



TS-iPASS: Promoting MSMEs in Telangana

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To Cite this Article

Dr. K. Sunitha. TS-iPASS: Promoting MSMEs in Telangana. International Journal for Modern Trends in Science and Technology 2023, 9(05), pp. 131-136. <https://doi.org/10.46501/IJMTST0905019>

Article Info

Received: 28 March 2023; Accepted: 23 April 2023; Published: 07 May 2023.

ABSTRACT

TS-iPASS is an online platform launched by the Telangana government to simplify the process of starting and running a business in the state. The platform aims to promote the growth of Micro, Small, and Medium Enterprises (MSMEs) by providing a single-window clearance system for obtaining all necessary approvals and clearances from various departments and agencies. TS-iPASS has been successful in reducing the time and cost required to start a business in Telangana, and has attracted significant investments to the state. The platform has also helped to create employment opportunities and promote economic development in the region. This paper provides an overview of TS-iPASS, its key features, and its impact on promoting MSMEs in Telangana. The study discusses about iPass and its features. The study evaluated how to promote Micro, Small, and Medium Enterprises (MSMEs) in Telangana and how it is essential for the state's economic growth and development. The approval process was also discussed in the study. The Challenges faced by businesses prior to TS-iPASS was also discussed in the study.

Keywords: MSMEs, TS-ipass, Telangana, Promoting

INTRODUCTION

The Telangana State Industrial Project Approval and Self-Certification System (TS-iPASS) was launched in 2015 with the aim of promoting the growth of Micro, Small, and Medium Enterprises (MSMEs) in Telangana. The system was designed to provide a hassle-free and time-bound clearance process for businesses looking to set up operations in the state. The promotion of MSMEs is critical for the economic development of the state as it leads to the creation of jobs and contributes to the overall growth of the economy

TS-iPASS:

Streamlining the Approval Process Prior to the introduction of TS-iPASS, businesses had to go through multiple departments to obtain various approvals leading to a long and cumbersome process. This resulted

in delays and increased costs, making it difficult for MSMEs to set up shop. The TS-iPASS system streamlined the approval process by providing a single window clearance for all approvals required to start operations. The system has reduced the turnaround time for approvals, making it easier for businesses to start their operations in Telangana. The key features of the TS-iPASS system include online submission of applications, single-window clearance, and automatic approvals within a time-bound framework.

BRIEF OVERVIEW OF TS-IPASS AND ITS OBJECTIVES:

TS-iPASS is a single-window clearance system for granting various approvals and clearances required for starting and operating businesses in the state of Telangana, India. It is an online portal that streamlines

the entire process of obtaining approvals and clearances from various government departments and agencies.

The main objective of TS-iPASS is to promote industrial development and economic growth in the state by simplifying and expediting the process of starting and operating businesses. It aims to provide a hassle-free and time-bound clearance mechanism to investors and entrepreneurs who want to set up new businesses or expand existing ones in Telangana.

TS-iPASS was launched in June 2015 and is operated by the Industries and Commerce Department, Government of Telangana. The portal covers over 50 government departments and agencies, including the Pollution Control Board, Fire Services Department, and Labour Department, among others.

The key features of TS-iPASS include:

1. Single-window clearance system: TS-iPASS provides a single platform for investors and entrepreneurs to obtain all the required approvals and clearances from various government departments and agencies.
2. Online application and tracking: The portal allows applicants to submit their applications online and track the status of their applications in real-time.
3. Time-bound approvals: TS-iPASS provides time-bound approvals within 15 days of submitting the application.
4. Self-certification: The portal allows investors and entrepreneurs to self-certify compliance with various laws and regulations.
5. Investor-friendly policies: The Government of Telangana has introduced various investor-friendly policies and incentives to promote industrial development in the state.

In summary, TS-iPASS is a revolutionary initiative by the Government of Telangana to promote ease of doing business and attract investments in the state.

