

A BILL TO PROVIDE SPEEDY PROCESSING FOR ISSUE OF VARIOUS LICENSES, CLERANCES AND CERTIFICATES REQUIRED FOR SETTING UP OF INDUSTRIAL UNDERTAKINGS FOR THE PROMOTION OF INDUSTRIAL DEVELOPMENT AND ALSO TO PROVIDE FOR AN INVESTOR FRIENDLY ENVIRONMENT IN THE STATE OF TELANGANA AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

Whereas, it is expedient to provide for speedy implementation of industrial and other projects in the State, by providing single point clearances to promoters and to ensure early commercial production of such projects;

Be it enacted by the legislature of the State of Telangana in the Sixty-fifth Year of the Republic of India as follows:-

CHAPTER – I
PRELIMINARY

**Short title,
Extent and
commencement**

- 1.
- (1) This Act may be called the “**TELANGANA STATE INDUSTRIAL PROJECT APPROVAL AND SELF CERTIFICATION SYSTEM (TS-IPASS) ACT, 2014**”.
 - (2) It extends to the whole of the State of Telangana
 - (3) It shall come into force on such date as the State Government may by notification in the Telangana State Gazette, appoint.

Definitions

- (2) In this Act, unless the context, otherwise requires,
 - (1) “Clearances” means grant or issue of no-objection certificate, allotments, consents, approvals, permissions, registrations, enrollments, licences and the like, by any competent authority or authorities in connection with the setting up of an industrial undertaking in the State of Telangana and shall include all such clearances required till the industrial undertaking starts commercial production;
 - (2) “Competent Authority” means any department or agency of the Government, Authorized Agency, Gram Panchayat, Municipality or other local body, which are entrusted with the powers and responsibilities to grant or issue clearances;
 - (3) “District Committee” means the “**District TS-iPASS Committee**” constituted under Section 3;
 - (4) “Government” means the Government of Telangana;
 - (5) “Industrial Undertaking” means an undertaking engaged in manufacturing or processing or both or providing service or doing any other business or commercial activity as may be specified by the State Government;
 - (6) “Check List” means the list of documents to be furnished by the applicant with Common Application Form(CAF);
 - (7) Pre-Scrutiny means examination of applications to see the completeness of CAF along with Check Slip by all means, prior to issue of acknowledgement by the Nodal Agency;

- (8) "Nodal Agency" means the agency notified at the State level or at the District level under Section 5;
- (9) "Notification" means a notification published in the Telangana Gazette and the word 'notified' should be construed accordingly;
- (10) "Prescribed" means prescribed by rules made under this Act;
- (11) "Right to Clearances under TS-iPASS" means a system bestowed for clearances, same as in the lines of Right to Information Act, which enables imposing of penal action on officers responsible for delay
- (12) "State Committee" means the "State TS-iPASS Committee" constituted under Section 4.

CHAPTER – II
CONSTITUTION, POWERS AND FUNCTIONS OF THE DISTRICT COMMITTEES, STATE COMMITTEE AND NODAL AGENCIES

Constitution, powers and functions of District Committee

- 3. (1) The State Government may, by notifications, constitute a "District TS-iPASS Committee" for each district, which shall consist of the District Collector as the Chairman, Joint Collector as Vice-Chairman and District Level/ Regional Level officials of relevant departments as members for such term as may be specified in the notification.
- (2) The District Committee shall be the Competent Authority at the district level and exercise the following powers and perform the following functions namely:-
 - (i) to meet at such times and places as the Chairman of the Committee may decide and shall transact business as per the procedure as may prescribed;
 - (ii) to receive applications for all clearances for setting up industrial units with proposed investment up to the amount notified under Section 17;
 - (iii) to inform the applicant of the date on which the application was received by the competent authority, department wise date by which the approvals should be accorded and date on which such application may be deemed to have been approved in the case of deemed approval;
 - (iv) to review and monitor the processing of applications by the competent authorities and to forward the orders of the competent authorities to the applicant;
 - (v) to forward cases with remarks and relevant documents to the State Committee for decision under Section 15;
 - (vi) to invite Competent authorities or experts, who are not members of the Committee, as special invitees for any meeting of the District Committee as desired by the Chairman of the Committee;
 - (vii) the Member of the District Committee shall attend the meeting convened under clause (i) personally and in case he is unable to attend the meeting, he may depute a senior level Officer with a written authorization to take

**Constitution,
powers and
functions of State
Committee**

- appropriate decision in the meeting;
- (viii) such other powers and functions as may be prescribed
- (ix) Based on the self-certification provided by the Applicant, the District Committee will provide a single point TS-iPASS approval on behalf of all relevant departments instead of individual departmental approvals.
- (x) The District Committee shall give all clearances referred to it within a period of 30 days.

4. (1) The Government may, by notification, constitute a State Committee known as the “**State TS-iPASS Committee**”, which shall consist of Secretary of Industries as the Chairman and the Commissioner of Industries as the Member-Convener with HODs of the relevant departments as other members for such term as may be specified in the notification.

