

**F. No. 1/31/2023-PIU**  
**Government of India**  
**Ministry of Finance**  
**Department of Economic Affairs**  
**Infrastructure Finance Secretariat**  
**Infrastructure Support & Development Division**  
**Private Investment Unit (PIU)**

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5<sup>th</sup> Floor, Jawahar Vyapar Bhawan,  
Tolstoy Marg, New Delhi  
Dated 5<sup>th</sup> February, 2024

**Office Memorandum**

**Record of Discussion of the 17<sup>th</sup> Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Department of Horticulture, Government of Karnataka for development of Hi-Tech Horticulture Park (HHTP) in Siravara, Kanakagiri, Koppal district on PPP mode.**

The undersigned is directed to forward Record of Discussion of the 17<sup>th</sup> Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Department of Horticulture, Government of Karnataka for development of Hi-Tech Horticulture Park (HHTP) in Siravara, Kanakagiri, Koppal district on PPP mode, held on 5<sup>th</sup> January 2024 for information and necessary action.

2. This issues with the approval of Competent Authority.

  
(Dr. Kartik Agrawal)  
Deputy Director(PIU)  
Tele:-01123701034

To,

- i. Shri. Partha Sarathi Reddy, Adviser, NITI Aayog
- ii. Dr. K.B Dundi, Additional Director, Department of Horticulture
- iii. Sr. PPS to JS (ISD)

Copy for information:

The Chief Secretary, Karnataka

**Record of Discussion of the 17<sup>th</sup> Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Department of Horticulture, Government of Karnataka for development of Hi-Tech Horticulture Park (HHTP) in Siravara, Kanakagiri, Koppal district on PPP mode.**

1. The 17<sup>th</sup> Meeting of the Approval Committee (AC) chaired by the Joint Secretary, ISD Division, Department of Economic Affairs (DEA) was held on 5<sup>th</sup> January 2024 at 1130 hours to consider granting approval for support under the IIPDF Scheme to the proposal of Department of Horticulture, Government of Karnataka for development of Hi-Tech Horticulture Park (HHTP) in Siravara, Kanakagiri, Koppal district on PPP mode. List of participants (attendees) is placed at **Annexure – I.**

**2. Project Overview:**

A brief overview of the project is provided below:

<b>Project Name</b>	Hi-Tech Horticulture Technology Park (HHTP)
<b>Purpose of Assistance</b>	PPP Transaction Advisory (TA) Costs
<b>Sector</b>	Horticulture Sector
<b>Project Sponsoring Authority</b>	Department of Horticulture, Government of Karnataka
<b>Location</b>	Siravara Tq: Kanakagiri Dt: Koppal Karnataka
<b>PPP Mode Envisaged</b>	Design Build Finance Operate and Transfer DBFOT
<b>Estimated TA Costs</b>	Rs. 1.11 Cr + GST = Rs. 1.3098 Cr
<b>Payment Milestone</b>	At variance from IIPDF Scheme
<b>IIPDF contribution sought (%)</b>	100%
<b>Current Status</b>	TA is already on-boarded – EY LLP

3. On behalf of the Chair, Deputy Director (DEA) welcomed the attendees to the 17<sup>th</sup> Meeting of the Approval Committee and informed that the project proposal has been received from Department of Horticulture, Government of Karnataka, seeking funding to the tune of Rs. 1.3098 Cr inclusive of GST for construction of a Hi-Tech Horticulture Park (HHTP) in Siravara, Kanakagiri, Koppal district on PPP mode. DD (DEA) further informed that the proposal has been duly circulated to all members of the Appraisal Committee (AC) and with the permission of the Chair, Department of Horticulture was invited to make a presentation on the proposal.
4. Department of Horticulture, GoK informed that the project aims to showcase an effective Integrated Dry Land Horticulture model, emphasizing a comprehensive approach to soil and water conservation. The proposed Horticulture and Hi-Tech Park (HHTP) spans 194 acres, featuring cutting-edge infrastructure for horticulture production and demonstration. It includes a state-of-the-art Hi-Tech Nursery employing protected technology, incorporating Israeli methods for production and fertigation. The focus is on



export-oriented horticulture crops, with special emphasis on perennial fruit crops showcased through various technology demonstrations. Additionally, the ancillary and support infrastructure spread over 30 acres comprises an Administration & Training Centre and residential/hostel building blocks. The Concessionaire could bring in multiple concessionaires. The revenue sources encompass leasing out land, export of produce and allied activities such as dairy, fisheries, poultry, sale of pomegranate etc. Additionally, the Concessionaire shall undertake cultivation of horticulture crops and charge from users of common infrastructure.

5. Department of Horticulture, GoK further stated that the proposed Sustainable Hi-Tech Horticulture Park in a dry land area aims to revolutionize agricultural practices, serving as a beacon for livelihood enhancement, water conservation, and technology dissemination. This pioneering venture seeks to establish a model for processing and value addition, ensuring energy conservation and customized support for stakeholders. By embracing polyvinyl greenhouses and innovative propagation techniques, the park aims to achieve 5-8 times increase in productivity per unit area. Positioned as a state-of-the-art Horticulture Incubation Park, it promises consistent, year-round cultivation, disease-free high-quality seedlings, and serves as a unique platform for public-private partnership opportunities.
6. After the presentation, the following points were discussed with the permission of the Chair:
  - i. DEA enquired about what is the PPP angle to this proposal and whether role of Concessionaire is clearly outlined.
  - ii. DEA enquired about the revenue sources of Concessionaire and that all the available revenue streams should be decided in advance.
  - iii. DEA enquired how the mechanism of bringing in multiple concessionaires would work and in PPPs typically there is a single concessionaire.
  - iv. Further, clarity on the distinction between horticulture development and infrastructure development be provided.
  - v. DEA and NITI Aayog recommended that the department of Horticulture revisit the proposal and the project concept be clearly developed.
7. Considering the above, the Approval Committee, while appreciating the project concept, concluded that in the present structure the proposal may not fulfil the contours of a PPP project/IIPDF Scheme and accordingly, it was decided to defer consideration of the project proposal for funding of TA costs for development of Hi-Tech Horticulture Park (HHTP) in Karnataka on PPP mode, till the resolution of issues raised in para 6 of this record of discussion.
8. The meeting ended with vote of thanks to the Chair.

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## **Annexure – I**

List of attendees of the 17<sup>th</sup> Meeting of the Approval Committee to consider granting approval for support under the IIPDF Scheme to the proposal of Department of Horticulture, Government of Karnataka for development of Hi-Tech Horticulture Park (HHTP) in Siravara, Kanakagiri, Koppal district on PPP mode, held on 5<sup>th</sup> January 2024.

### **1. Department of Economic Affairs, Ministry of Finance**

1. Shri Baldeo Purushartha, JS(ISD) – in Chair
2. Dr. Molishree, Director
3. Dr. Kartik Agrawal, DD
4. Shri Dhruv Rohatgi, OSD

### **2. NITI Aayog**

1. Shri Partha Sarathi Reddy, Adviser (PPP)

### **3. Department of Horticulture, Government of Karnataka**

1. Shri K.B Dundi, Additional Director Horticulture
2. Shri K Sinha, Deputy Director Horticulture
3. Shri Venkatesh, Deputy Director, Horticulture
4. Ms. Neeru Dubey, AVP, EY LLP

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