

Karnataka's Initiatives & Achievements in Exports

Board of Trade (BoT) Meeting

13 September 2024, Mumbai

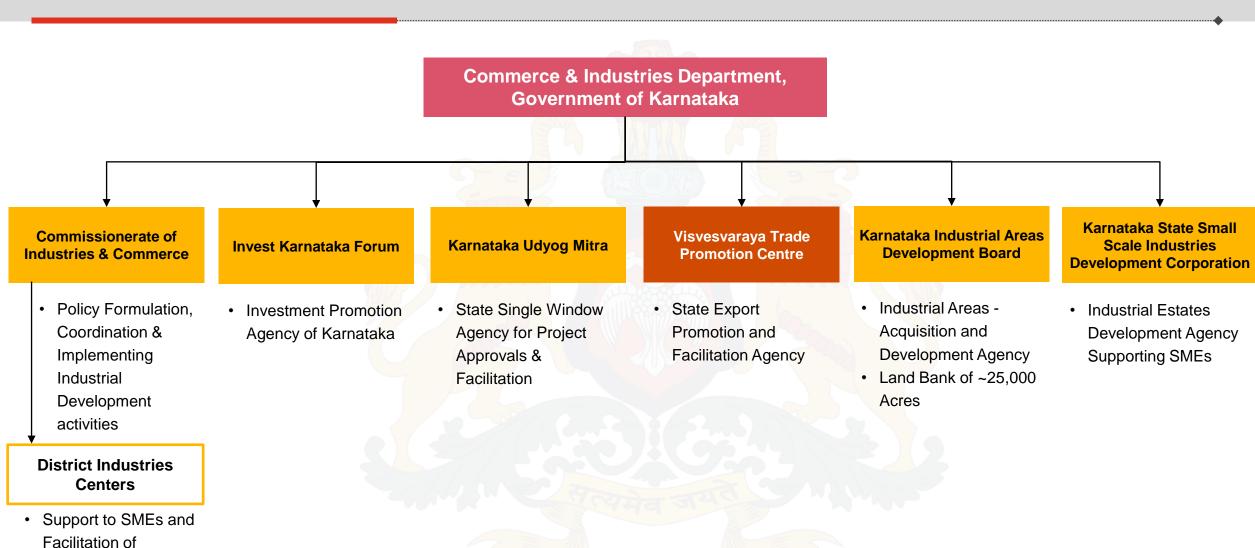
Shri Vipul Bansal, Secretary,
Commerce & Industries Department, GoK

Governance Structure of Commerce & Industries Department

Industries at District

level





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

Chairman

Commissioner

Industrial Development & Director of Industries & Commerce

Bank

Deputy General
Manager
EXIM Bank Bengaluru

Deputy Secretary

GoK

Budget & Resource, Finance Department

Additional Commissioner,

Commercial Taxes, Bengaluru

Director (Technical Cell)

