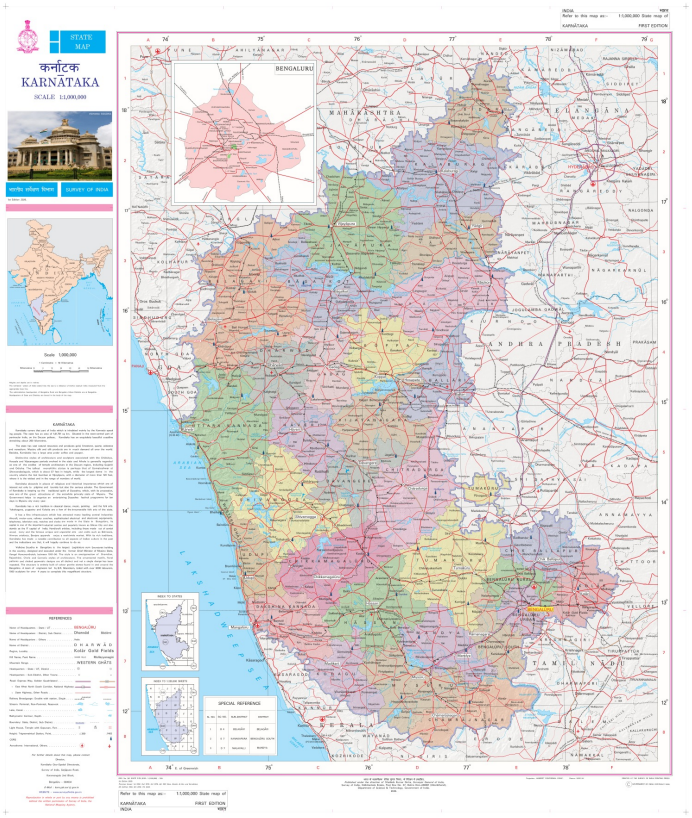
GEOGRAPHY & INVESTMENT PROFILE

Invest in Karnataka

Location, supply chains and policy - an independent industrial investment lens.

ADMINISTRATIVE CENTRE

Bengaluru



Official geographic context · full supplied sheet(s), resized · KA05

Geography and neighbours. Arabian Sea coast and inland Deccan; Goa, Maharashtra, Telangana, Andhra Pradesh, Tamil Nadu and Kerala neighbours. KA05

Investment discipline. Compare a customer-led project at the actual parcel. A map establishes context; it does not establish land availability, permits, utility allocation or cargo service.

OPPORTUNITIES & LOCATION

Propositions worth testing

Sector and location logic, commercial exposure, and a clear investment gate.

01 Bengaluru-Devanahalli: aerospace precision suppliers

Evidence. Aerospace and Defence Policy 2022-27 and district ecosystem provide a specialized production context. KA01 · KA02 · KA07

Commercial case. Qualified machining, tooling and testing can serve demanding established supply chains.

Exposure. Long certification and customer approval cycles.

Before investment. Approved quality system, export-control classification and customer nomination.

02 Bengaluru-Tumakuru: engineering and electronics

Evidence. Industrial policy and district profiles identify an established industrial corridor. KA01 · KA02 · KA07

Commercial case. Automation, electrical and precision suppliers can address multiple customers.

Exposure. Land and skilled-labour competition.

Before investment. Actual estate availability, power quality and anchor demand.

03 Mysuru-Hassan: food value addition

Evidence. Mo FPI identifies agricultural/food-processing opportunities. KA01 · KA02 · KA07

Commercial case. Packhouses, ingredient processing and packaging can connect regional inputs with urban/export buyers.

Exposure. Seasonal procurement and quality variability.

Before investment. Contracted feedstock and food-safety controls.

Project decision sequence

Customer. Qualified demand and customer acceptance.

Site and utilities. Documented title or allotment, permitted use, power quality, water allocation and effluent capacity.

Logistics. Cargo acceptance, priced inbound/outbound routes, handling and contingencies.

Policy. Operative notification, eligible expenditure, filing dates, stacking limits and sanction.

CONNECTIVITY & DELIVERED COST

Build the transport chain

Inbound inputs and outbound finished goods require separate cost and service tests.

01 Road

Route / assessment. Inland industrial centres face a distinct Western Ghats road leg to the coast; do not equate state coastline with cheap Bengaluru port access.

KA07

02 Rail

Route / assessment. Whitefield, Malur and Vemagal facilities warrant route/service quotations; confirm current handling and slot availability.

KA07

03 Air

Route / assessment. Bengaluru and Mangaluru international airports have different cargo propositions; obtain product-specific handling confirmation.