(2) The State Committee shall be the Competent Authority at the State Level and exercise the following powers and perform the following functions, namely:-

- (i) to meet at such times and places as the Chairman of the Committee may decide and shall transact business as per the procedure as may be prescribed;
- (ii) to receive all applications for clearances for setting up industrial units with proposed investment more than the amount notified under section 17;
- (iii) To organize Pre-Scrutiny of the applications twice in a week to verify and guide the applicant in submission of application in full shape prior to acceptance and issue of acknowledgement by the Nodal Agency;
- (iv) to inform the applicant of the date on which the application was received by the competent authority, and date on which such application may be deemed to have been approved in the case of applicability of deemed approval under section 13(1);
- (v) to review and monitor the processing of applications by the Competent authorities and District Committees and to forward the orders of the competent authority to the applicant;
- (vi) to forward cases with remarks and relevant documents to the State Government for decision under section 16;
- (vii) to invite competent authorities or experts, who are not members of the Committee, as special invitees for any meeting as desired by the Chairman of the State Committee;
- (viii) the Member of the State Committee shall attend the meeting convened under clause (i) personally and in case he is unable to attend the meeting, he may depute a senior level officer with a written authorization to take appropriate decision in the meeting;
- (ix) such other powers and functions as may be prescribed from time to time.

- (x) Based on the self-certification provided by the Applicant, the State Committee will provide a single point TS-iPASS approval on behalf of all relevant departments instead of individual departmental approvals.
- (xi) The State Committee shall give all clearances referred to it within a period of 30 days.

**Constitution,
powers and
functions of
Nodal Agency.**

5. (1) The State Government may, by notification, appoint a Nodal Agency at the State level, which shall be a cell, headed by an officer not below the rank of Additional Director of Industries, and including such supervisory and secretarial staff as may be required.
- (2) The State Government may notify the District Industries Centre as Nodal Agency at the district level.

**Powers and
functions of
Nodal Agency.**

6. (1) The Nodal Agency shall provide secretarial support to the District Committees and the State Committee, as the case may be.
- (2) Under the superintendence, direction and control of the respective committees, the nodal agency shall acknowledge all applications filed before the Committee and shall forward the applications to the concerned competent authority within three working days.
- (3) The Nodal Agency shall pursue the clearance of the applications with the competent authorities.

**Constitution,
powers and
functions of
Apex
Committee**

7. (1) The State Government may, by notification, appoint a **TELANGANA STATE-WIDE INVESTMENT FACILITATION BOARD (T-SWIFT)** at the State Level to be chaired by the Chief Secretary and the Secretary Industries as the Member-Convener and including such supervisory and secretarial staff as may be required to deal with the clearances of mega projects. The Commissioner of Industries shall be the Nodal Officer for the T-SWIFT Board.
- (2) The T-SWIFT Board, on receipt of self-certification by the applicant shall arrange in principle approval to the Mega Projects which shall serve as deemed approval for all provisional practical purposes for project kick off.

Explanation: The definition of Mega Project will be decided by the State Government from time to time.

- (3) The Provisional approvals shall be given by the T-SWIFT Board within 15 days of receipt of self-certified applications after a preliminary scrutiny.
- (4) The T-SWIFT Board will pursue the clearances with departments through the Nodal Officer. The Nodal Officer of the T-SWIFT Board will then obtain final approvals from the respective departments, if so required, before the commencement of commercial production. The approvals arranged through T-SWIFT Board shall be final and binding on the departments.

CHAPTER – III
MISCELLANEOUS

**Combined
Application
(CAF)**

- (8) (1) It shall be competent for the Government to prescribe combined application forms which may consist of,-
- a. forms under Central enactments without any change; and
 - b. Existing forms or new forms in lieu of the existing forms under State enactments.
- (2) All Departments or authorities concerned shall accept such application forms for processing and issue of required clearances.

**Filing of
Application
Forms**

9. (1) All applications for clearances shall be submitted with the required fees in the prescribed manner to the Nodal Agency of appropriate committee.
- (2) The applications shall be forwarded by the Nodal Agency to the competent authority for processing and disposal.

**Power to call
additional
information.**

10. (1) On receipt of application under sub-section (2) of section 10, the competent authority shall have power to obtain further additional information from the applicant as required by him, while furnishing a copy of the same to the Nodal Agency.
- (2) The applicant shall furnish the required information to the competent authority and also to the Nodal Agency simultaneously.
- (3) The competent authority shall send its orders sanctioning or rejecting the application, as the case may be, to the Nodal Agency so that the same can be given to the applicant.

**Self-
Certification**

11. (1) Every entrepreneur shall furnish a 'Self Certification' at the time of submitting application form to the Nodal Agency, undertaking in such form and manner as may be prescribed that he shall comply with the applicable provisions of the relevant Acts and the rules made there under.
- (2) The self-certification furnished by the entrepreneur shall be accepted by the concerned Departments and authorities for the purpose of issue and granting clearance.

