



Karnataka's Initiatives & Achievements in Exports

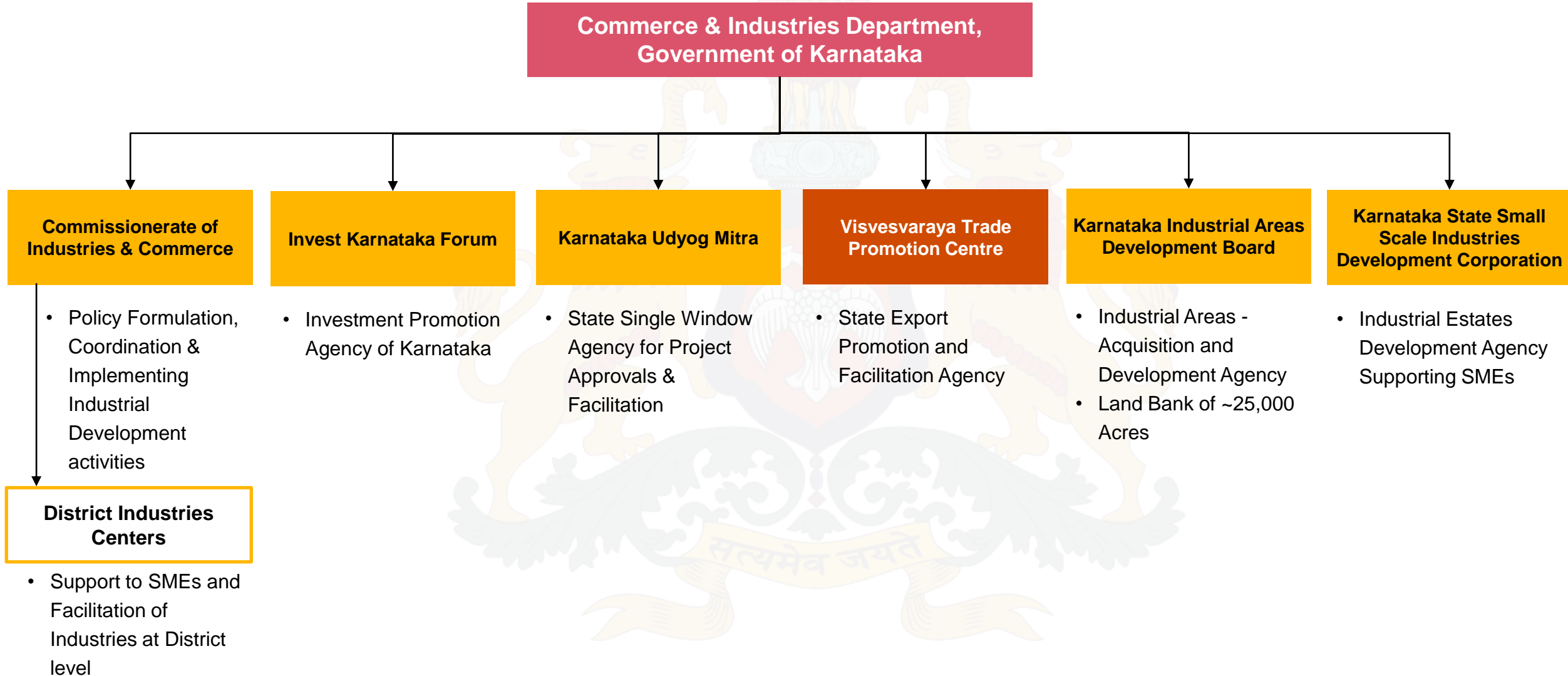
Board of Trade (BoT) Meeting

13 September 2024, Mumbai

Presentation by

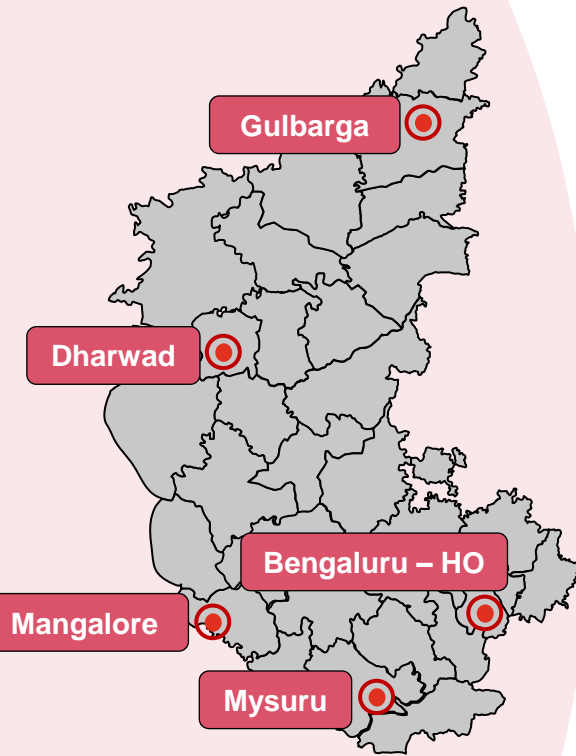
**Shri Vipul Bansal, Secretary,
Commerce & Industries Department, GoK**

