

## Telangana Chambers of Commerce and Industry FORTNIGHTLY JOURNAL



### WARANGAL IS BOOMING

Warangal is experiencing a transformative phase in its IT sector, rapidly emerging as a significant IT hub in Telangana, second only to the state's capital, Hyderabad. This transformation is evident with the success stories of IT giants like Cyient and Tech Mahindra, which have already established their presence in the city. Now, Quadrant Technologies, a USA-based company specializing in Data & Cloud Solutions, is joining the league, further solidifying Warangal's position on the IT map. Quadrant Technologies, with its expansive global operations spanning 12 countries, 18 cities, and a robust workforce of over 2000 employees, has chosen Warangal as its next destination for expansion. The company's decision to set up a sprawling 50,000 sq. ft. facility in the city is a testament to Warangal's growing prominence in the IT sector. This facility, capable of accommodating over 500 IT professionals, is not just an infrastructural marvel but also a beacon of opportunity for the local youth. Quadrant Resources has already onboarded 100-150 local individuals and envisions creating job opportunities for 500 professionals in the near future. The company's commitment to Warangal goes beyond mere numbers. Quadrant Technologies aims to foster a deep connection with the local community, emphasizing job creation through skill enhancement initiatives. Recognizing the demographic advantage of the region, where 27% are youth and an impressive 65% are under the age of 35, the company is keen on tapping into this vast local talent pool. Their vision aligns with the broader goal of developing eight IT hubs in tier-2 cities, further amplifying the IT surge in the region. Quadrant Technologies' aspirations are also echoed by the state's leadership. IT Minister KT Rama Rao, during the inauguration of the Quadrant Technologies office in Warangal, highlighted the potential of tier-2 cities like Warangal. **CONT ..**



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**Cont from Page 1;** He emphasized the opportunities these cities offer for the growth of companies and employment prospects for the local youth. The minister also acknowledged the contributions of industry leaders like Cyient, Tech Mahindra, and Genpact, urging other entrepreneurs and NRIs to consider Warangal for their ventures. In conclusion, Warangal's IT landscape is undergoing a dynamic shift. With the entry of Quadrant Technologies and the continued success of existing IT firms, the city is poised to leverage its demographic advantage and drive unparalleled growth in the sector. As Warangal continues to thrive and evolve, it stands as a testament to the potential of tier-2 cities in shaping the future of IT in India.

"Emerging from Hyderabad's shadow, the spark of Warangal kindles a new dawn in the IT sector. As Telangana grows, so does the ambition of its tier 2 cities, ready to meet the demands of tomorrow."

**Telangana has witnessed the launch of India's first law enforcement** Chief Information Security Officers' (CISO) council. The momentous occasion took place at the Cyberabad Police Commissionerate, with DGP Anjani Kumar and Principal Secretary Jayesh Ranjan officiating the launch. This council, a collaborative effort between public and private institutions, is geared towards addressing cyber security threats in real-time. DGP Anjani Kumar highlighted the evolving nature of crime, emphasizing the remote and borderless operations of cyber criminals. He projected a staggering loss of \$8 trillion to cyber crimes by 2023, underscoring the urgency of robust cybersecurity measures. Principal Secretary Jayesh Ranjan lauded the CISO council as a shining beacon of cybersecurity in Telangana, exemplifying the Public-Private Partnership (PPP) model. He emphasized the escalating risks of cybersecurity breaches, especially with the digital migration of the next billion internet users. Mr Jayesh Ranjan advocated for the council's collaboration with the IT department, various Centres of Excellence in the state, and innovative start-ups. He also stressed the importance of engaging ethical hackers to fortify defenses. Cyberabad Police Commissioner Stephen Raveendra drew attention to the 300% surge in cyber crime cases over the past year, emphasizing the need for a robust defense mechanism. He highlighted the vulnerability of government organizations, critical infrastructure, and industries, especially in the face of sophisticated cyber threats. Ransomware attacks have seen a 200% increase, with daily Business Email Compromise (BEC) attempts reaching approximately 1,56,000. The council's establishment is a timely response to the escalating cyber threats, aiming to safeguard the digital landscape of Telangana and the nation at large.

