwise murky issue of land acquisition for industrialisation. The project, delayed by over three years, though is still battling opposition from a handful of tribal activists who refuse compensation and block construction work, reports **Sandip Das** from **Kalinganagar** and **New Delhi**

There is an uneasy calm at Kalinganagar Industrial Complex, an upcoming steel hub located about 100 km east of Bhubaneswar. Work on the construction of 7.5 km long common corridor linking the existing units including Tata Steel, Jindal Steel and Rohit Ferro Tech among others, continue to be disrupted by a handful of tribal activists opposing land acquisition by the state government.

Recently, around six people were injured allegedly by police firing last week, when tribals under the banner of Visthapan Virodhi Janmanch (VVJ) opposed the construction of roadwork by Orissa government-owned Industrial Infrastructure Development Corporation (IDCO). VVJ, which had been opposing industrialisation in the region, alleges that the construction of corridor is being done in a private land, which IDCO officials refute.

"We would not allow any construction activity at the private land," Rabindra Nath Jarika, General Secretary, VVJ, told FE over the phone from Chandia village, which has been the nerve centre for anti-industrialisation protests in Kalinganagar town, part of Jajpur district during last four years. VVJ was formed after 13 tribals protesting against construction of boundary wall by Tata Steel were killed in police firing back in January 2006, which drew national attention. Since then tension refuses to die down.

In the sprawling Kalinganagar Industrial Complex, at present there are about eight big and medium steel units manufacturing mostly pig iron and stainless steel. Tata Steel is in the process of setting up a six-million tonne per annum, Rs 16,000-crore integrated steel plant, which had been delayed because of protests from 200-odd families, led by VVJ. The complex is close to Sukinda valley, part of Jajpur district, and home to an estimated 92% of the country's chromite ore, a key ingredient in steel making. Besides it has a huge iron ore deposits.

VIEW FROM THE GROUND

"We do not need any compensation and police has been trying to implicate us with false cases," Jarika alleged when this reporter recently met him at Chandia village, which is heavily guarded by the VVJ activists. Chakradhar Hebru, president of VVJ also alleged that mostly outsiders have been rehabilitated and those who have lost their land during last 15 years industrialisation have been "cheated." Most of the residents of three villages—Ambagadia, Chandia and Ghorbarghati—have refused to relocate for the Tata Steel project.

A senior state government official on the condition of anonymity said that families displaced were not properly rehabilitated in the past. "This has contributed to discontent and mistrust against industrialisation amongst people," the official said.

Even an Orissa government official opined that reha-

bilitation and resettlement has not been dealt properly during last few years. Says Ashok Dalwai, secretary, steel and mines department, Orissa Government, "As the industrialisation process picks up in the state, we have also learnt a lot from our experience in dealing with displaced families."

Notwithstanding protest from these families, Tata Steel has been carrying out rehabilitation and resettlement works for the affected families. Around 170-odd families are at present in transit camps and about 764 families have already settled in rehabilitation colonies, named as Tata Steel Parivar, close to the project site. This implies that 260-odd families are yet to take up the compensation provided by the government and Tata Steel.

The interactions with many rehabilitation families reveal that they have been provided compensation against their land (Rs 1.5-lakh per acre) and the government has provided another Rs 12,000 for one-time transport assistance per family.

HOUSEHIKES

Besides the plot provided by the government, Tata Steel has already hiked the house construction allowance from Rs 1.5-lakh to Rs 2.5-lakh per family due to increase in raw material cost. Says Mihir Das, Head, Corporate Affairs (Orissa), at Tata Steel: "We intend to double the standard of living of the rehabilitated families during next 10 years."

"We are being looked after well by the company but we want the plant to start working soon so that we can work and earn rather than depending on monthly allowances of Rs 2,300 per family," Gopal Hembrum, who was displaced from Baidugada village part of proposed Tata Steel project. Many others, like Kerod Patro and Kelu Hembram, living at Steel Parivar complexes have similar, "Tata Steel a benevolent company" tales to tell.

Dass said that they are confident of winning over the agitating families and would start actual construction of plant during next four months. Tata Steel has been carrying out off site work like fabrication and the company has invested more than Rs 1,200-crore in the project. The orders for equipments worth of Rs 6,400-crore have been placed with various companies by the company.

Tata Steel signed MOU with Orissa government back in November 2004 and subsequently the state government had allotted about 3,500 acres of land in the Kalinganagar for establishment of the integrated steel plant. Of the 3,500 acres of land, 3,008 acre of land has already been registered in favour of the company.

The Kalinganagar Industrial Complex was set up by Orissa government to boost industrial activity in the state. In early 1992, the state government acquired more than 13,000 acres of land in the Jajpur district. Till now eight companies such as Visa Steel, Meco Steel, Neenanchal Ispat (MMTC and Orissa government JV), Jindals, Rohit Ferro Tech have set up shop.

Right: Tata Steel has been carrying out rehabilitation and resettlement works for the affected families. Around 170-odd families are at present in transit camps and about 764 families have already settled in rehabilitation colonies, named as Tata Steel Parivar, close to the project site



Left: A view of a hospital built at Kalinganagar



Right: Besides a plot provided by the government, Tata Steel has already hiked the house construction allowance from Rs 1.5-lakh to Rs 2.5-lakh per family due to increase in raw material cost, says Mihir Das, Head, Corporate Affairs (Orissa), at Tata Steel