Governance Structure of Commerce & Industries Department

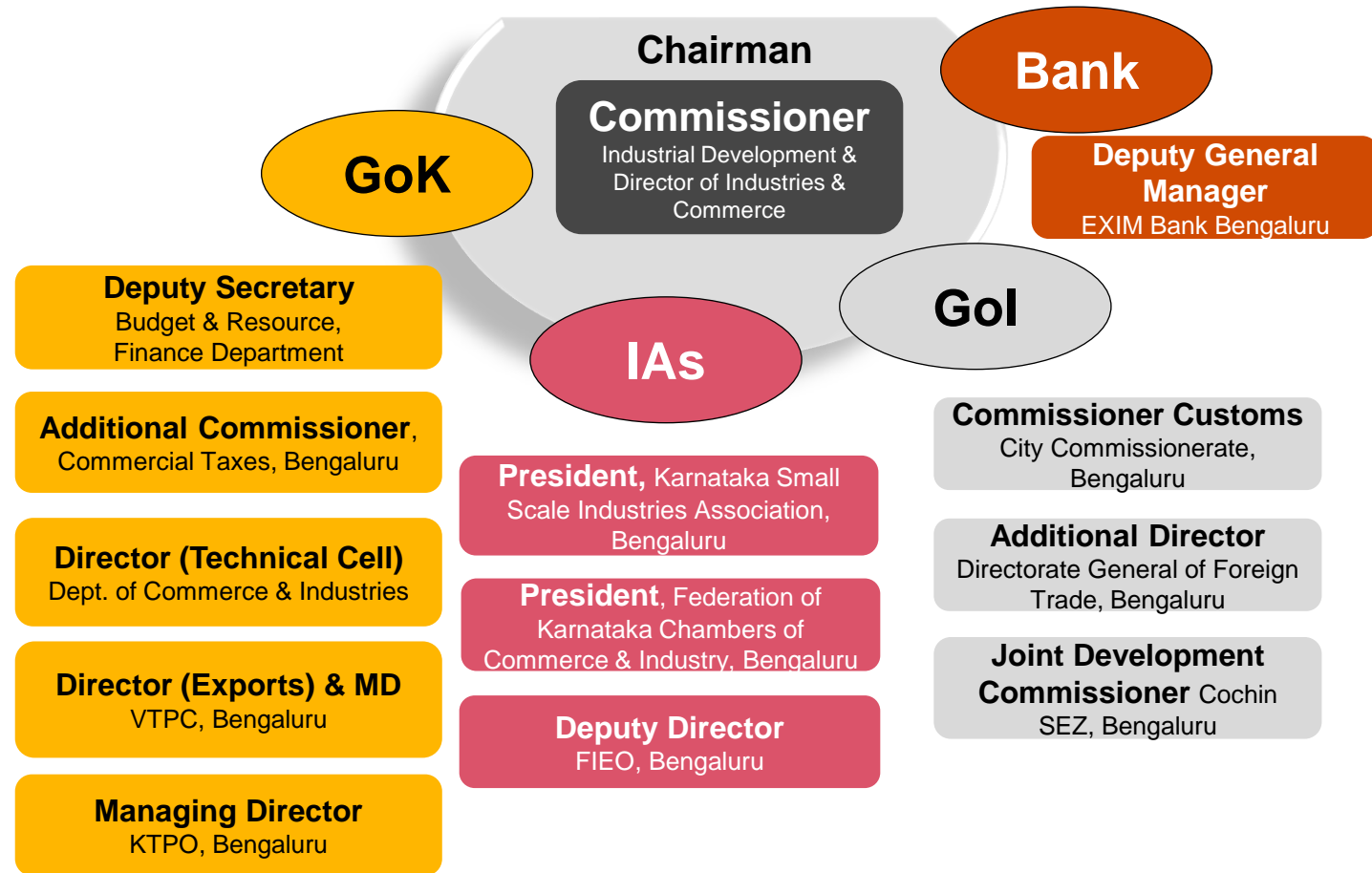


About Visvesvaraya Trade Promotion Centre (VTPC)

- Established **1971**
- **5 Offices** across the state
- **Objectives:**
 - Promotion and Facilitation of Exports
 - Capacity Building for Exporters
 - Organizing Trade Events
 - Coordination with MOC, EPCs & IAs
 - Stakeholder Interactions
 - Export Strategy & Policy Implementation
 - Grievance Redressal



VTPC Governing Council



Karnataka – Export Performance



1st

in overall Exports (~21%)

1st

in Service Exports (~41%)

1st

Major state to Export from all the Districts

4th

in Merchandise Exports (~6%)