**Apollo Micro Systems Ltd.**, a prominent player in electronic manufacturing, hardware design, weapon and platform integration, has unveiled its ambitious plan to establish a defence equipment manufacturing unit in Hardware Park, Hyderabad. This venture, backed by an investment of ₹150 crore, is set to augment the company's infrastructure by an additional 3,00,000 sq. ft. to its pre-existing facility. The timeline for the construction completion is projected to be a swift nine months. In a strategic move to bolster its defence offerings, the company recently instituted a wholly-owned offshoot, Apollo Defence Industries Private Ltd. This subsidiary is envisioned to forge technological alliances with global entities, aiming to deliver cutting-edge defence solutions. Baddam Karunakar Reddy, the founder and managing director of Apollo Micro Systems Ltd., emphasized the company's deepening ties with the Defence Research and Development Organisation (DRDO). He highlighted the significance of their recent agreements with DRDO, viewing them as a testament to their unwavering dedication to technological excellence and innovative pursuits in defence projects. Reddy further elaborated on the company's vision, stating, "We are progressively evolving into a comprehensive weapon design, development, and manufacturing entity, and in alignment with this vision, we are inaugurating weapon integration facilities."



**Kaynes Technology**, a prominent player in the electronics contract manufacturing sector with a global presence, has announced its plans to establish a semiconductor Outsourced Semiconductor Assembly and Test (OSAT) facility in Hyderabad, backed by an investment of Rs 2,800 crore. This significant development will be located in Kongara Kalan, adjacent to the forthcoming Foxconn electronics manufacturing unit. The initiative is expected to generate 2,000 employment opportunities. This move is viewed as a pivotal step in India's semiconductor mission, with Telangana

set to house the semiconductor OSAT and compound semiconductor facility by Kaynes Technology. The IT & Industries Minister, Sri K T Rama Rao, expressed his enthusiasm about this venture, emphasizing Telangana's commitment to fostering a semiconductor ecosystem. He highlighted the state's emerging status as a preferred destination for the semiconductor industry, attributing this to its supportive infrastructure, proactive governance, robust R&D environment, and skilled workforce. The facility is envisioned to be a world-class establishment, equipped with cutting-edge technology and machinery, reinforcing Telangana's position in the semiconductor landscape.

**Kitex Group**, recognized as the world's second-largest kids apparel manufacturer, is embarking on an ambitious project to establish a record-breaking 1.2-km-long integrated fibre-to-apparel manufacturing facility in Seetharampur, located in Telangana's Rangareddy district. Sabu M Jacob, the managing director of Kitex Group, shared that this facility will be unparalleled in its length, being the longest manufacturing unit globally under a single roof for any product category. The vision for the Seetharampur campus is grand, with plans to introduce two additional factories, each spanning 1.2 km, culminating in a total factory length of 3.6 km. The cumulative built-up area, inclusive of essential support structures for power and water, is projected to exceed 4.5 million sq ft. Jacob has set clear timelines, aiming to complete the inaugural 1.2-km factory by September 2024, with aspirations to secure a Guinness record. The subsequent factory is slated for completion by December 2024, and the entire campus is expected to be fully functional by 2025. This massive undertaking is anticipated to generate approximately 36,000 direct and indirect employment opportunities. The initial investment for the Seetharampur project stands at 1,500 crore, with the facility's output estimated at 1.1 million apparel pieces daily for both infants and adults. An additional infusion of 1,000 crore is planned to enhance the production capacity to roughly 1.8 million pieces daily by 2025. Parallely, Kitex is also progressing with its integrated kids apparel manufacturing unit in Warangal, representing an investment of 1,500 crore. This Warangal facility is designed to produce 1.1 million apparel pieces daily, commencing December of the current year, and is projected to create around 30,000 jobs. Jacob expressed his appreciation for the supportive approach of the Telangana government, which has been instrumental in scaling up the initial investment commitment from 1,000 crore to nearly 4,000 crore in the state.



