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Gujarat govt to buy land in joint venture with farmers

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Gandhinagar: Even as the Land Acquisition Bill gives heartburn to the Narendra Modi government for being branded as 'anti-farmer' by opposition parties, the Gujarat government has proposed joint ventures (JV) with farmers under the new industrial policy.

The new Gujarat model encourages farmer groups to give their land to Gujarat Industrial Development Corporation (GIDC) to develop industrial parks under a JV with GIDC.

While the scheme was introduced in a different avatar a few years ago, officials say it would work well at a time when acquiring land for industry has become a sensitive issue. The move promises to be a solution to contain growing discontent over agriculture land acquisition for industrial purpose.

The 'Financial Assistance to Industrial Park' (FAIP) scheme declared recently under the new industrial policy promotes JVs with farmers to develop industrial parks ranging from 20 to 100 hectares.

"Farmers will be made equity and profit partners in proportion of their land holding. Under the JV, farmers may continue to be owners of the land but may sacrifice their right in lieu of equity and profit rights in the park," said an official.

Saurabh Patel, state government spokesperson and in-charge minister for industry and mines, said, "It is a win-win model for all. GIDC faces a lot of issues in acquiring private land. The new model will motivate farmers." Modalities of the JV will be approved by the State Level Expert Committee.

Industrial parks under FAIP will be provided financial assistance of 25% of eligible fixed capital investment in building and infrastructure facilities up to Rs 30 crore excluding the land cost. Additional Rs 20 crore assistance will be provided if the park developer (JV also) develop hostel and dormitory facility for workers. The private developer or JV of farmers and GIDC will get 100% reimbursement of stamp duty paid. Individual units will also get 50% stamp duty waiver.



PEASANT TO PARTNER