3rd

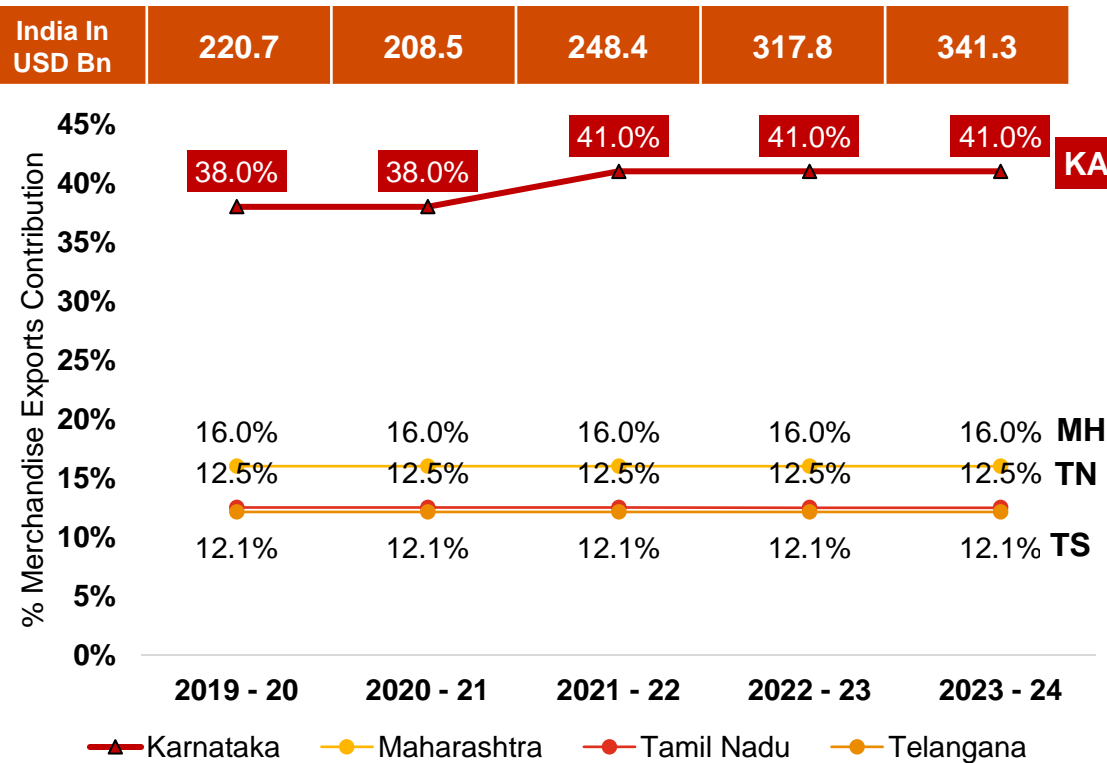
in Export Preparedness Index (EPI) 2022



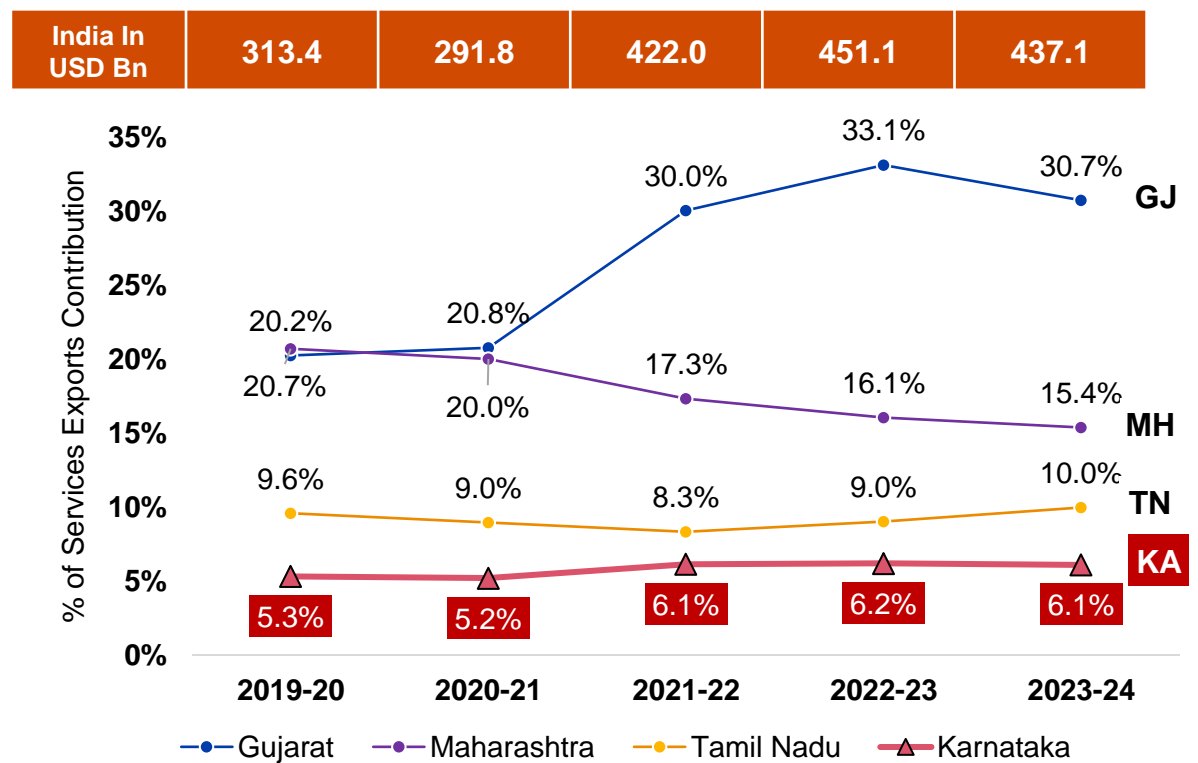
Achiever State in LEADS 2023



Services Exports – Karnataka vis-à-vis Top States















Merchandise Exports – Karnataka vis-à-vis Top States



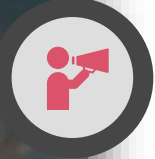
Top Sectoral Contribution to Karnataka Exports



*in USD Bn

Key Sectors	FY 2023-24	% Share	CAGR (5 Years)	FY 2024-25 1 st Qtr	Top Export Markets
 ESDM	4.58	17.2%	19.6%	1.64	USA, Netherlands, UK
 Textiles & Garments	2.50	9.4%	0.9%	0.62	USA, Netherlands, Germany
 Machinery and Equipment	2.28	8.6%	8.4%	0.61	USA, Germany, Singapore
 Food Products	1.80	6.8%	10.6%	0.09	China, Italy, USA
 Basic Metals	1.88	7.1%	6.6%	0.28	China, Italy, USA, Belgium
 Chemicals	1.51	5.7%	7.1%	0.38	USA, Belgium, Saudi Arabia
 Automobile	1.10	4.1%	16.6%	0.28	Indonesia, Japan, USA
 Pharmaceutical	1.04	3.9%	12.7%	0.28	USA, Netherlands, Australia
 Optical & Medical Equipment	0.88	3.3%	4.0%	0.24	USA, China, France
 Aerospace & Defence	0.57	2.1%	6.0%	0.15	USA, UK, France
 Plastics	0.24	0.9%	4.6%	0.07	USA, Mexico, Germany
 Arms & Ammunition	0.17	0.6%	19.1%	0.02	Israel, USA, Turkey, UAE
Total – Key Sectors	18.55	70%	-	5.11	
Mineral Oils (~21%) & Others	8.10	30%	7.9%	2.32	UAE, Netherlands, S. Africa
Grand Total	26.63	100.0%	-	7.43	

