

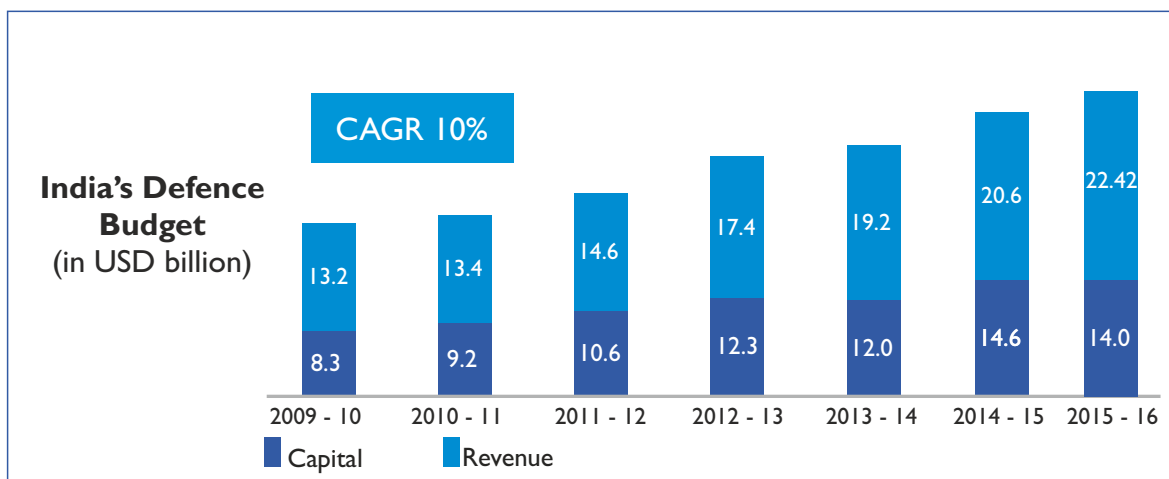
AEROSPACE & DEFENCE





HIGHLIGHTS OF AEROSPACE & DEFENCE IN KARNATAKA

- Home to several aerospace organizations like HAL, NAL, ISRO, DRDO, ADA, DARE and BEL .
- Availability of a large, highly skilled workforce is Karnataka's greatest asset .
- State attracts 65% of the aerospace investments in the country .
- Of all aircraft and helicopters available with the country's Defence Services, 67% originates from Karnataka.
- 75% of the expenditure for sourcing from India, by global majors and Tier I suppliers, is in Karnataka .
- India's first Private Aerospace SEZ is operational at Belgaum, Karnataka.



Source – Industry reports





WHY AEROSPACE & DEFENCE, KARNATAKA?

- Produces more than a quarter of India's aircraft and spacecraft and, the State is the base for most global players in India.
- Possesses extensive experience and inherent competencies in aerospace with India's first private aircraft factory, Hindustan Aircraft Ltd, having been established here in 1940.
- Offers relatively low cost aerospace manufacturing and MRO activities in Asia and Middle East providing a competitive edge.
- Strong backward linkages in the sector with the Society of Indian Aerospace Industries and Technologies (SIATI) recording membership of approximately 300 small and medium-scale industries.
- Strong base of lower tier suppliers with more than 2000 SMEs which execute niche subcontracting work for the defense PSUs creating a strong ecosystem in the state.
- Enjoys the advantage of presence of number of top companies in IT/ITeS and electronics hardware, many of them being integrated in supply chain of integrated sector.
- Establishment of Bangalore Aerospace Park and Bangalore Aerospace SEZ.
- Bengaluru has one of the busiest airports in India, creating potential for MRO, ground handling, and manufacturing of ground support equipment.
- Leader in heavy engineering and machine tools manufacturing, therefore, has the advantage of a well developed ecosystem for high value manufacturing.

