



## Telangana Chambers of Commerce and Industry FORTNIGHTLY JOURNAL



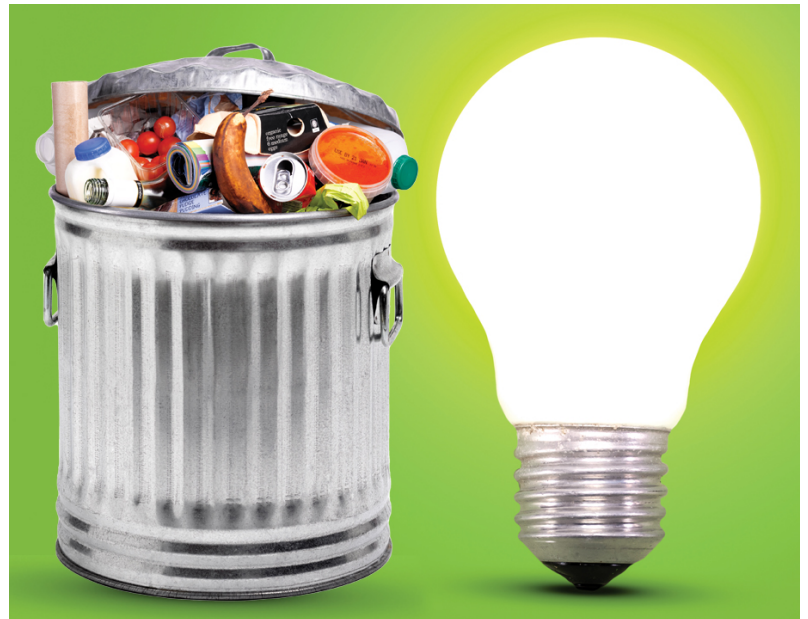
### Unprecedented Growth in Telangana's IT/ITeS Exports

Over the past five years, Telangana has emerged as a prominent hub for the Information Technology (IT) and Information Technology enabled Services (ITeS) sector in India. The state has witnessed a spectacular growth trajectory in IT/ITeS exports, with Hyderabad, the state capital, playing a pivotal role as the mainstay of this burgeoning sector. In the fiscal year 2022-23 alone, Telangana exported ₹2,41,275 crore (approximately \$29 billion) worth of IT/ITeS, marking a record 31.44% increase over FY22. A Five-Year Success Story, The growth in Telangana's IT/ITeS exports over the past five fiscal years has been nothing short of remarkable. In FY19, the state reported IT/ITeS exports of ₹1,09,219 crore. The succeeding years saw an impressive uptrend, with the figures reaching ₹1,28,807 crore in FY20 and ₹1,45,522 crore in FY21. The fiscal year 2021-22 marked a significant leap, with exports escalating to ₹1,83,569 crore, further underlining the robust growth of the sector. However, the most impressive surge came in FY23, with a whopping ₹2,41,275 crore (~\$29 billion) worth of exports, a record 31.44% increase over the preceding year. The remarkable rise in IT/ITeS exports from Telangana can be attributed to several key factors. Firstly, the proactive and forward-thinking policies of the state government have played a significant role in attracting both domestic and foreign IT companies. The government's business-friendly approach, coupled with initiatives like TS-iPASS and TS-bPASS that ease the process of setting up businesses and obtaining building permissions, have contributed to this phenomenal growth. Secondly, Hyderabad's development as a major IT hub has drawn a multitude of international companies, attracted by its world-class infrastructure, abundant skilled talent pool, and cosmopolitan lifestyle. Companies including Google, Microsoft, and Amazon have established their largest campuses outside the USA in Hyderabad, thus augmenting the city's IT/ITeS export capacity. Thirdly, the rapid digital transformation across sectors due to the global pandemic has also spurred growth. The rise of remote working, increased demand for digital services, and accelerated adoption of technology across industries have all driven demand for IT and ITeS, leading to increased exports from the state. Cont: Page 2