Export Promotion and Facilitation Programs



Promotion Programs

- **Export Awareness Programs** across all the Districts – 30+ Programs each year
- Participation in Annual **Domestic & International Trade Events** – Organized by EPCs & Industry/Trade Bodies
- **IPR & GI Awareness** Programs – 30+ Programs each year
- Conferring of **State Export Excellence Awards** – 65 Awards each year



Facilitation & Policy Interventions

- **Information Dissemination through VTPC Portal** – vtpc.karnataka.gov.in
- Implementation of **Export Strategy of Karnataka 2020**
- Implementation of **Karnataka Services Export Strategy 2020**
- Implementation of **State Logistics Action Plan 2022**
- Implementation of **District-wise Export Action Plan 2022**
- **State Level Export Promotion Council (SLEPC)** meetings under the Chairmanship of Chief Secretary
- **District Level Export Promotion Council (DLEPC)** meetings under the Chairmanship of Deputy Commissioner (DC)
- **Grievances Redressal**





Capacity Building

- 6 Days Intensive **Export Management Training Program (EMTP)** ~150+ MSME participants annually
- In discussion with **Indian Institute of Foreign Trade (IIFT)** on potential collaboration for enhancing EMTPs



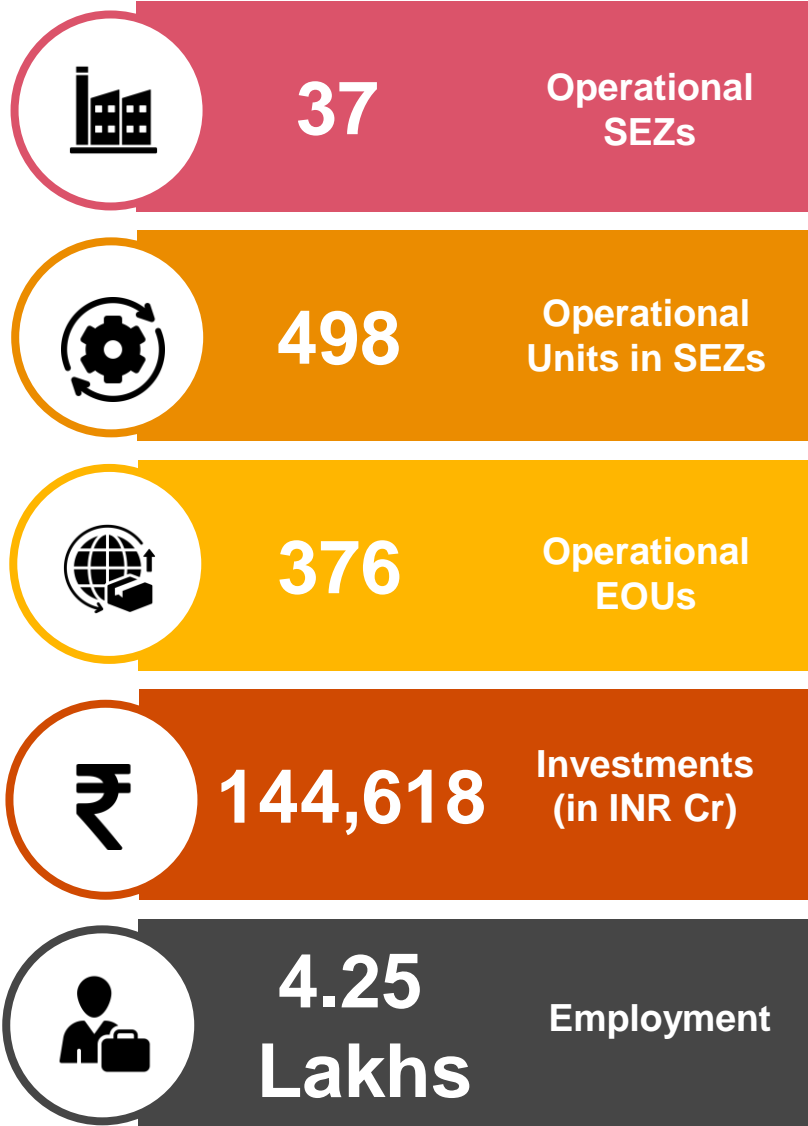
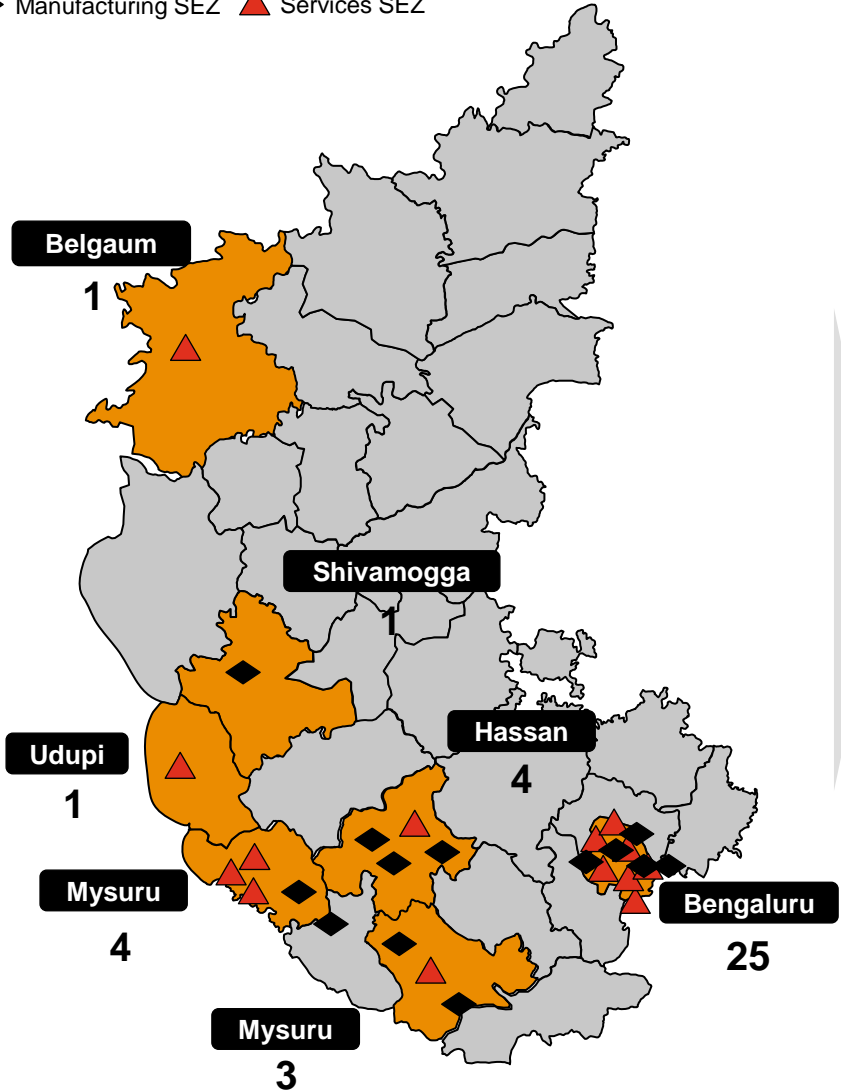
Incentives