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The Confederation of Indian Industry's Indian Women Network (CII IWN) Telangana organized the 'Leadership Conclave 2023' titled 'UPLIFT: A Gender Equal DigitALL Future' at The Westin, Hyderabad. The conclave was inaugurated by Dr. G Satheesh Reddy, the former Scientific Adviser to Raksha Mantri and President of The Aeronautical Society of India. The keynote address was delivered by Mr. Joe Schulz, Vice President and Global Chief Information Officer of Carrier Digital. Dr. Satheesh highlighted the proactive measures taken by government departments in promoting gender parity across sectors, which has resulted



in multifaceted growth. Mr. Sai Prasad, Vice Chairman of CII Telangana and Executive Director of Bharat Biotech International Limited, emphasized the need for CII IWN to support women in the informal sector through digitalization and expressed his aspiration to achieve 50% gender parity across all sectors by 2047. Ms. Srividya

Reddy, Chairwoman of CII IWN Telangana & Vice Chairperson of GNITS Hyderabad, accentuated the transformative potential of digitalization in bridging the gender equality gap. The conclave also featured insights from prominent speakers like Ms. Shobha Dixit, Ms. Tanuja Abburi, Ms. Shweta Kirkire, Dr. Rashmi Pimpale, and Mr. Sanjeev Deshpande. With over 350 participants, the event delved into themes such as Women in Design and Innovation, Digital Transformation in the Workplace, and the pivotal role of technology and women in policy and governance. The conclave stands as a testament to the collective efforts in championing gender equality in the rapidly evolving digital landscape.

**Godrej Agrovet, a prominent name in the agribusiness sector,** is set to make significant inroads into Telangana's industrial landscape by establishing an integrated palm oil complex. This ambitious project, underpinned by an investment of Rs 300 crore, is slated for completion over the next 3-4 years. The decision to set up this facility in Telangana underscores the company's commitment to tapping into the state's conducive business environment and leveraging its potential for palm oil production. In a strategic move to ensure the supply of high-quality oil palm seeds, Godrej Agrovet has entered into a collaboration with Malaysia-based SDP. This partnership is indicative of the company's focus on maintaining superior standards in its production processes. The establishment of the palm oil complex in Telangana is expected to bolster the state's industrial profile while also contributing to the broader vision of sustainable agribusiness practices in India. The initiative also resonates with the growing demand for palm oil, given its widespread use in various industries. With this venture, Godrej Agrovet not only reaffirms its position as a leader in the agribusiness sector but also showcases its commitment to fostering international collaborations for mutual growth. As the project unfolds, it will be interesting to observe the ripple effects it creates in the regional industrial ecosystem and the broader palm oil market.



**Goldman Sachs Strengthens Its Footprint in Hyderabad**, the vibrant capital of Telangana, has added another feather to its cap with the inauguration of a state-of-the-art office by the global investment banking giant, Goldman Sachs. The office, named Opel, was inaugurated by Sri K. T. Rama Rao, the Hon'ble Minister. This move by Goldman Sachs is a testament to Hyderabad's growing stature as a major IT and financial hub in India. Goldman Sachs, a leading global investment banking, securities, and investment management firm, has been serving Indian clients since the early 1980s. With its roots tracing back to 1869, the firm has established a significant presence in major financial centers around the world. The new office in Hyderabad is a strategic expansion, focusing on client onboarding efforts, platform engineering, and fostering global Enterprise Partnerships. The inauguration of the Hyderabad office marks a significant milestone in Goldman Sachs' journey in India. Richard Gnodde, chief executive officer of Goldman Sachs International, highlighted the firm's growth story in India, emphasizing the pivotal role played by cities like Bengaluru and Hyderabad in the firm's global activities. Gunjan Samtani, country head of Goldman Sachs Services India, echoed this sentiment, emphasizing the new office's commitment to innovation, collaboration, and sustainability. The Hyderabad office, spanning a massive 3.51 lakh square feet, is designed to accommodate approximately 2,500 professionals. This expansion is in line with the firm's commitment to Indian talent, which is considered world-class. The office's design also reflects the firm's broader commitment to sustainability, with measures like offsetting