*In Cont from Page 1, **The Road Ahead***, While the growth in Telangana's IT/ITeS exports over the past five years has been impressive, the future looks even more promising. The state government is committed to strengthening the IT infrastructure, promoting innovation, and nurturing start-ups, which will drive the sector's growth in the coming years. Moreover, the state is also focusing on expanding the IT industry beyond Hyderabad to Tier-II and Tier-III cities, ensuring a balanced and inclusive growth. This, coupled with plans to strengthen emerging sectors like AI, Machine Learning, Cybersecurity, and Data Analytics, will further bolster the IT/ITeS exports in the coming years. In conclusion, the impressive growth in IT/ITeS exports from Telangana over the past five years is a testament to the state's thriving IT ecosystem. The continuous upward trajectory underscores the state's ability to adapt to the evolving global IT landscape and reaffirms its position as a leading player in India's IT/ITeS sector. As the state continues to innovate and attract investment, the future of IT/ITeS exports from Telangana indeed looks bright.

**Five more Waste-to-Energy Plants to Rise in Hyderabad**, known for its technological innovation and rapid growth, is setting a new standard for waste management in India. In a significant move towards sustainability and green energy, the city is planning to increase the capacity of its Waste-to-Energy (WTE) plants from 24 MW to 101 MW. This will not only help in waste management but also generate wealth out of waste. Currently, a 24 MW capacity WTE plant at Jawahar Nagar is fully operational. In addition to this, five more

plants with a combined capacity of 77 MW will be set up and are expected to be operational by 2024. These plants will be located at Jawahar Nagar (24 MW), Dundigal (15 MW), Pyaranagar in Medak district (15MW), Yacharam (12 MW), and Bibinagar (11 MW). Once these plants become operational, they will be capable of recycling the waste generated in Hyderabad and the Urban Local Bodies where they are located for the next 30 years, as mentioned by an official from the Municipal Administration and Urban Development (MA&UD) Department. Hyderabad, with a rapidly growing population, generates a substantial amount of waste every day. On average, between 7,000 to 7,500 tonnes of waste is collected daily from the



Greater Hyderabad Municipal Corporation (GHMC) limits. With the setting up of these new WTE plants, this waste will be utilized to generate power, contributing significantly to the city's energy needs. The existing facility at Jawahar Nagar already processes around 1,500 tonnes of Refuse Derived Fuel (RDF) daily. RDF, produced from the combustible components of municipal solid waste, is utilized to generate electricity. With the addition of the five new plants, the city will have the capacity to process 5,100 tonnes of RDF every day, substantially boosting its green energy production. Hyderabad's push towards waste-to-energy plants is a shining example for other cities to follow, demonstrating a sustainable and productive way of managing waste while also contributing to the city's power supply. This initiative symbolizes a promising step towards a greener and more sustainable future for urban India. Source: TelanganaToday