Promoting Micro, Small, and Medium Enterprises (MSMEs) in Telangana is essential for the state's economic growth and development. Here are some reasons why:

1. Employment generation: MSMEs are significant contributors to employment generation. By promoting MSMEs in Telangana, the state can create more job opportunities, particularly in rural areas where job opportunities are limited.
2. Innovation and entrepreneurship: MSMEs are known for their innovative and entrepreneurial spirit.

Encouraging MSMEs in Telangana can lead to the development of new products and services, thereby promoting innovation and entrepreneurship.

3. Diversification of the economy: Promoting MSMEs can help diversify the economy of Telangana, reducing the state's dependence on a few sectors such as IT and pharmaceuticals. A diversified economy is more resilient to external shocks and can provide better opportunities for growth.

4. Regional development: MSMEs can contribute significantly to regional development by promoting economic activity in rural areas and tier-2 and tier-3 cities. By promoting MSMEs, the government can address regional imbalances in the state's economic development.

5. Export promotion: MSMEs have the potential to contribute significantly to exports. By promoting MSMEs in Telangana, the state can increase its export earnings and reduce the trade deficit.

6. Social development: MSMEs can also contribute to social development by empowering women, promoting inclusivity, and supporting disadvantaged communities. In conclusion, promoting MSMEs in Telangana is essential for the state's economic growth, employment generation, innovation, regional development, export promotion, and social development. The government of Telangana has taken several measures to promote MSMEs, including setting up dedicated MSME parks, providing financial incentives and tax exemptions, and simplifying the process of obtaining approvals and licenses.

TS-iPASS: Streamlining the Approval Process:

TS-iPASS (Telangana State Industrial Project Approval and Self-Certification System) is an online single-window clearance system for granting various approvals and clearances required for starting and operating businesses in the state of Telangana, India. The platform is operated by the Industries and Commerce Department, Government of Telangana.

The primary objective of TS-iPASS is to streamline the approval process and provide a time-bound clearance mechanism to investors and entrepreneurs who want to set up new businesses or expand existing ones in Telangana. The system covers over 50 government departments and agencies, including the Pollution Control Board, Fire Services Department, and Labour Department, among others.

Here are the key features of TS-iPASS that help streamline the approval process:

1. Online application and tracking: TS-iPASS allows applicants to submit their applications online and track the status of their applications in real-time. This eliminates the need for physical visits to different government departments and saves time.
2. Single-window clearance system: TS-iPASS provides a single platform for investors and entrepreneurs to obtain all the required approvals and clearances from various government departments and agencies. This eliminates the need for multiple applications and reduces the time required to obtain approvals.
3. Time-bound approvals: TS-iPASS provides time-bound approvals within 15 days of submitting the application. This ensures that investors and entrepreneurs can start their businesses without unnecessary delays.
4. Self-certification: TS-iPASS allows investors and entrepreneurs to self-certify compliance with various laws and regulations. This reduces the time required for obtaining approvals and eliminates the need for physical inspections by government officials.
5. Investor-friendly policies: The Government of Telangana has introduced various investor-friendly policies and incentives to promote industrial development in the state. This includes tax exemptions, subsidies, and financial incentives for MSMEs, IT/ITES companies, and other industries.

In summary, TS-iPASS is a revolutionary initiative by the Government of Telangana to streamline the approval process and promote ease of doing business in the state. The platform has simplified the process of obtaining approvals and clearances from various government departments, reduced the time required to start businesses, and attracted investments to the state.

Challenges faced by businesses prior to TS-iPASS:

Prior to the introduction of TS-iPASS in Telangana, businesses faced several challenges in obtaining various approvals and clearances required to start and operate their businesses. Here are some of the challenges faced by businesses:

1. Lengthy approval process: The approval process for obtaining various approvals and clearances required for starting a business was lengthy and time-consuming. Businesses had to apply to multiple government

departments, and the approval process could take months, sometimes even years.

