

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:1585

ANSWERED ON:04.03.2015

BPO IN SMALL TOWNS

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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government is planning to provide incentives to companies for setting up Business Process Outsourcing (BPO) in small towns of the country;
- (b) if so, the details thereof;
- (c) whether the Government has identified the small towns for this purpose;
- (d) if so, the details thereof;
- (e) the steps taken/being taken by the Government for setting up of BPO in all parts of the country; and
- (f) the estimated number of youngsters who are likely to gain employment from such developments?

Answer

MINISTER FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD)

(a) to (f) The Government has approved North East BPO Promotion Scheme (NEBPS) for promotion of BPO Operations in North East Region (NER) including smaller towns, for creation of employment opportunities and growth of IT-ITES Industry. The Administrative Approval for implementation of the NEBPS under Digital India Programme, to incentivize establishment of 5000 seats, with capital support in the form of Viability Gap Funding (VGF), with an outlay of Rs. 50 crore (Rupees fifty crore only) for remaining period of 12th Five Year Plan i.e. 31.03.2017 has been issued on 30th January 2015. The Software Technology Parks of India (STPI), an autonomous society under the Department of Electronics and Information Technology (DeitY), Government of India, shall be the Nodal Agency for implementation of the NEBPS.

Further another Scheme for promotion of BPO Operations, for other parts of the country is contemplated for creation of employment opportunities and growth of IT-ITES Industry. The proposed Scheme would, inter-alia, lay down the appropriate guidelines in regard to eligibility, location, nature of support to the Industry and other related aspects. This Scheme would be operationalized, after obtaining necessary approvals of the Competent Authority.