100% of its direct carbon emissions and centralized waste management practices. Minister KTR expressed his delight at the inauguration, stating, "I'm pleased to inaugurate Goldman Sachs' new long-term office in Hyderabad after they first established presence here in 2021. It reflects Telangana's holistic initiatives to engage, collaborate and drive multinational firms to set up in Hyderabad." He further commended



Goldman Sachs for their initiatives in digital literacy, women entrepreneurship, and local vendor engagements. The Goldman Sachs Group has been an active investor in India, deploying more than \$7 billion in capital since 2006. With the establishment of the Hyderabad office, the firm further cements its commitment to the Indian market. Today, with over 9,000 professionals across Bengaluru and Hyderabad, India boasts the largest presence of Goldman Sachs globally, outside its New York headquarters. In conclusion, the establishment of Goldman Sachs' new office in Hyderabad is not just a testament to the city's growing prominence but also a reflection of India's potential in the global financial landscape. As Hyderabad continues to attract global giants, it stands as a beacon of opportunity, innovation, and growth in the financial sector.



**GMR Hyderabad International Airport Ltd (GHIAL)** has hit a remarkable milestone in environmental responsibility by earning the Level 4 transition accreditation from the Airports Council International (ACI). This esteemed recognition highlights GHIAL's steadfast dedication to carbon management, mirroring global climate goals. The Airport Carbon Accreditation (ACA) program by ACI EUROPE, initiated in 2009, serves as a benchmark for appraising an airport's endeavors to curtail carbon emissions. Achieving Level 4 Transition, the pinnacle within this program, underscores GHIAL's allegiance to environmental sustainability. CEO Pradeep Panicker accentuated the airport's unyielding dedication to environmental stewardship, with GHIAL pioneering in initiatives aimed at diminishing its carbon footprint, such as harnessing renewable energy, adopting zero waste and zero discharge practices. With ambitious targets set, GHIAL is on a quest for zero carbon emissions, investing in sustainable technologies to foster a greener planet. Stefano Baronci, Director General of ACI Asia-Pacific & Middle East, lauded GHIAL for its leadership in proficient carbon management and for its steadfast commitment to a sustainable future. This acknowledgment wasn't an overnight achievement; GHIAL commenced its journey towards this accolade back in 2009, post securing a Silver rating in the 'Leadership in Energy and Environmental Design' (LEED) certification in 2008. GHIAL's earnest efforts encompass energy conservation measures like the operation of a 10MWp solar power plant and the deployment of battery-operated Ground Support Equipment vehicles, aligning with the United Nations Sustainable Development Goal 13: Climate Action. GHIAL's journey also reflects in awards like the "National Energy Leader Award," further bolstering its reputation in sustainability. The ACI plays a crucial role in setting global airport standards, advocating sustainable practices in collaboration with governments and international organizations. GHIAL's Level 4 Transition accreditation epitomizes its commitment to surpassing environmental standards, setting a laudable precedent for the aviation industry, and propelling towards a more sustainable future