2. Lack of transparency: The approval process was not transparent, and businesses were often unaware of the status of their applications. There was no way to track the progress of the application, and there was a lack of clarity on the reasons for delays or rejections.
3. Multiple inspections: Businesses were required to undergo multiple inspections by different government departments, leading to duplication of efforts and delays in obtaining approvals.
4. Bureaucratic hurdles: The approval process was plagued by bureaucratic hurdles, with several layers of approvals required from different government officials. This made the process complex and difficult to navigate for businesses, particularly small and medium enterprises (SMEs).
5. Corruption: The approval process was prone to corruption, with businesses often forced to pay bribes to government officials to expedite the approval process.
6. High compliance costs: The compliance costs associated with obtaining various approvals and clearances were high, particularly for SMEs. This made it difficult for new businesses to enter the market and compete with established players.

In summary, the challenges faced by businesses prior to TS-iPASS included lengthy approval process, lack of transparency, multiple inspections, bureaucratic hurdles, corruption, and high compliance costs. TS-iPASS has addressed many of these challenges by providing a single-window clearance system, time-bound approvals, and self-certification. This has helped businesses in Telangana to start and operate their businesses more efficiently and effectively.

Transparency and Cost Reduction:

The TS-iPASS system has brought about transparency in the approval process, making it fair and consistent. All approvals and clearances are provided through a single platform, and applicants can track the status of their applications online. The system has also led to cost savings for MSMEs by eliminating the need for multiple approvals and reducing the turnaround time. This has made Telangana a more attractive destination for MSMEs looking to start small-scale industries. Several MSMEs have benefitted from the TS-iPASS system, such as the Super Plastronics Pvt. Ltd., which was able to start its LED TV manufacturing unit in just two weeks

Business-Friendly Environment:

Telangana has been at the forefront of promoting entrepreneurship and innovation in the country. The state government has launched several initiatives to encourage MSMEs, such as the T-IDEA (Telangana State Industrial Development and Entrepreneur Advancement) program, which provides mentoring, incubation, and funding support to start-ups. The TS-iPASS system has played a crucial role in creating a business-friendly environment in Telangana by simplifying the approval process and reducing bureaucratic hurdles. This has led to an increase in the number of MSMEs in the state, which has resulted in job creation and economic growth.

TS-iPASS and Large-Scale Investments:

Apart from promoting MSMEs, TS-iPASS has also facilitated large-scale investments in Telangana. The system has been instrumental in setting up major industries such as the Hyderabad Pharma City, which is expected to create over 300,000 jobs. The Hyderabad Metro Rail project is another example of a large-scale investment facilitated by TS-iPASS, which has created thousands of jobs in the state. Large-scale investments have a significant impact on the state's economy and lead to the growth of the MSME sector.

Examples of major industries facilitated by TS-iPASS:

TS-iPASS (Telangana State Industrial Project Approval and Self Certification System) is a web-based single-window clearance system for industries to obtain approvals and clearances in a time-bound and transparent manner in the state of Telangana, India. TS-iPASS has facilitated many major industries across various sectors, some of which are:

1. IT and ITES Industry: Telangana is home to some of the biggest IT and ITES companies in the world, including Microsoft, Amazon, Google, and Facebook. TS-iPASS has facilitated the establishment of many IT parks and SEZs (Special Economic Zones) in the state, providing a conducive environment for the growth of the IT industry.
2. Pharma Industry: The pharmaceutical industry is one of the major industries in Telangana, with Hyderabad being the pharma capital of India. TS-iPASS has facilitated the establishment of many pharma companies, including Dr. Reddy's Laboratories, Aurobindo Pharma, and Divis Laboratories.

3. Aerospace and Defense Industry: Telangana has a strong presence in the aerospace and defense industry, with companies like Tata Advanced Systems, Boeing, Lockheed Martin, and Safran having a presence in the state. TS-iPASS has facilitated the establishment of aerospace and defense parks and clusters, providing a platform for the growth of the industry.

4. Renewable Energy Industry: Telangana has a favorable environment for renewable energy, with abundant sunshine and wind. TS-iPASS has facilitated the establishment of many solar and wind power projects in the state, including the largest single-site solar power project in the world, the Bhadla Solar Park.