Dept. of Commerce & Industries

Director (Exports) & MD

VTPC, Bengaluru

Managing Director KTPO, Bengaluru

Deputy Director FIEO, Bengaluru

IAs

President, Karnataka Small

Scale Industries Association,

Bengaluru

President, Federation of

Karnataka Chambers of

Commerce & Industry, Bengaluru

Gol

Commissioner Customs

City Commissionerate, Bengaluru

Additional Director

Directorate General of Foreign Trade, Bengaluru

Joint Development Commissioner Cochin

SEZ, Bengaluru

Karnataka – Export Performance

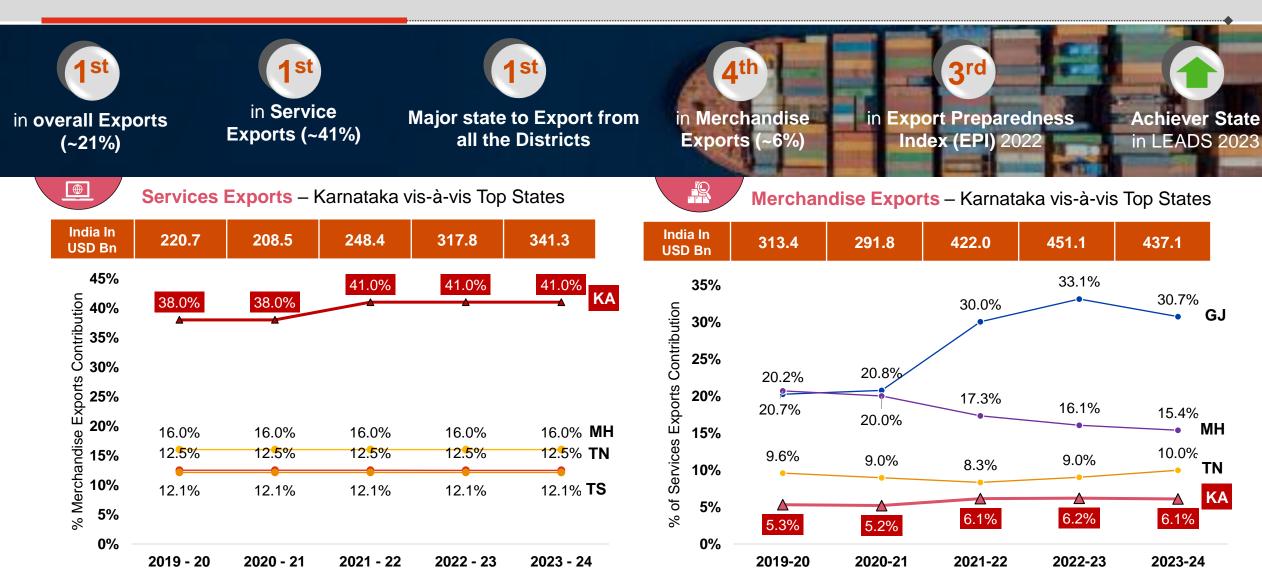
-Maharashtra

Karnataka

Tamil Nadu

--- Telangana





--- Maharashtra

— Guiarat

── Tamil Nadu

→ Karnataka

Top Sectoral Contribution to Karnataka Exports



4.	1100	_
"IN	USD	В

	Key Sectors	FY 2023-24	% Share	CAGR (5 Years)	FY 2024-25 1st Qtr	*in USD Bn Top Export Markets
19	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
B	Food Products	1.80	6.8%	10.6%	0.09	China, Italy, USA
\$ 00	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
ğ	Optical & Medical Equipment	0.88	3.3%	4.0%	0.24	USA, China, France
X	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
3	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

Export Promotion and Facilitation Programs





Capacity Building

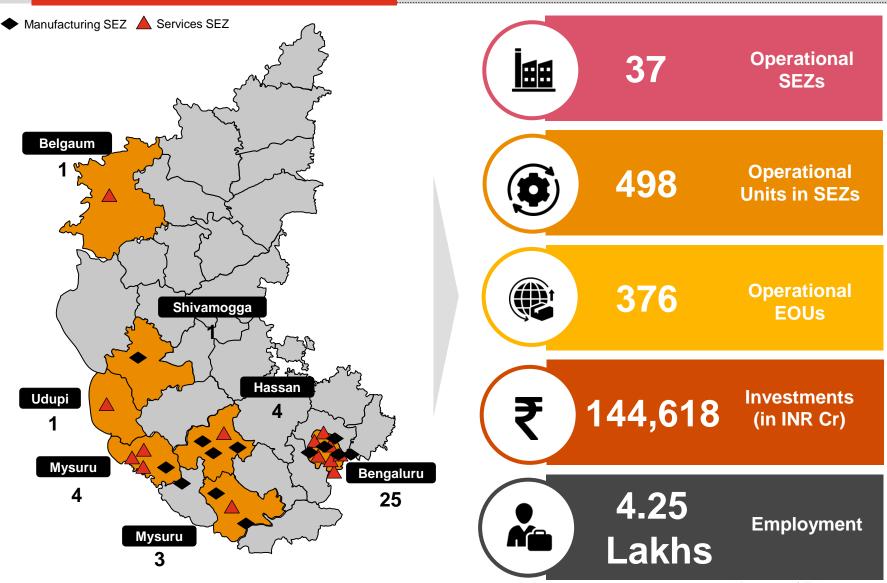
- 6 Days Intensive Export Management Training Program (EMTP) ~150+ MSME participants annually
- In discussion with Indian Institute of Foreign Trade (IIFT) on potential collaboration for enhancing EMTPs