- **Incentives to EoUs** under **Karnataka Industrial Policy**
 - Electricity Tax Exemption
 - Performance Subsidy up to INR 10 Lakhs to MSMEs who double their Exports
 - Reimbursement of
 - Bank Charges (e-BRC)
 - ECGC Charges
 - Certification Charges
 - Grant up to INR 5 Lakhs for Establishment of IP Cell
 - Reimbursement of 75% Cost of Patent Application
- **Incentives to EoUs & Developers** under **State SEZ Policy**
 - Exemption of Stamp Duty and Registration Charges for Land, Lease & Loan Documents
 - Exemption of Electricity Tax
- **Market Development Assistance** to MSME's for Participation in International & Domestic Trade Events – Up to 50% of the Cost of Travel, Accommodation & Stall Charges

SEZs and EOUs



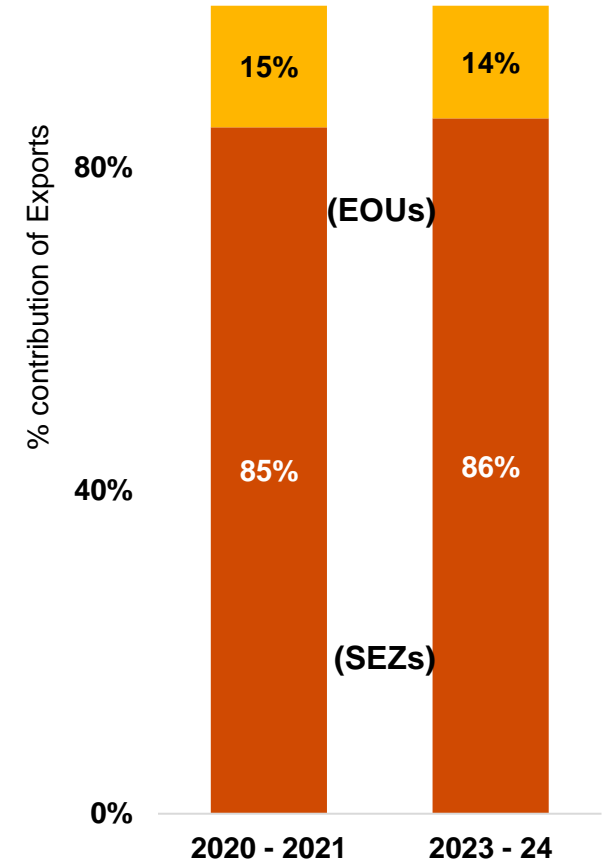
◆ Manufacturing SEZ ▲ Services SEZ



Exports from SEZs & EoUs FY 2020 - 24

INR 158,662 Cr INR 247,955 Cr

CAGR - 16%



*Data as of FY 2023-24

Assistance availed under GoI Export Infrastructure Schemes

TIES Projects

7

Projects

3 Completed

4 Under
Implementation

INR 100.50 Cr
Total Project Cost

INR 52.63 Cr
TIES fund approved by GoI

Prominent Projects under TIES

4

Under Implementation:



Plug & Play Infrastructure facilities – Belagavi, Dharwad, Kalaburagi, Bengaluru (Rural)

3

Completed:



Upgradation of Marine Processing Plant, Kumta



Lab for Coffee Quality & Export Certification, Coffee Board, Bengaluru



Cashew R&D Centre, Kumta

ASIDE Projects

118

Projects

116 Completed

2 Under
Implementation

INR 1,252.69 Cr
Total Project Cost

INR 558.23 Cr
ASIDE funds approved by GoI

Prominent Projects under ASIDE



6 Industrial infrastructure



3 Export infrastructure – processing plants



2 Cold chain infrastructure



2 Road & flyover development



2 Testing lab & training centers



2 Exhibition and export promotion centers

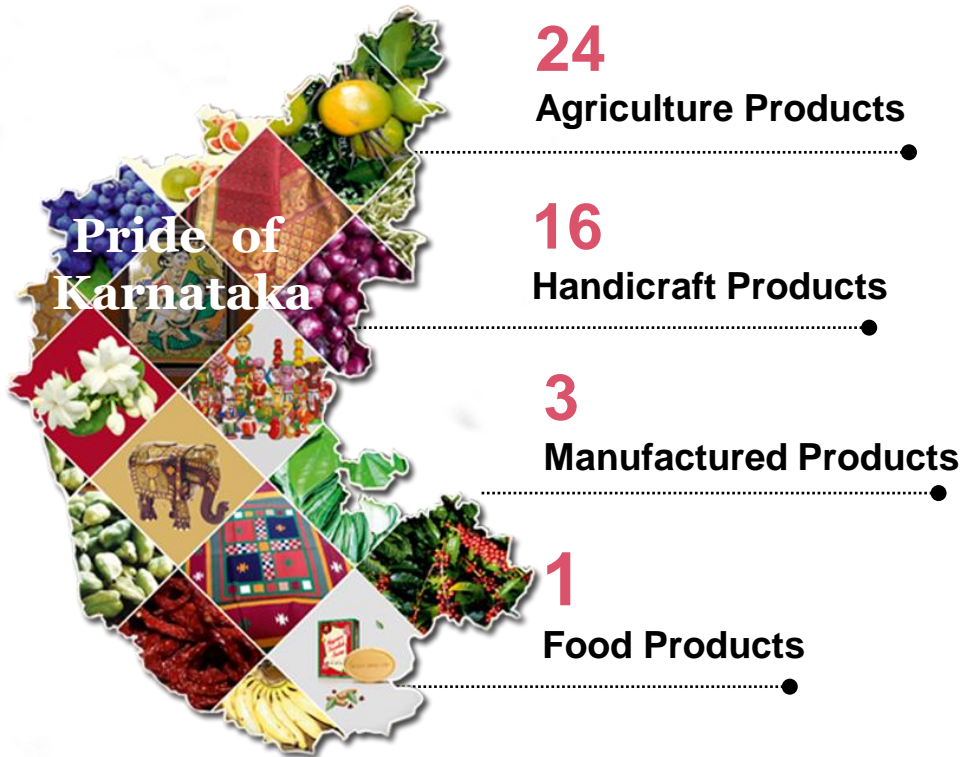


1 Railways siding

Geographical Indications and Patents



 **44** GI products and **4** GI logos registered with the GI Registry




 **5** New GI Applications Filed

 **3,258** Registered Authorised users

First-of-its-kind GI Experience Centre at VTTC Office, Bengaluru



1st State to announce an exclusive **GI Policy** in 2019 to promote Artisan products