5. Textile and Apparel Industry: Telangana has a rich tradition of handloom and textile industries. TS-iPASS has facilitated the establishment of many textile and apparel parks in the state, providing a platform for the growth of the industry.

Overall, TS-iPASS has facilitated the establishment of many major industries across various sectors, providing a conducive environment for their growth and contributing to the economic development of the state.

Future outlook for the system and its impact on the state's economy

TS-iPASS (Telangana State Industrial Project Approval and Self Certification System) has been successful in attracting investments and facilitating the establishment of major industries in the state of Telangana, India. The future outlook for the system is positive, and it is expected to have a significant impact on the state's economy in the following ways:

1. Increased Investments: TS-iPASS is expected to attract more investments to the state, given its fast and transparent approval process. This can lead to the establishment of more industries and create job opportunities in the state.
2. Improved Ease of Doing Business: TS-iPASS has improved the ease of doing business in the state, with its simplified and streamlined approval process. This can lead to increased competitiveness and productivity of industries in the state.
3. Enhanced Infrastructure: The establishment of new industries in the state can lead to the development of infrastructure, including roads, airports, and seaports, which can benefit the overall development of the state.

4. Increased Exports: The establishment of industries in the state can lead to increased production and exports, contributing to the growth of the state's economy.

5. Skill Development: The establishment of new industries can lead to the development of new skills and knowledge among the workforce, which can enhance the employability of the people in the state.

Overall, TS-iPASS is expected to have a significant impact on the state's economy, with increased investments, improved ease of doing business, enhanced infrastructure, increased exports, and skill development. These benefits can lead to the overall development of the state, and contribute to the country's economic growth.

CONCLUSION:

The TS-iPASS system has played a crucial role in promoting MSMEs in Telangana by simplifying the approval process and reducing bureaucratic hurdles. The system has led to transparency, cost savings, and a business-friendly environment in the state, which has resulted in an increase in the number of MSMEs. Large-scale investments facilitated by TS-iPASS have also contributed to job creation and economic growth. The state government's continued support for the system is critical for ensuring that Telangana remains an attractive destination for MSMEs and investors. The future outlook for the system is positive, and the state government.

Final thoughts and recommendations for the state government:

The Telangana State Industrial Project Approval and Self Certification System (TS-iPASS) has been successful in attracting investments and promoting the establishment of major industries in the state of Telangana, India. The system has streamlined the approval process, improved the ease of doing business, and created a conducive environment for industrial growth in the state. Here are some final thoughts and recommendations for the state government:

1. Continuous Improvement: The state government should focus on continuously improving the TS-iPASS system, to ensure that it remains relevant and effective in attracting investments and promoting industrial growth in the state. Regular reviews and feedback from stakeholders can be helpful in identifying areas for improvement.

2. Collaboration: The state government should collaborate with industry associations and experts to promote the TS-iPASS system, and attract more investments and industries to the state. This can include participation in industry events, conferences, and trade shows.

3. Skilling and Training: The state government should focus on skilling and training the local workforce to ensure that they have the required skills and knowledge to work in the new industries being established in the state. This can lead to better employment opportunities for the local people and contribute to the overall development of the state.

4. Diversification: While TS-iPASS has been successful in attracting investments in sectors like IT, Pharma, Aerospace, Renewable energy, and Textiles, the state government should focus on diversifying the industries being established in the state. This can help in reducing the dependency on a few sectors, and promote the overall growth of the state's economy.

5. Transparency: The state government should ensure that the TS-iPASS system remains transparent and objective in its approval process, to maintain the trust of the stakeholders. The system should be free from any biases or corruption to promote fair and equitable access to approvals and clearances.

In conclusion, the TS-iPASS system has been successful in promoting industrial growth in the state of Telangana. However, continuous improvement, collaboration, skilling and training, diversification, and transparency are essential to ensure the sustained growth and development of the state's economy.

Conflict of interest statement

Authors declare that they do not have any conflict of interest.

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