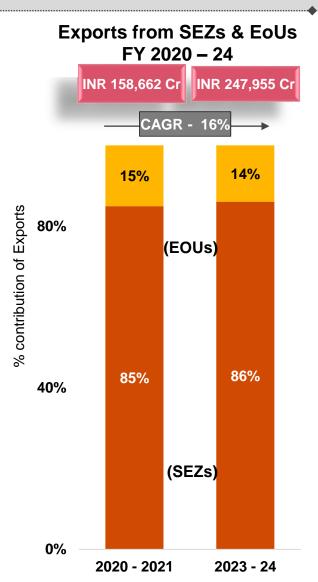
Incentives

- 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







*Data as of FY 2023-24

Assistance availed under GoI Export Infrastructure Schemes



TIES Projects

Projects

3 Completed

4 Under **Implementation** INR 100.50 Cr

Total Project Cost

INR 52.63 Cr

TIES fund approved by Gol

ASIDE Projects

Projects

116 Completed

2 Under **Implementation** INR 1,252.69 Cr

Total Project Cost

INR 558.23 Cr

ASIDE funds approved by Gol

Under Implementation:



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

Completed:



Upgradation of Marine Processing Plant, Kumta



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



Cashew R&D Centre, Kumta



Industrial infrastructure



3 Export infrastructure – processing plants



2 Cold chain infrastructure



Prominent Projects under ASIDE

2 Road & flyover development



Testing lab & training centers



Exhibition and export promotion centers



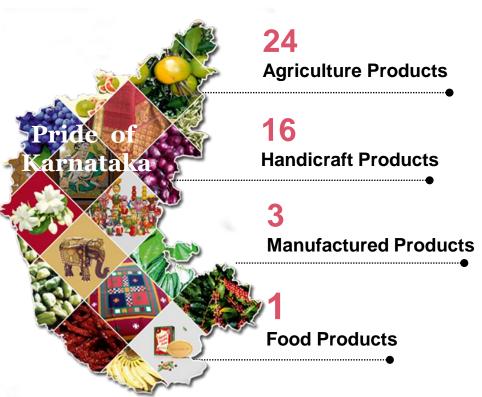
Railways siding

Geographical Indications and Patents





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







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





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



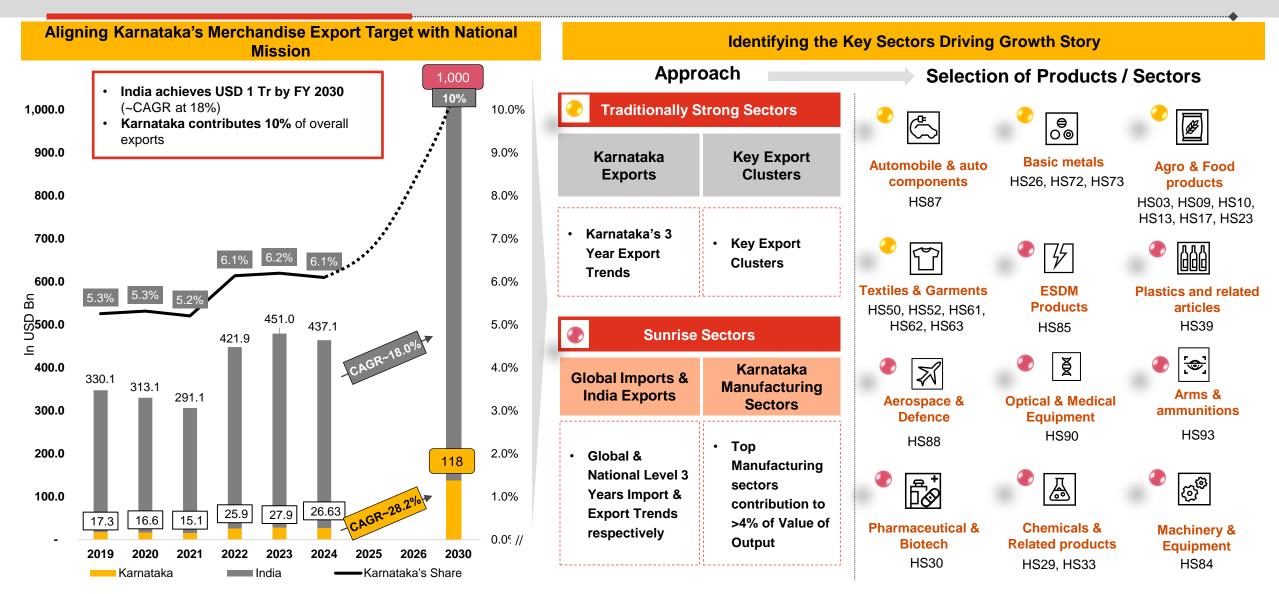
Institutional Award at the First Edition of India GI Fair (IGIF 2022) to VTPC