 **Institutional Award** at the First Edition of India GI Fair (IGIF 2022) to VTTC

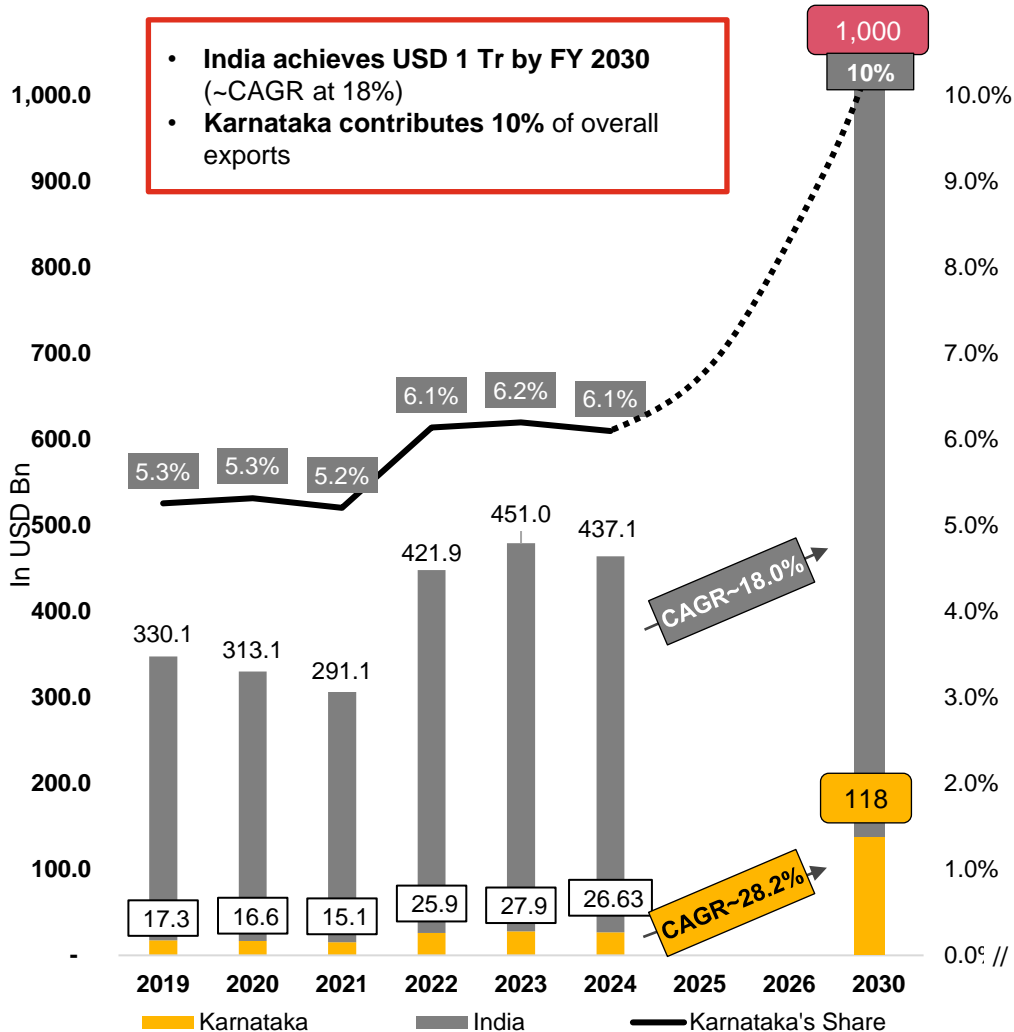
Patents Filed

Year	Filings
2022 – 2023	5,408
2021 – 2022	3,171
2020 – 2021	2,784

Expanding Horizons - Roadmap for Karnataka to achieve 10% share of India's USD 1 Tr Merchandise Exports by FY 2030



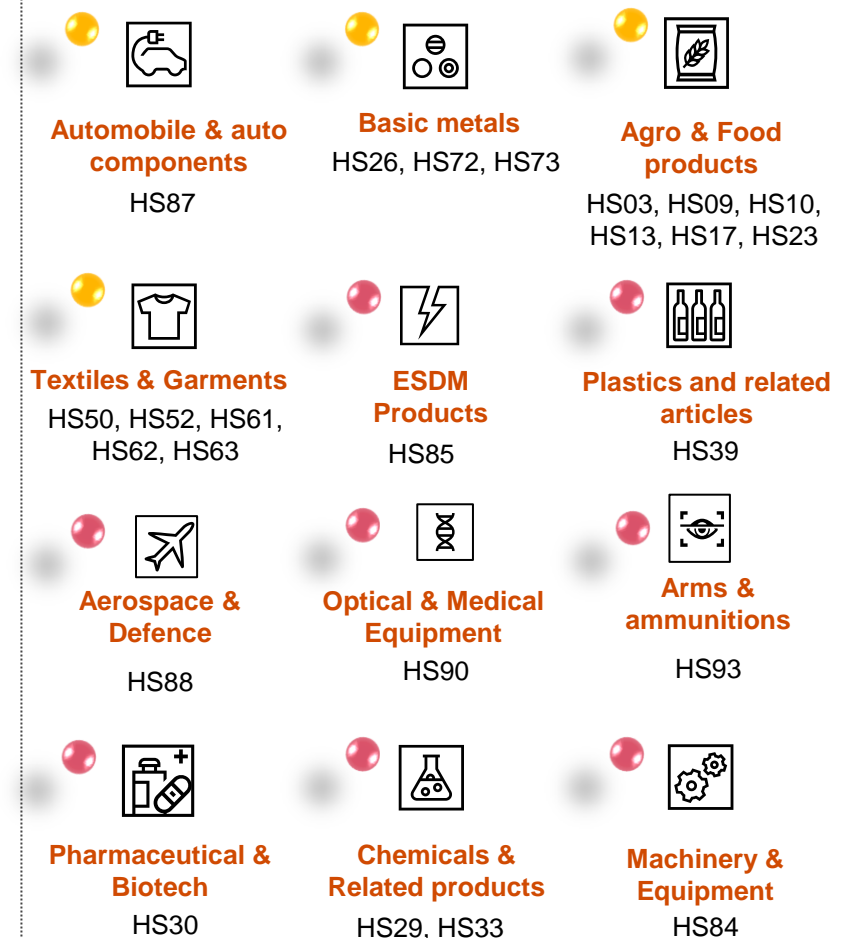
Aligning Karnataka's Merchandise Export Target with National Mission



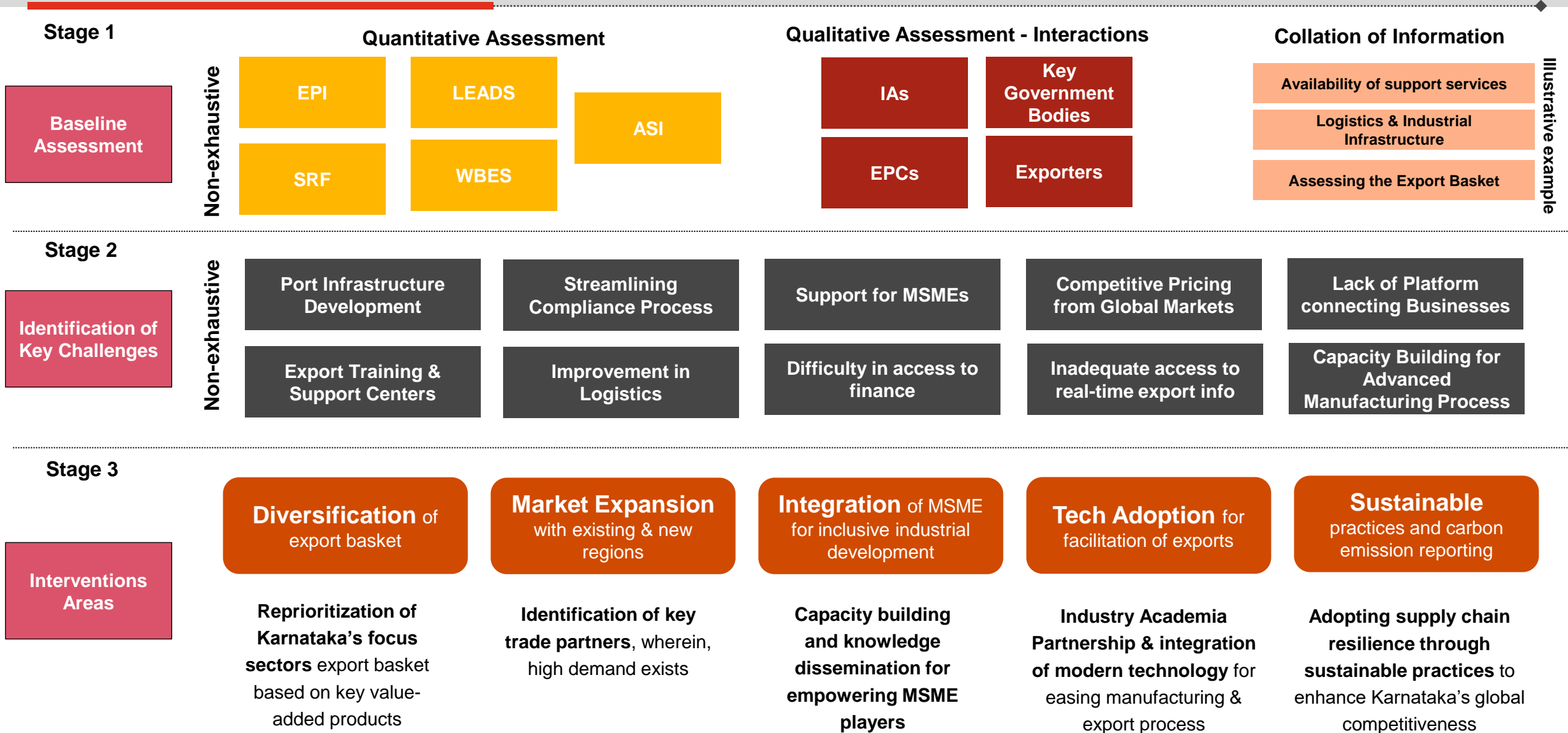
Identifying the Key Sectors Driving Growth Story