**Los Angeles Seeks Indian Consulate:** A Strategic Diplomatic Move, Los Angeles Mayor Karen Bass, in collaboration with the Indian-American community, has made a fervent appeal to the Indian government to establish a consulate in the city, which is recognized as the second-largest in the US and the global epicenter of entertainment. As of now, the US hosts five Indian consulates located in New York, San Francisco, Chicago, Houston, and Atlanta. This initiative gained momentum during Prime Minister Narendra Modi's historic State Visit in June, where it was declared that India would be inaugurating two new consulates in the US, with Seattle being one of the confirmed locations. The Indian-American community, along with Mayor Bass, is ardently advocating for the second consulate to be situated in Los Angeles. Mayor Bass, in her correspondence to India's Ambassador to the US, Taranjit Singh Sandhu, emphasized the mutual benefits of such an establishment, citing the surge in tourism between India and Los Angeles and the city's dedicated Tourism Office that remained operational even during the COVID-19 pandemic. With over 100,000 Indian tourists visiting Los Angeles annually, the proposed consulate is envisioned to not only offer crucial services but also to fortify bilateral cooperation. Mayor Bass further highlighted the city's diverse economic landscape, which extends beyond entertainment to encompass sectors like biotechnology, aerospace, sustainability, and green technology. The region is also renowned for its educational institutions, with over 10% of Indian students in the US choosing California for their studies. Gunjana Bagla, a distinguished Indian-American from Los Angeles, initiated an online campaign supporting the consulate's establishment, emphasizing the city's economic significance and its absence of an Indian diplomatic mission. The campaign, endorsed by over 3,600 Indian Americans, underscores the urgency of this diplomatic endeavor, especially in light of the recent announcement by Prime Minister Modi and President Joe Biden regarding the opening of two new Indian Consulates in the US.



**India's Semiconductor Ambitions, A Leap Towards Hardware Manufacturing:** India, renowned globally for its software prowess, is now making strides to establish itself in the hardware domain, particularly in semiconductor manufacturing. This ambition was underscored a year-and-a-half ago when India announced incentives to foster a homegrown semiconductor manufacturing industry and initiated a national mission. However, the journey has been marked with challenges and varied progress. Notably, while US major Micron pledged to invest nearly \$3bn in an assembly and test facility in India. Government, recognizing the importance of semiconductors in modern digital life, has been proactive in forging technology partnerships. Agreements with countries like the US and Japan aim to strengthen semiconductor supply chains. Moreover, several states have rolled out policies to attract investments in this sector. Yet, while India accounts for 20% of global chip design talent and houses major R&D centers of semiconductor giants like Intel, AMD, and Qualcomm, it lags in actual chip fabrication. The challenges are multifaceted. India's 'doing business' environment, known to be cumbersome, poses significant hurdles. The manufacturing sector's contribution to the GDP has remained stagnant due to the absence of a facilitating ecosystem. While the government's incentives are a step in the right direction, they compete with larger subsidies offered by regions like the EU and the US. Experts suggest that India should play to its strengths, focusing on areas like semiconductor ATP and design support, rather than diving deep into chip fabrication, which requires massive capital and has extended gestation periods. Geopolitics, however, might be tilting in India's favor. With the US looking for alternatives to China for outsourcing parts of its semiconductor supply chain, India, as a close ally, emerges as a potential destination. Yet, India's protectionist trade policies and absence from trade pacts like RCEP could be deterrents. The stakes are high, and while India has had false starts in the past, the current geopolitical scenario presents a golden opportunity. As domestic electronics production surpasses the \$100bn mark, the absence of domestic chip fabrication could inflate import costs. In this high-stakes gamble, India stands at a crossroads: it can either seize this moment to nurture hardware manufacturing or risk missing another significant opportunity in the global tech landscape.