Patents Filed

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

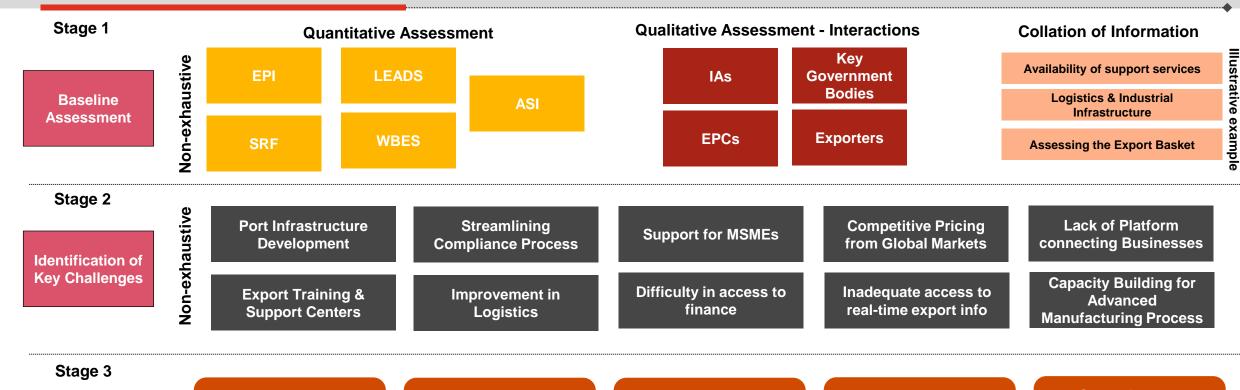
Expanding Horizons - Roadmap for Karnataka to achieve 10% share of India's USD 1 Tr Merchandise Exports by FY 2030





Framework of Karnataka's New Export Strategy





Interventions Areas Diversification of export basket

Reprioritization of Karnataka's focus sectors export basket based on key valueadded products

Market Expansion

with existing & new regions

Identification of key trade partners, wherein, high demand exists Integration of MSME for inclusive industrial development

Capacity building and knowledge dissemination for empowering MSME players **Tech Adoption** for facilitation of exports

Industry Academia
Partnership & integration
of modern technology for
easing manufacturing &
export process

Sustainable

practices and carbon emission reporting

Adopting supply chain resilience through sustainable practices to enhance Karnataka's global competitiveness

Exploring New Vistas ... Outreach to Indian Missions abroad to Enhance Exports



Outreach

28 Indian Consulates across Europe, North America, South America, S-E Asia & Australia

Meetings Held in this FY

Turkey, USA (Atlanta & Chicago), South Africa, Australia (Victoria), Germany (Munich)

Objective

Exploration of Latent Export Opportunity in the respective regions

Expected Outcomes

- Information dissemination of bilateral trade opportunities between the regions
- Identification of International trade events and trade platforms for showcasing products
- Facilitating meetings with Industry Associations for match making / Buyer seller meets
- Regular update on compliance requirements by target markets

Pending Proposal before GOI – would significantly improve Export Logistics



- Fast lane road connectivity to New Mangalore Port from Bengaluru & Mysuru, in order to optimally utilize the capacity of Mangalore Port
- Early enactment of "Development of Enterprise and Services Hub Act" (DESH)
- Bestablishment of ICD at Belagavi to facilitate North Karnataka exporters
- Establishment of Air Cargo facility at Kalaburagi Airport
- Fast track implementation of Hubbali Ankola Railway line
- Establishment of US Consulate in Bengaluru



Thank you





Visveswaraya Trade Promotion Centre (VTPC)

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



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