



BPO Promotion Schemes Put Small Towns on Global Digital Map

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The Ministry of Electronics and IT has been working to translate Prime Minister Shri Narendra Modi's vision of *Sabka Saath, Sabka Vikas*, through digital inclusion. Digital India program was launched by the Government to ensure digital service delivery to the common people as well as to create new opportunities in the digital economy. Schemes such as BPO Promotion and Common Services Centres have helped us create digital inclusion and equitable growth.

Growth of IT sector in India has traditionally remained confined to a few select urban clusters. Urban pockets like Delhi-NOIDA-Gurugram, Mumbai-Pune, Hyderabad, Bengaluru-Mysore and Chennai saw the concentration of majority of the IT companies. In 2014, it was decided to work towards spreading IT jobs across small towns of India. The objective was to create opportunities for the youth living in these areas so that they do not need to migrate to urban clusters. As a result, the India BPO Promotion Scheme was conceived. Given the special focus of the Government to develop the North East regions of India, the North East BPO Promotion Scheme was also conceived simultaneously.

The schemes provide special incentives of upto Rs. 1 lakh per seat in the form of Viability Gap Funding (VGF). Disbursement of financial support under these schemes is directly linked with employment generation. These schemes provide special incentives for employment to women and Divyang, setting up operations in towns other than capital towns, generating employment beyond target and promoting local entrepreneurship. There are also special provisions for the Himalayan states of Jammu & Kashmir, Himachal Pradesh and Uttarakhand. A total of 48,300 seats under India BPO Promotion Scheme and 5000 seats under North East BPO Promotion Scheme have been distributed across different states in proportion to their populations.

India BPO Promotion Scheme:

- After 4 rounds of open bidding process, **18,160 seats** have been allocated to 109 units of 87 companies distributed across **60 locations** of **19 states and Union Territories**.
- Out of these, 76 units have **started operations on 13,480 seats** distributed across **48 locations of 17 states and Union Territories**.
- It has already created an initial **employment for 10,297 persons**.
- Some of the new and interior locations where BPOs have started operations at **Tirupati, Guntupalli, Rajamundry in Andhra Pradesh, Patna and Muzaffarpur in Bihar, Raipur in Chhattisgarh, Baddi and Shimla in Himachal Pradesh, Sagar in Madhya Pradesh, Bhubaneswar, Cuttack and Jaleswar in Odisha, Kottakuppam, Madurai, Mayiladuthurai, Tiruchirappalli, Tiruppattur and Vellor in Tamil Nadu, KarimNagar in Telangana, Bhaderwah, Budgam, Jammu, Sopore and Srinagar in Jammu and Kashmir, Aurangabad, Bhiwandi, Sangli and Wardha in Maharashtra, Bareilly, Kanpur and Varanasi in Uttar Pradesh**. Detailed list of all locations is attached.
- After the **5th round of bidding** that closed on 4th November, 2017, 68 companies submitted bids for 17,000 seats which are currently under evaluation. Out of these, 54 new companies have made a bid for 40 new towns taking the **total number of possible locations to 88**. Approximately, an additional 14,000 seats have been finalized and are being awarded. This takes the total number of allocated seats to 35,160.
- Bids have been received for locations like **Chittoor, Mathura, Baitalpur (Deoria), Farukhabad, Jahanabad, Gaya, Dalsinghsarai, Pathankot, Amritsar, Gwalior, Raisen, Sringeri, Udupi, Hubballi, Balasore, Cuttack, Puri, Ranchi, Deoghar, Vellore, Tirupur** that are currently under evaluation.

North East BPO Promotion Scheme:

- The government remains committed to rapid and comprehensive development in the North Eastern states of India.
- Integrating initiatives to improve connectivity and recognising the talent of the youth of North Eastern states, the government by setting-up the BPOs has given a massive push to development in the region.
- **1,630 seats** have been allocated to 12 units of 11 companies across **5 states of North East India**.

- Out of these, 7 units have **started operations on 900 seats** giving initial **employment to 723 persons**.
- Some of the locations where BPOs have commenced operations in the North East are **Guwahati, Jorhat, Kohima, Imphal** etc.
- After the 8th round of bidding that closed on 10th November, 2017, six companies have submitted their bids for an additional 550 seats, which are under evaluation.
- There are 5 new bidder who have bid for six new locations such as **Diphu, Majuli, Kokrajhar and Silchar in Assam, Dimapur (Nagaland) and Agartala (Tripura)**.

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