KA07

04 Sea and inland water

Route / assessment. New Mangalore gateway assessment must include inland haul; minor-port listing is not container-service evidence.

KA07

05 Inbound / outbound

Route / assessment. Compare time-critical air movement with container routes using inventory and damage risk, not distance alone.

KA07

06 Utilities

Route / assessment. Precision and electronics facilities need uninterrupted quality power; food operations need seasonal water and effluent balances.

KA07

POLICY ROUTES & ELIGIBILITY

Model conditions, not headlines

Project category, eligible cost, deadlines and sanction control the usable benefit.

01 Micro-enterprise capital subsidy under operative 2025-30 guidelines

Terms. General category: Zone 1 30% of value of fixed assets capped at ₹ 30 lakh; Zone 2 25% capped at ₹ 25 lakh; Zone 3 10% capped at ₹ 10 lakh, only Bengaluru Rural.

Conditions. Special-category rates/caps differ. Micro/small subsidy released in two instalments. Requires first sale, certified investment, industrial land documents, power connection, applicable FSSAI/CFO and local-employment declaration. DIC verification and sanction; release subject to funding and seniority.

Window / version. Guidelines approved 10 April 2026; policy five years from enabling GO or until new policy.

Evidence status. Original policy term verified; application/sanction remains project-specific

KAV01

02 Transition from Karnataka 2020-25

Terms. Sanctioned and partly availed earlier-policy benefits continue under their sanction orders.

Conditions. Pipeline projects which already availed incentives or completed all listed effective steps before new GO stay under 2020-25; projects not completing all steps and not availing earlier incentives fall under 2025-30. Listed steps include land agreement/possession, plan approval, loan release and machinery order.

Window / version. Apply project chronology, not merely date of claim.

Evidence status. Original policy term verified; application/sanction remains project-specific

KAV01

03 Aerospace and Defence Policy 2022-27

Terms. Sector-specific aerospace and defence support framework.

Conditions. Export controls, quality approvals and scheme eligibility remain independent gates.

Evidence status. Original preserved; current sector-policy interaction with 2025 industrial framework requires reconciliation.

KA04

SWOT & EXECUTION

Turn constraints into action

AKHB analysis: each opportunity depends on deliverable prerequisites.

Strengths

Aerospace and Defence Policy 2022-27 and district ecosystem provide a specialized production context. KA01 · KA02

Inland industrial centres face a distinct Western Ghats road leg to the coast; do not equate state coastline with cheap Bengaluru port access. KA07

Weaknesses

Long aerospace approval cycle KA01 · KA07

Coastal-inland freight separation KA01 · KA07

Opportunities

Certified high-value manufacturing KA01 · KA07

Consolidation and packaging services KA01 · KA07

Threats

Programme cancellation risk remains. KA01 · KA07

Weather and congestion remain. KA01 · KA07

Specific evidence still required

Enabling GO date and precise taluk zoning still require linkage for an actual selected parcel.

Do not locate Hosur inside Karnataka; it is in Tamil Nadu.

Who acts, and what must change

Treat execution responsibility and residual risk as part of the investment case.

01 Constraint-to-opportunity case

Constraint. Long aerospace approval cycle

Action. Stage investment behind customer milestones

Owner. Supplier and OEM

Opportunity. Certified high-value manufacturing

Prerequisites. Qualification plan and working-capital runway

Residual risk. Programme cancellation risk remains.

KA01 · KA07

DELIVERY PLAN & RISK

Karnataka | continued

Evidence, conditions and investment tests continued from the preceding page.

02 Constraint-to-opportunity case

Constraint. Coastal-inland freight separation

Action. Model air/sea/rail combinations

Owner. Investor and carrier

Opportunity. Consolidation and packaging services

Prerequisites. Actual quoted transit and handling

Residual risk. Weather and congestion remain.

KA01 · KA07

03 Constraint-to-opportunity case

Constraint. Skill cost pressure

Action. Develop apprentice-to-specialist progression

Owner. Employer and technical institutes

Opportunity. Regional precision skill base

Prerequisites. Verified training outcomes

Residual risk. Retention and wage competition persist.

KA01 · KA07

Before capital commitment

Close the evidence gaps, then approve the site and financing assumptions.

Central framework and original documents

India entry guide: nationality and beneficial ownership; sectoral FDI route; entity and tax structure; customs and import rules; land and environment; labour and social security; remittance and treaty conditions. Central schemes are project-specific and cannot be assumed to stack with state support.

Full state profile and detailed policy conditions · Canonical evidence repository