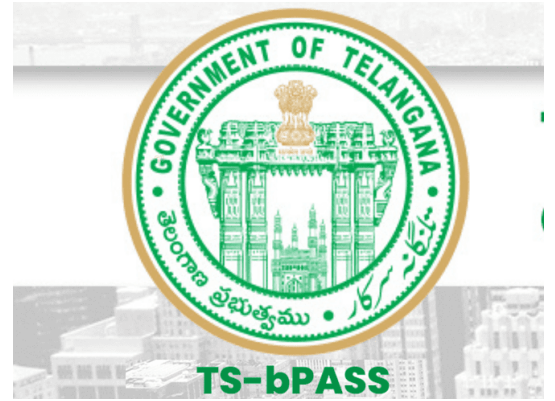
**T-Works to be expanded to tier II cities and towns soon,** Telangana's technological prowess is set to reach new heights as the state government announces plans to expand the highly successful T-Works initiative beyond the capital city of Hyderabad. Proposals are being made to establish T-Works units at several tier II cities and towns, including Warangal, Karimnagar, Nizamabad, Mahabubnagar, and Khammam. This expansion aims to empower local innovation ecosystems and provide opportunities for aspiring entrepreneurs and innovators across the state. T-Works, located in Hyderabad, is a cutting-edge hardware prototyping center that serves as a hub for innovation, collaboration, and skill development. It provides state-of-the-art infrastructure, advanced tools, and resources to help individuals and startups turn their ideas into reality. Since its inception, T-Works has garnered immense recognition for its role in promoting technology-driven innovation and has become a focal point for entrepreneurs, engineers, and researchers. The decision to expand T-Works to tier II cities and towns is a strategic move by the Telangana government to decentralize the state's technological ecosystem and promote regional development. By extending the T-Works model, the government aims to tap into the untapped potential of local talent and facilitate economic growth in these areas. Warangal, Karimnagar, Nizamabad, Mahabubnagar, and Khammam are vibrant cities and towns with significant industrial and educational landscapes. The establishment of T-Works units in these regions will not only provide a platform for innovation but also foster job creation and encourage the growth of startups. This move will reduce the dependency on urban centers and promote a more inclusive and balanced development across the state. The expansion of T-Works to these locations will bring numerous benefits to the local communities. It will provide aspiring entrepreneurs and innovators with easy access to state-of-the-art infrastructure, equipment, and technical expertise, which are essential for bringing their ideas to fruition. This democratization of resources will enable a wider range of individuals to participate in the innovation ecosystem, ensuring that talent is not limited to a single geographical area. Moreover, the establishment of T-Works units in tier II cities and towns will also have a positive cascading effect on the local economy. It will attract investment, create job opportunities, and encourage skill development in emerging technologies. Additionally, it will encourage collaboration between academia, industry, and government, fostering a culture of innovation and knowledge exchange. To ensure the success of the expanded T-Works units, the Telangana government must focus on creating a supportive ecosystem. This includes providing mentorship programs, organizing workshops and training sessions, and facilitating networking opportunities for entrepreneurs. By fostering a conducive environment, the government can nurture the growth of startups, boost entrepreneurial confidence, and enable the emergence of a robust innovation ecosystem. The proposed expansion of T-Works to tier II cities and towns reaffirms Telangana's commitment to nurturing a thriving technology and innovation landscape beyond its capital. By taking technology to the grassroots, the state is laying the foundation for a more inclusive and sustainable future. This move will not only bridge the urban-rural divide but also promote regional development and ensure that the benefits of innovation reach every corner of the state. As Telangana continues to lead the way in technological advancements, the expansion of T-Works to tier II cities and towns is a testament to the government's vision of transforming the state into an innovation-driven powerhouse. It is a step towards harnessing the immense potential of local talent, creating opportunities for entrepreneurship, and building a sustainable ecosystem for innovation and growth. With the expansion plans underway, the future of Telangana's technological landscape looks brighter than ever.

**"TELANGANA, A BURGEONING CANVAS OF PROGRESS, PAINTS A PROMISING PICTURE OF AN INCLUSIVE, INNOVATIVE, AND INDUSTRIOUS FUTURE."**



## TS-bPASS REVOLUTIONIZES BUILDING APPROVALS IN TELANGANA

**Streamlining the Process, Boosting the Real Estate Sector:** The Telangana State Building Permission Approval and Self-Certification System (TS-bPASS), incepted to transform the landscape of building permissions, has yielded impressive results in the 2022-23 fiscal year. This innovative system has significantly eased the approval process for real estate agencies and individuals, having issued 16,329 permissions during this period alone. **TS-bPASS: A Brief Overview:** The Telangana government introduced TS-bPASS with a mission to simplify the often complex and lengthy process of securing building permissions. The system provides an online, transparent, and user-friendly mechanism for citizens and developers to obtain approvals for construction and development projects. By reducing bureaucratic red tape and encouraging self-certification, TS-bPASS is fostering a more efficient real estate sector in Telangana. **An Impressive Feat: 16,329 Approvals in 2022-23:** In the fiscal year 2022-23, TS-bPASS issued a record-breaking 16,329 approvals, testifying to its effectiveness and the tremendous faith the public has put into this system. This impressive number is a testament to the system's ability to streamline the building permission process, making it easier and more efficient for real estate agencies and individual citizens alike. The considerable boost in numbers can also be seen as a reflection of the growing real estate sector in Telangana, facilitated by the streamlined processes of TS-bPASS.



