

Farmer co-op as model for new townships

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With land acquisition for SEZs becoming a controversial issue, the government is looking at a success model from Pune to replicate.

The Union Urban Development Ministry has recommended farmers' cooperatives for developing integrated IT townships it has planned in 12 states. The cooperatives will be modelled on Pune's Magarpatta township where farmers are 100-per cent stakeholders in real estate development.

This is one of the recommendations in the set of guidelines prepared for the new townships which is now being reviewed by the Prime Minister's Office. It emphasises that "no undue conversion of fertile agricultural land should take place".

In Magarpatta, nearly 200 villagers came together to form the Magarpatta Township Development & Construction Co to consolidate their landholding to avoid "fragmented development" and hold equity in the company in proportion to the land they own.

Spread across 400 acres, the township has a walk-to-office-and-school concept, with neatly demarcated facilities for IT Park, residences, medical and recreation centres. It has 6.5 million sq ft commercial space, of which 2.5 million sq ft fall under the Special Economic Zone. About 1.4 million sq ft have been dedicated to residential complexes, where all the farmer families own properties. Apart from benefiting from the property boom, the farmers will to get commercial rentals as dividend.

The ministry also plans to set up a special purpose vehicle to purchase land and suggested routing the fund through municipalities to access funds from the Jawaharlal Nehru National Urban Renewal Mission.

With IT parks already stretched for space and the industry growing 30 per cent every year, the government has identified 15 cities including Chandigarh, Mohali, Vizag, Guwahati, Jammu, Chandigarh, Lucknow, Kochi, Jaipur, Pune, Mysore and Bhubaneshwar. The self-sufficient townships are expected to be between 500 and 1,000 acres and will mainly cater to the IT and BPO sectors. It has also proposed private and public involvement in projects and constitution of a single-window clearance system.