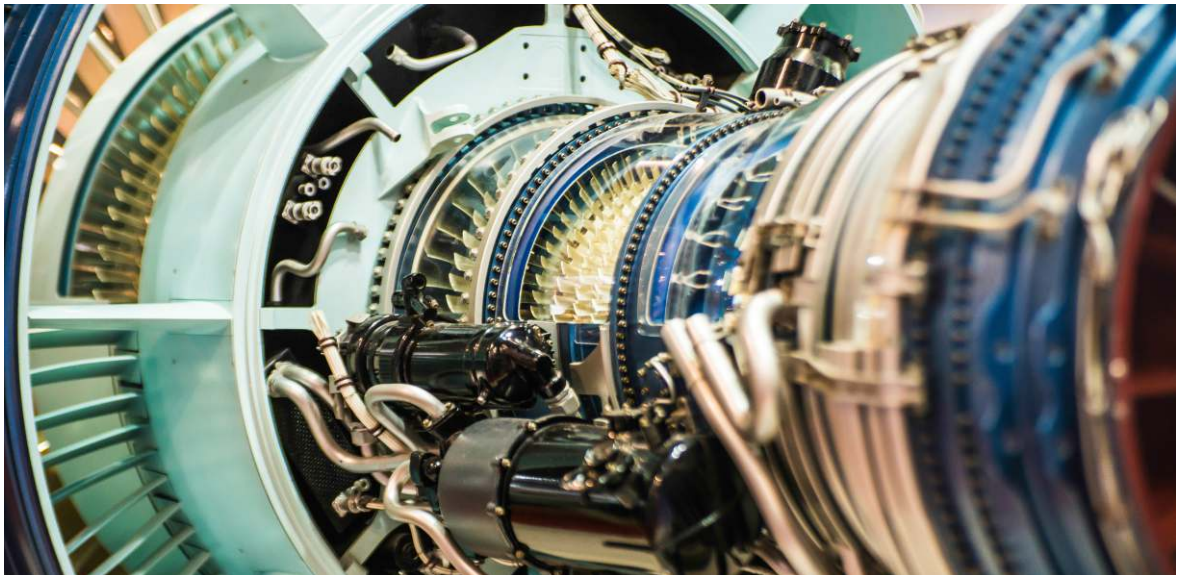
INVESTMENT OPPORTUNITIES

- Karnataka has a mission to attract investments of Rs. 60,000 crores (USD 10 billion) over a period of 10 years
- India is rapidly building capabilities to emerge as a preferred destination for manufacturing of aerospace components and State of Karnataka is the hub for aerospace industry.
- Multiple opportunities to invest in Aerospace Component manufacturing, sub-assemblies and aircraft manufacturing with MRO facilities.
- Incentives and concessions like anchor unit subsidy, exemption from stamp duty, concessional registration charges, exemption from electricity duty (duration depending on the size of the project), entry tax exemption, etc.



GOVERNMENT INITIATIVES

- First and only state in the country to introduce a dedicated Aerospace Policy.
- State Government has established a state of the art 1000 acre Aerospace Park with a 252 acre sector specific SEZ at Devanahalli near Kempegowda International Airport.
- State Government allotted 610 acre of Government land at Gubbi in Tumakuru District to HAL to establish the Light Utility Helicopter facility, which will act as an anchor to attract a cluster of aerospace SMEs to Tumakuru.
- Bangalore Aerospace Park at Devanahalli and MRO centres at BIAL and Mysore, and a defence manufacturing cluster at Managaluru are also being planned. The amendments have been made in view of the 33 project proposals received at 'Invest Karnataka' meet held early this year. The proposals are to the tune of 14,520 crore with the potential to generate over 10,000 jobs.
- Focus on Cluster approach for inclusion of enterprises, financial providers, suppliers, service providers, common facilities such as testing laboratory at potential locations of the State. It is proposed to create three clusters with the relevant focus areas and institutions.
- Projects such as the Aerospace Technology Center and Aerospace Common Finishing Facility, envisioned in the policy are being set up to provide support facilities to SMEs.
- State Government in partnership with Gol, National Skill Development Corporation (NSDC), and Bangalore Chambers of Industry and Commerce (BCIC) has proposed to set up India's first Multi-Skill Training Institute for Aerospace and Aviation.





AEROSPACE & DEFENCE COMPANIES MAKING IN KARNATAKA