**How Does TS-bPASS Work?** Under TS-bPASS, individuals or real estate developers intending to construct a building can apply online for permission. The comprehensive web portal requires applicants to submit their plans, location details, and requisite documents digitally. In line with the policy of promoting self-certification, applicants are allowed to commence construction work immediately after submitting their application, if the building complies with the rules and regulations of building construction, as specified by the government. For buildings up to 600 square meters and up to 10 meters in height, the system offers instant approval based on the self-certification submitted by the applicant. However, for larger projects, the application is scrutinized by the relevant authorities. If all required conditions are met, permission is granted within 21 days. If an application is rejected, the reasons are communicated to the applicant, ensuring transparency and accountability. **The Impact on Real Estate Sector:** The real estate sector is experiencing a significant upswing, largely due to TS-bPASS's streamlined processes. The system's transparency, efficiency, and ease-of-use have encouraged more agencies and individuals to invest in real estate, leading to an unprecedented surge in approvals in 2022-23. Moreover, the swift and smooth approval process has expedited construction work, leading to timely project completion. This has further boosted consumer confidence in the real estate market, attracting more investments and contributing to the overall economic growth of the state. **The Way Forward:** TS-bPASS has proven itself as a groundbreaking initiative in Telangana's real estate sector. By facilitating easy building permissions, it has not only boosted the real estate industry but also positively impacted the state's economic growth. It serves as a model that other states in India and beyond can learn from to simplify their building approval processes and foster a more robust real estate sector. The success of TS-bPASS in 2022-23 sets a promising tone for the future. As the system continues to evolve, further improvements and enhancements are expected, leading to even more efficient processes, increasing public trust, and reinforcing the thriving real estate sector in Telangana.



## SURGE IN DEMAND FOR LARGER HOMES IN METRO CITIES

**An Insightful Anarock Report:** As urbanization intensifies and lifestyle priorities shift, a remarkable trend is emerging in Indian real estate. The demand for larger homes in metropolitan cities is on the rise, as reflected in a recent report published by Anarock Property Consultants. According to the study, Hyderabad leads the trend with the highest average flat size of approximately 2,200 square feet in the first quarter of 2023, closely followed by the National Capital Region (NCR) with approximately 1,700 square feet.

**The Changing Urban Housing Landscape:** Urban Indian families, traditionally opting for compact living spaces in metropolitan cities due to soaring real estate prices and space constraints, are now witnessing a paradigm shift. The recent Anarock report suggests a significant surge in demand for bigger homes, owing to multiple factors such as the rising standard of living, increased purchasing power, and a definitive change in lifestyle preferences due to the ongoing pandemic situation.

**Hyderabad: The Forerunner in the Race:** The City of Pearls, Hyderabad, leads the trend with the highest average flat size, standing at approximately 2,200 square feet in Q1 2023. This is a significant indicator of the city's robust real estate market and the rising purchasing power of its residents. Several factors contribute to Hyderabad's leading position in this trend. First, the availability of abundant land compared to other metro cities has allowed developers to build larger apartments. Second, the city's growing IT sector has attracted a wave of high-income professionals who prefer spacious homes. Moreover, government initiatives like TS-bPASS have streamlined the process of acquiring construction permissions, further catalyzing the real estate sector's growth.

**NCR, Not Far Behind:** The National Capital Region follows Hyderabad closely, boasting an average flat size of approximately 1,700 square feet in Q1 2023. The increased demand for larger homes in this region can be attributed to evolving consumer preferences and a growing desire for more personal space, particularly in response to the increasing trend of remote working. NCR's thriving real estate market also benefits from its connectivity and infrastructure, attracting many high-income individuals and families who prioritize space and comfort. The development of new residential sectors and townships in areas like Noida, Gurgaon, and Ghaziabad, known for their spacious flats and luxury homes, has also contributed to the upswing in larger homes' demand.

**Underlying Factors: Pandemic and Work from Home Culture** The increased demand for larger homes can also be seen as a ripple effect of the global pandemic, with more people now working from home. The need for dedicated workspace within homes has become a significant consideration for many homeowners and potential buyers. Larger apartments provide the much-needed space to create a comfortable and productive working environment. Moreover, the pandemic has heightened the desire for personal space and amenities such as private gardens, balconies, or terraces. This, combined with improved financial health of consumers and attractive home loan interest rates, has amplified the demand for bigger homes.

