

Homefires have techies eyeing new entrepreneurial ventures

SANGEETHA CHENGAPPA

DC | BENGALURU

July 3: After four years in cushy jobs with TVS and GE Energy, Chetan Velkur has gone back to his hometown in Andhra Pradesh, as a proud entrepreneur who gives technology jobs to local graduates in Chittoor, a town of less than 200,000 people.

The 29-year-old, who has a BE in mechanical engineering from RV College, Bengaluru, and a Master's in thermal and fluid science from the University of Kentucky, runs Kriya NextWealth IT, a BPO that offers digital photo-book design services to customers in Europe and the US and employs 30 graduates and post-graduates. Set up with an investment of 25 lakh a year ago, Chetan says his "income exceeds expenses at present" and Kriya will be profitable in six months. "It wasn't the money that motivated me to give up my job with GE where I had three patents to my name in the three years that I worked there. I wanted to generate jobs for the youth in my hometown and make a difference to their lives.

The instant recognition I receive in Chittoor today gives me a high," he told Deccan Chronicle.

Swarnish Khanolkar, 34, is all set to head back to Goa, where he grew up, to start a BPO firm in nearby Karwar. An IIT-Mumbai alumnus who has spent 12 years in the US and India working with Goldman Sachs and GE, Khanolkar says, "I can have a good, steady income living in a metro, but I can enjoy the same standard of living for less in Goa. I want to be able to make a difference to my people and would rather be a big man in my hometown than just a cog in the wheel in a big city."

Helping Chetan, Swarnish and many like them for whom the entrepreneurial bug has bitten at the same time as the big city



The NextWealth BPO centre in Hubli, started by Dr Sridhar Mitta, employs several engineering and non-engineering graduates who take home 8,000-10,000 a month as remuneration.

— DC

craze is fading is a veteran of the Indian IT industry, Dr. Sridhar Mitta, whose NextWealth Entrepreneurs provides them access to technology, mentoring, start-up capital, sales and marketing support, customers and markets in return for a 26 per cent stake and a promise of return on investment in 1218 months. Dr. Mitta was CTO and head of R&D at Wipro Infotech from 1980 to 2000. NextWealth Entrepreneurs has now helped establish three small-town BPO centres — in Mallasamudram (Tamil Nadu), Chittoor (Andhra Pradesh) and Amargol (Karnataka), which

employ 400 engineering and non-engineering graduates who take home salaries of 8-10,000 a month.

While global corporations eye metros to set up centres, Dr Mitta wants to employ 10,000 students from Tier 2 and 3 towns by setting up 40 development centres with 250 employees each over the next 4 years. He takes care, he says, to see that new centres are created only after matching global customer orders with availability of local entrepreneurs, skillsets and infrastructure in specific locations. "These centres can do whatever work BPOs

in metros deliver, and in some case do it better," said Dr Mitta. He is now evaluating Erode, Kodaikanal, Gudiyattam, Madanapalli and Karwar, where highly qualified and experienced local entrepreneurs are planning to set up BPO centres. "There's a growing demand from working professionals who want to set up ventures back in their hometowns. We are hosting a workshop on July 16 for 35 entrepreneurs."

By a happy coincidence, many currently working in metro cities want to go back to

their home towns. Saloni Malhotra, founder-CEO of DesiCrew Solutions, who has set up four rural BPOs (3 in Tamil Nadu, 1 in Karnataka) and is targeting employing 1,000 youth by next year, says, "We have received many applications from young BPO professionals who want to work in their hometowns as the quality of life is much better even with a pay packet that is 60 per cent of what they earn in the metros." DesiCrew invests in infrastructure, employs and trains youth and handles customer delivery.

The Indian BPO industry is fast losing its edge to lowcost countries like Philippines, Vietnam and China, thanks in part to rising costs in Indian cities. But that edge can still be maintained with the rural BPO model, says Murali Vullaganti, director and co-founder of RuralShores, which employs 800 students across 10 centres in Karnataka, Tamil Nadu, Andhra Pradesh, Gujarat, Rajasthan, UP and MP.

"Nearly 60-70 per cent of the work done in large BPOs in metros is low-to mid-complexity back-office transaction processing, which can easily be done by Class XII pass and degree students from rural colleges. And 60 per cent of the metro BPO workforce is, in any case, hired from the small towns. After on-shoring and off-shoring, we must now move to rural-shoring to retain our competitive edge globally."

There are 200 rural BPOs in India, a majority of which are run by NGOs/Trusts with 25-50 employees. Some 50-60 are captive centres of organisations like Capgemini, HDFC, NIIT, etc., in small towns like Madurai, Nasik and Tirupati.

"While captives generally succeed with the backing of the parent company, NGO-run centres face problems in scaling business due to lack of contacts or skills or training," Dr Mitta says.