**Time Limits for
processing of
applications**

12. Notwithstanding anything contained in any State law for the time being in force, -
- (1) The Government may lay down the procedure for processing and disposal of applications.
 - (2) The District Committee shall give all clearances referred to it within a period of 30 days.
 - (3) The State Committee shall give all clearances referred to it within a period of 30 days.
 - (4) The Competent Authority may ask for additional information at any time before the expiry of the period stipulated for the

disposal of such clearance;

Provided that such request for additional information should be made only once by the competent authority.

- (5) After receipt of the additional information, the Competent Authority shall pass orders on the application before the expiry of the stipulated time from the date of receipt of such additional information.

**List of
Deemed
Approvals**

13. (1) While prescribing time limits under Section 12, the State Government may notify the clearances in respect of which failure of the competent authority to pass final orders on the application within the stipulated time shall result in deemed approval.

(2) The applicant may proceed to execute the work or take other action following the provisional or deemed approval given at by the Competent Authority, but not so as to contravene any of the provisions of the Acts or rules or bye-laws applicable to such clearances.

**Information of
Deemed Approval.**

14. The appropriate Competent Committee shall inform to the applicant the date on which the application was received by the Competent Authority and the date on which it was deemed to have been approved.

**Review of
District level
cases**

15. Notwithstanding anything contained in any State law, for the time being in force,-

- a. The District Committee may, either suomotu or on an application, examine any order passed by any competent authority, rejecting any clearance or approving it with modification, and if the District committee considers that there are valid grounds for a change in such decision, it shall forward such case to the State Committee with remarks and relevant documents for a decision.
- b. The State Committee shall examine all cases referred to it by the District Committee and pass appropriate orders; Provided that the cases relating to the orders passed by the Government as competent authority shall be referred to the State Board for decision.
- c. The decision taken by the State Committee shall be binding on the District committee and the respective Competent Authorities.

**Review of State
Level cases.**

16. Notwithstanding anything contained in any State law, for the time being in force, the State Committee may, either suomotu or on an application, examine any order passed by any competent authority, rejecting any clearance or approving it with modification, and if the State Committee considers that there are valid grounds for a change in such decision, it shall forward such case to the Government with remarks and relevant documents for a decision.

**Pecuniary
Jurisdiction
District
Committee and
the State
Committee**

17. The Government may by notification specify the investment limit upto which the applications for clearances shall be made to the District Committees and the State Committees.

Exemption

18. The State Government may, by notification, exempt any clearances from any of the provisions of the Act.

Penalty

19. Any entrepreneur who fails to comply with the conditions or undertaking in self-certification given to the Nodal Agency or other department or authorities shall be punishable with fine as prescribed by government from time to time as well as rectification of the defect.

**Right to clearances
under TS-iPASS**

20. (1) Provision of "Right to Clearances under TS-iPASS" system to the applicant to know the reasons for delay and to cause the imposition of penalties to the designated officers of the competent authority.

(2) The State Government may, by notification, create a Grievance Redressal Mechanism" to effectively deal with the grievances that may be filed by applicants under the TS-iPASS process.

**Offences by
Companies,
etc.,**

21. (1) Where an offence under this Act is committed by a company, the company as well as every person in charge of and responsible to the company for the conduct of its business at the time of commission of the offence, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly; Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed with the consent or connivance of, or that commission of the offence is attributable to any neglect on the part of any Director, Manager, Secretary or other Officer, such Director, Manager, Secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation:-

For the purpose of this section:-

a) "Company" means any "Body Corporate" and includes a firm or other association of individuals; and

b) "Director" in relation to a firm means a partner in the firm.

**Act to override
other Laws.**

22. Save as otherwise provided in this Act, the provisions of this Act shall have effect notwithstanding anything inconsistent therewith

contained in any other State law for the time being in force or any custom or usage or any instrument having effect by virtue of any such law.

Powers to remove doubts or difficulties.

23. If any doubt or difficulty arises in giving effect to the provisions of this Act, the Government may, by order, make provisions or give such directions, not inconsistent with the provisions of this act, as may appear to it to be necessary or expedient for the removal of the doubt or difficulty.

Powers to give directions.

24. The State Government may, from time to time, issue to the State Board, State Committee or the District Committees such general or special directions of policy as they may deem necessary or expedient for the purpose of carrying out the objects of this Act and the said State Board, State Committee or the District Committees, as the case may be, shall be bound to follow and act upon such directions.

Savings

25. The provisions of sections 13 to 20 of this Act shall not apply to any clearances required under Central enactments.

Power to make rules

26. (1) The Government may by notification make rules for carrying out all or any of the purposes of this Act

(2) Every rule made under this Act, shall immediately after it is made be laid before the Legislature of the State, if it is in session and if it is not in session in the session immediately following for a total period of fourteen days which may be comprised in one session or in two successive sessions and if before the expiry of session in which it is so laid or the session immediately following, the Legislature agrees in making any modification in the rule or in the annulment of the rule, the rule shall, from the date on which the modification or annulment is notified, have effect only in such modified form or shall stand annulled, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Repeal

27. The Andhra Pradesh Industrial Single Window Clearance Act 2002 is hereby repealed in Telangana State.