**The Way Forward:** The trend towards larger homes in metro cities signifies an important shift in the urban housing landscape. As this demand continues to rise, it presents a unique opportunity for real estate developers to design housing projects that cater to this burgeoning market segment. However, this trend also poses a challenge for city planning and sustainable development. With increased housing sizes, issues such as efficient land use and energy consumption become even more critical. Therefore, adopting green building practices and promoting sustainable development should be integral to catering to this demand. In conclusion, the Anarock report's findings underscore a fundamental transformation in the Indian real estate sector. As consumer preferences evolve and the demand for larger homes in metro cities grows, the real

**A Significant Step in Aerospace Sector Development** In a significant move that underscores the growing prominence of India in the global aerospace sector, French aerospace giant Safran has filed a Special Economic Zone (SEZ) application for establishing its largest Maintenance, Repair, and Overhaul (MRO) facility at GMR Aerospace & Industrial Park, Rajiv Gandhi International Airport (RGIA), Hyderabad. **Safran's New Venture facility**, which will span 23.5 acres, represents an investment of approximately ₹1900 Cr. It is expected to generate employment for about 1000 people, making it a major boost for local economic development. With operations expected to begin by 2025, this facility is set to become Safran's largest MRO facility globally, emphasizing the strategic importance of India in Safran's global operations. Strategic Location at GMR Aerospace & Industrial Park GMR Aerospace & Industrial Park, located within RGIA, has been chosen by Safran due to its strategic location and world-class facilities. The industrial park offers excellent connectivity, making it an ideal site for MRO services. Moreover, it already houses several



prominent domestic and international companies, adding to its allure for Safran.

**Impact on Local Economy and Employment**, The establishment of Safran's MRO facility in Hyderabad is expected to have a significant positive impact on the local economy. The ₹1900 Cr investment signifies a strong commitment by the French aerospace major to the Indian market and is likely to spur further investments in the area. The project is also anticipated to create 1000 jobs, providing a major boost to local employment. These jobs will range across various skill levels, including engineering and technical roles, contributing to the growth and upskilling of

the local workforce. **Potential for India's Aerospace Sector:** Safran's decision to set up its largest MRO facility in India underlines the potential of the Indian aerospace sector. It recognizes India's strategic geographic location, well-developed infrastructure, and skilled workforce, which make it an ideal destination for MRO services. With a growing aviation market in India and the Asia-Pacific region, there is a rising demand for MRO services. Safran's new facility will be well-positioned to serve this demand, offering services for a wide range of aircraft components. **A Testament to the 'Make in India' Initiative**, Safran's decision to establish its largest MRO facility in India is a testament to the success of the 'Make in India' initiative, which aims to make India a global manufacturing hub. The initiative has brought significant investments in various sectors, and the move by Safran adds to the growing list of foreign companies investing in India's manufacturing and services sectors. **Looking Ahead**, While the Safran MRO facility is expected to be operational by 2025, it already signifies a significant development for India's aerospace sector. The facility will not only boost local employment but also help to enhance the skills of India's aerospace workforce. In conclusion, Safran's proposed investment is a testament to India's growing stature in the global aerospace industry. As more international players like Safran establish significant operations in India, the country is poised to become a key player in the global aerospace and aviation industry.



### A Historic Defence Deal Between India and the US: A Game Changer in Jet Engine Manufacturing

In a historic milestone for India-US relations, Prime Minister Narendra Modi and President Joe Biden are set to announce a groundbreaking defence deal from June 21-24, involving the transfer of jet engine manufacturing technology to India. In a key component of the agreement, General Electric (GE) will co-produce jet engines in India in partnership with Hindustan Aeronautics Limited (HAL). This potentially transformative pact is expected to benefit up to 600 Micro, Small, and Medium Enterprises (MSMEs) in India, as per experts. This historic deal marks a significant turning point in the India-US strategic partnership, specifically in the defence sector. It will make India one of the few countries to receive such advanced technology, symbolizing the deep trust and cooperation between the two nations. The essence of the agreement revolves around a major partnership between GE, a global leader in jet engine technology, and HAL, India's leading aerospace company. The pact entails the transfer of cutting-edge jet engine manufacturing technology to India, which will bolster India's capabilities in the defence aviation sector. While the location for the co-production facility in India is yet to be finalized, the presence of this enterprise on Indian soil will signify a key step in achieving the government's ambitious vision of 'Atmanirbhar Bharat' or self-reliant India. This partnership is expected to create a ripple effect in India's manufacturing sector, particularly benefiting around 600 MSMEs. These enterprises could potentially be integrated into the supply chain, providing components and parts for the jet engine manufacturing process. This opportunity will not only enhance their technological capabilities but also provide them with a stable source of income, thereby promoting their growth and sustainability. Additionally, the collaboration is projected to lead to job creation across various levels, including high-skilled jobs, thereby contributing significantly to the Indian economy.



