

# Newspaper Clips

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FINDING CONSENSUS

# Five key education reform Bills likely to get Parliamentary nod

Stuck for more than two-and-a-half years, items of legislation finally find favour from a parliamentary panel

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NEW DELHI

At least five key education-related Bills, including one that will allow foreign universities to open campuses in India and another to combat educational malpractices, will likely soon get passed by Parliament, signalling the first success for the human resource development (HRD) ministry's efforts to reform higher education.

Stuck for more than two-and-a-half years, these Bills have finally found favour from a parliamentary committee comprising members of several political parties. The HRD ministry is hoping the consensus will enable it to push the reform Bills in the ongoing session of Parliament that contin-



India calling: The foreign universities Bill proposes to allow foreign educational institutes to open campuses in India and award independent degrees.

ues until May after a month-long break that starts 22 March and in the following session.

"Parliament scrutiny of all these proposed legislations has been completed. The committee observes that enactment of all these legislations will bring about major transmission in the higher education sector and thus restructure and re-orient our higher education system... in a glo-

balized world," said the committee report.

Mint has reviewed a copy of the report. "The committee is of the firm view that passing of these legislative proposals need not be delayed any further," the report said.

A member of the committee, who didn't want to be named, said the report had unanimous support. Committee members believe that such legislation is

important to reform higher education; the HRD ministry has told the members that it doesn't want to push the reforms through in an arbitrary manner, as was the perception among critics earlier.

The foreign universities Bill proposes to allow foreign educational institutes to open campuses in India and award independent degrees. The malpractice Bill aims to pre-

vent, prohibit and punish abuses in the educational system.

The other Bills envisage setting up a national accreditation regulatory authority for higher institutions; a tribunal to fast-track adjudication of disputes in the higher education system; forming a national academic depository to digitize educational credentials of students and curb forgery.

HRD ministry officials said the committee's report will boost the chances of getting the Bills passed.

"A lot of labour has gone into these Bills and several rounds of interactions with concerned stakeholders have already been undertaken. And it's high time we take it to its logical end. We are liberalizing higher education and unless we put in place enough mechanisms, quality push of sector is not possible," said a senior HRD ministry official on condition of anonymity.

K.B. Powar, a former secretary general of the Association of Indian Universities, a government-recognized body, said he agreed with the objective of the government but foresaw problems in implementation.

"The question is—do you have the mechanism to implement the plan," Powar said. "For example, around 15% of the universities and colleges in India are accredited by NAAC (National Assessment and Accreditation Council, a statuto-

ry body)," said Powar, chancellor of the Dr. D.Y. Patil Vidyapeeth, a Pune-based deemed university.

India has more than 600 universities and around 35,000 colleges.

Currently, it isn't mandatory for colleges to get themselves accredited. The HRD ministry official said the Bill seeks to make accreditation mandatory.

The HRD ministry, through the University Grant Commission (UGC), is also devising an alternative. Last week, the UGC told colleges that all institutions will soon need accreditation if two batches of students have graduated from them.

The HRD ministry official also said that the foreign university Bill will be a "huge plus" for education, and enable students to stay in India rather than go abroad for higher education. The ministry is likely to seek cabinet approval for the Bill and reintroduce it.

Powar noted that the condition stipulating that foreign institutes cannot repatriate their revenue home was a potential disincentive. Foreign educational institutes also offer distance learning programmes and even online courses.

"I don't think top institutions will open campuses here, they may be looking to expand through (existing) programmes," Powar said. "So I believe the implementation will be a key concern."

# DANIK BHASKAR ND

## 12/03/2013 P-11

### राजधानी में आईआईटी कानपुर के पूर्व छात्रों का हुआ समागम

नई दिल्ली | 35 या 45 साल हर किसी के लिए यह एक लंबा समय होता है। लेकिन यदि आपके पास बेहतरीन अतीत की यादें, शानदार दोस्तों के साथ बताए गए आनंददायक पल जैसे अनमोल तोहफे हैं तो आप उसे एक बार फिर से जीना जरूर पसंद करेंगे। कुछ ऐसा ही शानदार वाकया हुआ नई दिल्ली के आईआईटी कैंपस में जहां पर कानपुर आईआईटी में 60, 70 के दशक में पढ़े भूतपूर्व छात्र एक जगह इकट्ठा हुए।



The Hindu ND 12/03/2013 p-2

## Students protest "academic injustice" by UGC

Staff Reporter

**NEW DELHI:** Some students who did not qualify for the National Eligibility Test (June 2012) conducted by the University Grants Commission and have formed the "Organisation of the UGC NET June 2012 Injustice Victims" held a protest in front of the UGC office on Monday against the alleged 'academic injustice' perpetrated on them.

The students said that

• For NET in June 2012, score of 40% to 50% in three papers was given as eligibility criteria

• On result declaration, criteria raised to 65% for general category: Students who did not qualify

when they took the National Eligibility Test in June 2012, there was a notification in the exam declaration form that said they will be eligible if their scores in three papers ranged from 40 to 50 per cent,

but when the results were declared the eligibility criteria was set at 65 per cent for the general category.