Approach

Selection of Products / Sectors

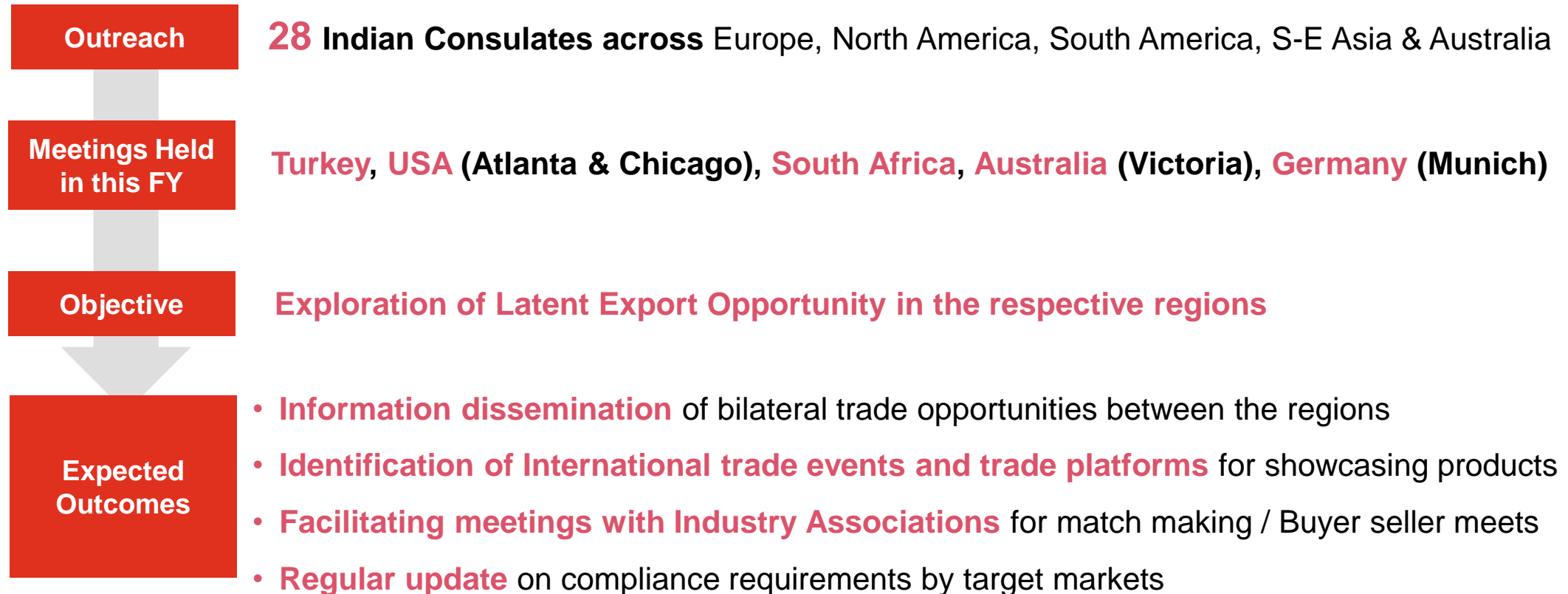


Framework of Karnataka's New Export Strategy



Exploring New Vistas ...

Outreach to Indian Missions abroad to Enhance Exports



Pending Proposal before GOI – would significantly improve Export Logistics



1 **Fast lane road connectivity to New Mangalore Port from Bengaluru & Mysuru**, in order to optimally utilize the capacity of Mangalore Port

2 **Early enactment of “Development of Enterprise and Services Hub Act” (DESH)**

3 **Establishment of ICD at Belagavi** to facilitate North Karnataka exporters

4 **Establishment of Air Cargo facility** at Kalaburagi Airport

5 Fast track implementation of **Hubbali – Ankola Railway line**

6 **Establishment of US Consulate** in Bengaluru



Thank you



Visveswaraya Trade Promotion Centre (VTPC)

<https://vtpc.karnataka.gov.in/english>



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Vtpc_gok



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