While the location for the co-production facility in India is yet to be finalized, the presence of this enterprise on Indian soil will signify a key step in achieving the government's ambitious vision of 'Atmanirbhar Bharat' or self-reliant India. This partnership is expected to create a ripple effect in India's manufacturing sector, particularly benefiting around 600 MSMEs. These enterprises could potentially be integrated into the supply chain, providing components and parts for the jet engine manufacturing process. This opportunity will not only enhance their technological capabilities but also provide them with a stable source of income, thereby promoting their growth and sustainability. Additionally, the collaboration is projected to lead to job creation across various levels, including high-skilled jobs, thereby contributing significantly to the Indian economy.

**The Role of Technology Transfer,** The transfer of jet engine manufacturing technology is a major part of the deal. With this, India will gain access to state-of-the-art technology, thereby enhancing its defence capabilities. It will also reduce India's dependence on foreign suppliers for advanced engines and establish India as a potential exporter of high-tech defence equipment in the future. **Concluding Thoughts,** The impending announcement of the defence deal between India and the US signifies a landmark development in the defence manufacturing sector of India. It aligns perfectly with the Indian government's 'Make in India' initiative, which seeks to transform India into a global manufacturing hub. This development promises significant strides towards achieving self-reliance in defence production and propelling India to the forefront of aerospace technology. While benefiting local enterprises and boosting economic growth, the deal will also undoubtedly deepen the strategic ties between India and the US. As we await further details post the official announcement, the defence deal is already heralded as a significant step forward in bilateral relations and a giant leap for India's defence manufacturing sector.

### Savithri Bai Phule Women's Welfare Organization Celebrates Women Entrepreneurs at Shilparamam

In a spectacular showcase of women entrepreneurship, the Savithri Bai Phule Women's Welfare Organization recently hosted a seven-day exhibition. The event, organized from June 5th to 11th at Shilparamam, Hyderabad, highlighted the creative works of women entrepreneurs from various sectors. A total of 100 stalls were set up, each embodying the spirit of women entrepreneurship and exemplifying their remarkable talents and ingenuity. Mrs. Madhavi Bellam, the Committee Chairman of the Women's Wing at the Telangana Chambers of Commerce and Industry, is making a significant impact in fostering women entrepreneurship in Telangana. Her leadership, vision, and dedicated efforts are playing a pivotal role in propelling the growth of women-led businesses in the region.

**Honored Guests and Attendees:** The event was inaugurated by Sundeep Kumar Makthala, Global President of Telangana Information Technology Association (TITA). As the chief guest, he lauded the efforts of Mrs. Madhavi Bellam and the Savithri Bai Phule Women's Welfare Organization in organizing this unique event. He emphasized the importance of such initiatives in encouraging and empowering women



entrepreneurs in the state. The exhibition also had the privilege of hosting Shri A. Gandhi Garu, MLA, who expressed admiration for the creative works displayed by the women entrepreneurs. His presence served as an acknowledgment of the crucial role women entrepreneurs play in the growth of the state's economy. A Week-Long Celebration of Creativity. The exhibition ran daily from 8 AM to 10 PM for a week, attracting visitors from all walks of life. The week-long event was not just a business fair; it was a celebration of creativity, innovation, and entrepreneurship. It offered an opportunity for women entrepreneurs to network, learn from each other, and gain exposure, while visitors had the chance to appreciate and purchase unique products directly from the creators. **Towards a More Inclusive Future:** In the larger context, the women entrepreneur exhibition organized by the Savithri Bai Phule Women's Welfare Organization sends a strong message about the growing role of women in India's entrepreneurial landscape. Initiatives like this underscore the importance of promoting gender inclusivity in business and entrepreneurship. Such platforms are essential to encourage women to step into entrepreneurial roles, boost their confidence, and offer them the deserved recognition. They also inspire other women to break traditional barriers and make their mark in the entrepreneurial world. In conclusion, this event was not just an exhibition; it was a vibrant tapestry of entrepreneurial aspirations, ambitions, and achievements of women. As we look forward to more such events, we are reminded of the immense potential and promise that women entrepreneurs hold for the economic growth and development of our society.