**Government Eyes Liberalization of FDI Norms for Space Sector:** In a significant move that could bolster India's space industry, the government is considering liberalizing the foreign direct investment (FDI) norms for the country's space sector. Currently, the FDI in the space sector is permitted up to 100% in the domain of Satellites-Establishment and Operations, but only through the government route. This announcement was made by the Department for Promotion of Industry and Internal Trade (DPIIT) Secretary, Rajesh Kumar Singh, during a road-show event for the upcoming Summit in Gujarat, scheduled for January 10-12, 2024. Singh emphasized the government's commitment to FDI liberalization, noting that substantial progress has been made in this direction, with exceptions only for a few strategic sectors. He remarked, "We've tried to maintain an almost Open Sky policy for almost all sectors of the economy. Though that liberalization will continue, and we may expand it further to even some of our sectors like Space as well." Singh also highlighted India's focus on enhancing the ease of doing business and logistics. He proudly mentioned that India's global ranking in these areas is witnessing a positive trajectory. The potential liberalization of FDI norms in the space sector aligns with the government's broader vision of positioning India as a global hub for space research, innovation, and business. In conclusion, the government's intent to liberalize FDI norms for the space sector reflects its commitment to fostering a conducive environment for foreign investments. Such initiatives not only attract global players to the Indian market but also pave the way for technological advancements, job creation, and overall economic growth. As India continues to make strides in the space industry, the proposed FDI liberalization could play a pivotal role in shaping the country's future in this domain.



In a significant meeting aimed at fostering business ties and exploring expansion opportunities, the Telangana Chambers of Commerce and Industry, led by its president Karthik Maheshwaram and Nikhil Pendota, Head of International Marketing, engaged in a constructive dialogue with Comcast India Ltd. Comcast, a renowned name in the global telecommunications sector, is a subsidiary of Comcast USA, a leading American telecommunications conglomerate known for its diversified services in broadcasting, cable television, and internet services. Representing Comcast India Ltd. was Mr. Subramaniam Kannan, the Senior Vice President. During the meeting, the Telangana Chambers of Commerce and Industry elucidated the favorable government policies in place, highlighted the recent establishments of various companies in the region, and shed light on the impressive growth trajectory Telangana has charted over the past decade. The primary agenda was to extend an invitation to Comcast to consider Hyderabad, Telangana, as a potential location for their business expansion. Mr. Kannan expressed a positive inclination towards the proposal, indicating that the senior management of Comcast is currently in the decision-making phase regarding this expansion. Given the optimistic tone of the discussions, there is a palpable anticipation in the air, with many hoping to witness the establishment of Comcast in Telangana in the near future.

**The Telangana Chambers of Commerce and Industry (TECCI)**, representing the vibrant business community of Telangana, is set to mark its presence at the esteemed World Business Forum scheduled to be held in New York on the 15th and 16th of November. This participation underscores the chamber's commitment to fostering global business ties and gaining insights from the world's leading business minds. The World Business Forum, organized and curated by WOBI (World of Business Ideas), stands as a premier event in the global business calendar. Held annually in various cities across the Americas, Europe, and Asia, the forum



offers a unique two-day immersive experience designed to equip business leaders with cutting-edge insights and strategies. In today's rapidly evolving business landscape, where change is the only constant, the forum's content is meticulously crafted to provide leaders with a competitive edge, ensuring sustainable growth and continued success. The event focuses on the most pressing issues faced by today's business professionals, aiming to stimulate innovative thinking and inspire actionable solutions. Beyond

the rich content, the World Business Forum also serves as a dynamic platform for networking, allowing professionals to connect with peers and like-minded individuals from diverse industries and regions. This year's forum promises to be a confluence of restless minds, all united by their unwavering passion for business. The Telangana Chambers of Commerce and Industry's participation is not just a testament to its global outlook but also an invitation to the world to explore business opportunities in Telangana. The chamber's delegation, led by its esteemed members, will be sharing insights about the state's business-friendly policies, growth trajectory, and the myriad opportunities it offers to global investors. In light of this significant participation, the Telangana Chambers of Commerce and Industry extends an open invitation to all interested parties to join them at the World Business Forum. It's an unparalleled opportunity to witness firsthand the confluence of global business ideas, strategies, and innovations. Let's come together to shape the future of business and forge lasting partnerships.