"On September 18, 2012, the UGC declared the result with the changed eligibility

criteria without issuing any notification. This was challenged by affected candidates, all over the country. Currently there are more than 400 petitions filled in different High Courts," said a statement by the organisation.

Seeking that the results be declared on the basis of the earlier qualifying minimum marks, the candidates have threatened a hunger strike in front of the UGC office if their demand was not met.

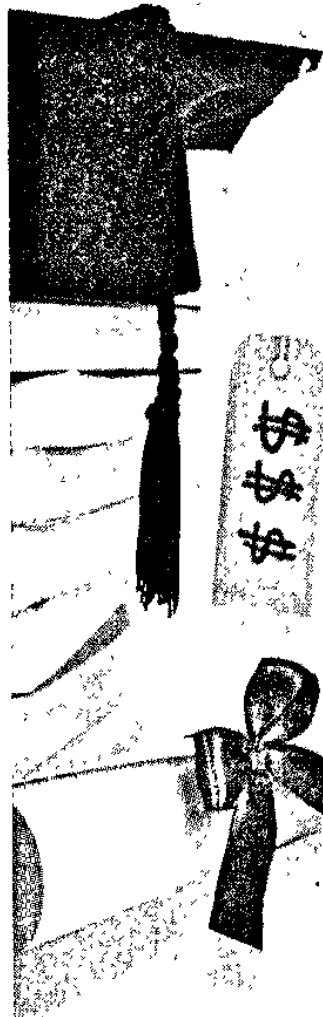
## A COST CHECK ON MANAGEMENT DEGREES

# Indian B-Schools Pay Much Better Returns

SCHOOL	COST (IN \$)	COST (IN ₹)
University of Chicago Booth School of Business	1,11,587	60.73 lakh
Harvard Business School	1,26,576	68.89 lakh
University of Pennsylvania, Wharton School	1,21,610	66.18 lakh
Stanford Graduate School of Business	1,18,020	64.23 lakh
Kellogg School of Management	1,13,100	61.55 lakh
Duke University Fuqua School of Business	1,09,844	59.77 lakh

SOURCE: Bloomberg Business Week

## TAKING A BUSINESS COURSE



**D**O MBAs from global B-schools give Indian students a better RoI than our own IIMs? The question is worth asking because Stanford University increased MBA tuition fees by 3.9% last month, even as salaries are declining.

In rupee terms, an MBA at top global B-schools can cost anywhere between ₹60 lakh and ₹69 lakh. Median pay for graduates with three years' experience or less at these global schools has dropped to \$53,900 (₹29.32 lakh) in 2012, down 4.6% since 2007-08, according to US website Payscale.com that examined 186 schools.

An MBA at IIM-Ahmedabad, on the other hand, costs ₹17 lakh and students graduating from it earn a mean pay of ₹13.73 lakh. Students need more than two years' salary to pay back the cost of a global MBA. Indian MBAs pay back much faster:

Still, the popularity of global MBAs is unlikely to wane anytime soon.

MIT Sloan has 100 students of Indian origin, of a total of 750 in its management programs. At

Harvard, of 588 full-time international students in business courses, India forms the biggest chunk with 85 students for the year 2012-13.

## LARGE AREA ELECTRONICS

# Govt in talks to set up chip fabrication units

**Dept of electronics and IT working on plan to set up R&D units that will be jointly owned by industry and academia**

By SURABHI AGARWAL  
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After India missed the bus on semiconductor chip manufacturing and has been forced to try and catch up, the country is trying to make sure it doesn't lose a similar opportunity with so-called large area electronics.

These are non-silicon chips that can be printed on flexible materials as diverse as plastic, paper, textiles or even metal foil, and can be up to a few metres in size.

Low on processing capability and power consumption, the chips can be used in television displays and solar cells or be deployed in innovations such as packaging of medicines to check fake drugs, wearable and lightweight electronics on textiles as part of a soldier's gear, airport baggage handling, labelling of books in libraries or exam answer scripts.

India has thus far been unsuccessful in getting chip manufacturers to set up factories in the country, largely because its infrastructure is inadequate. The government considers the establishment of such facilities as being integral to the development of an electronics industry and announced incentives in this regard in the budget for the next fiscal.

The department of electronics and information technology is considering a proposal to set up research and development centres in the country, which will undertake targeted product development in the area of large area electronics. These centres, which will be supported by the government, will have joint ownership by industry and academia.

Ajay Kumar, joint secretary in the department, said he expects a new industry altogether to be "spawned" through this measure.

"The centres of excellence will involve very targeted research and product development and will be based on a collaborative model between industry and academia, which may incubate several new companies as well," he said.

Kumar said even though these were the initial stages for the proposal, the country doesn't want to "miss the bus", as had happened in the case of semiconductor chip making.

The Indian Institute of Technology (IIT), Kanpur, has prepared a concept paper that is being considered by the department, said Kumar, after which a detailed project report complete with the financials will be prepared and the cabinet's final approval sought.

