

Centre further liberalises guidelines for BPO industry

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IT minister Prasad said the BPO centre with common telecom resource will now be able to serve customers located worldwide, including India.

To make India a favourable destination for expansion of voice-related Business Process Outsourcing (BPO), the Centre on Wednesday liberalised the guidelines for Other Service Providers (OSPs), removing the distinction between domestic and international OSP.

Informing media about the move, Union Minister for Electronics and Information Technology Ravi Shankar Prasad said the BPO centre with common telecom resource will now be able to serve customers located worldwide, including India.

"We've issued a guideline today that's very extensively liberalising the other service providers' guidelines. The guideline is revolutionary in nature that'll make India a very favourable destination for expansion of voice-related Business process outsourcing (BPO) centres," the minister said.

"The distinction between domestic and international OSP (Other Service Providers) has been removed. A BPO centre with common telecom resource will now be able to serve customers located worldwide, including India. It's a major reform that we've taken," he added.

At present, India's IT-BPM industry stands at USD 37.6 billion (2019-20), that is, Rs. 2.8 lakh crores approx. giving job opportunities to lakhs of youths in the country. Further, Prasad said it has a potential for double-digit growth reaching up to USD 55.5 billion, that is, Rs. 3.9 lakh crores by 2025.

The Minister further informed that under new guidelines, the Electronic Private Automatic Branch Exchange (EPABX) of the OSP can be located anywhere in the world.

"Remote agents of OSP can now directly connect with the centralised EPABX of the customer using any technology, including broadband, wireline, wireless among other things," said Prasad.

He added that these guidelines are designed to put India as a very central and serious player in the entire international BPO and voice-related industry.

As per an official release of the Ministry of Communications, these guidelines further liberalised the special dispensation given to OSPs in addition to the major measures already announced and implemented in November 2020.

"The BPM industry revenues grew from USD 37.6 billion in 2019-20 to USD 38.5 billion in 2020-21, despite the pandemic. This was largely possible due to the industry's ability to work remotely and majorly enabled by the Government of India's relaxations of WFH requirements under the OSP regime, first temporarily, in March 2020 and then complete reforms under the new guidelines in November 2020," the Ministry said.