He added that the industry is currently in its infancy but that this was the right time to seize the opportunity if India was to become globally competitive in electronics manufacturing.

The concept paper, a copy of which is with *Mint*, said that according to global industry sources, the flexible electronics market was estimated at \$1.8 billion in 2011 and is projected to reach \$19 billion in 2018. Much of the activity today is concentrated in North America, Germany, Finland, Denmark, South Korea, Tai-

wan and Japan, with several significant strategic alliances and centres of excellence that have recently emerged.

The presence of academia and firms across the value chain will ensure "everyone can work in a shared ecosystem as the equipment and facilities are very expensive, and developed products will reach markets faster due to this convergence", said Deepak Gupta, professor, materials science and engineering, IIT-Kanpur.

Meanwhile, almost two years after it first invited proposals for setting up semiconductor chip manufacturing, the empowered panel that was considering incentives has submitted its report to the department, which is expected to send it to the cabinet by the end of this month. According to several people familiar with the matter, the government is in talks with two consortiums to set up chip fabrication units in the country.

One of these is led by Jaypee Group that has drafted International Business Machines Corp. (IBM) as its technology partner, and the other by chip-maker Hindustan Semiconductor Manufacturing Corp. (HSMC), which has teamed up with Geneva-based STMicroelectronics NV, the people said. The discussions are in the final stages, said the people, mostly semiconductor industry executives and government officials. None of them wanted to be identified as an announcement is yet to be made.

Spokespersons for HSMC, IBM and STMicroelectronics declined to comment. Jaypee Group did not respond to an email query. In 2011, the cabinet created a panel of experts, including Sam Pitroda, adviser to the Prime Minister, and V. Krishnamurthy, chairman of the National Manufacturing Competitiveness Council, to evaluate the proposals.

Previous efforts by the government to attract global chip-makers to invest in India have floundered.

For instance, some experts say manufacturing even a single chip requires hundreds of gallons of pure water, something that's hard to find in India in the required quantities.

The efforts are being revived at a time when the government has sought to kick-start domestic manufacturing of electronics under the National Electronics Policy 2011. The incentives for chip manufacturers are part of this effort, as is a 30% reservation in all government contracts for products made in India.

In June 2011, India invited proposals from firms wishing to set up semiconductor fabrication units, or fabs, and promised to partially support the units through tax incentives or other subsidies because these are capital-intensive projects entailing investment of at least \$4.5 billion.

And because chip-making creates its own upstream and downstream ecosystem, the thinking in New Delhi is that this could kick-start hardware manufacturing in India.

"We are expecting chip fabs to act like anchors for the entire hardware ecosystem. They would not only help the design

industry but also help set up the entire downstream industry in terms of components manufacturers, etc.," said a government official on condition of anonymity.

In response to the 2011 offer, the government received almost 30 letters expressing interest, from companies such as Infineon Technologies AG, STMicroelectronics, Russia's Sitronics, Globalfoundries Inc. and a consortium comprising Jaypee Associates, IBM and Israeli firm TowerJazz.

The government's latest effort to attract investments in a fab unit comes after a series of failed attempts. In 2007, an effort to woo Intel Corp. to set up a facility in India failed and the firm set up a unit in China. In the same year, an ambitious semiconductor policy ended up catalysing investments for solar fab units instead of the desired and more complex semiconductor wafer fab units. The policy was also a victim of the global economic crisis.

Pradip K. Dutta, a former chairman of the India Semiconductor Association (ISA), said that in 2007, when the government had come forward to invite semiconductor manufacturing investment under a new policy, there wasn't "much deep thinking that went to it. It was more of a jingoistic plan where the government offered a basket of goodies and wanted to see who was interested in taking it."

Citing "supply chain" and "strategic defence" issues with being dependent on China and Taiwan for chips, Dutta said the current plan is more "systematic" and that an effort of this nature by the government could send out a positive signal to potential investors.

Not everyone is convinced. ISA and Frost and Sullivan said in a January report that despite a huge domestic market, the Indian electronics systems design and manufacturing indus-

try has not been able to realize its potential for a long time and had missed the opportunity to emerge as a world leader even as smaller economies have gained. "With so much time lost,

an urgent action plan is required to effect a paradigm shift. Stakeholders—the industry and the government—have to exhibit the highest level of commitment to bring about change immediately," the report said.

The government announced exemption from customs duty for equipment required for setting up semiconductor (electronic chips) plants in the budget for 2013-14.

"The electronics policy 2012 is intended to promote manufacture of electronic goods in India. We recognize the pivotal role of semiconductor wafer fabs in the ecosystem of manufacture of electronics. I propose to provide appropriate incentives to semiconductor wafer manufacturing facility including zero custom duty for plant and machinery," finance minister P. Chidambaram said in his budget speech.

He also said a firm investing ₹100 crore or more in plant and machinery across sectors between 1 April 2013 and 31 March 2015 will be entitled to deduct an investment allowance of 15% of the investment.

**The govt's latest bid to draw investments in fab units comes after a series of failed attempts**