

# Newspaper Clips

November 24, 2011

Times of India ND 24-Nov-11

P-15

## New HRD plan to make IIT research hubs

Akshaya Mukul | TNN

**New Delhi:** The HRD ministry has set up a committee to prepare a roadmap for the implementation of IIT reforms suggested by a panel headed by Anil Kakodkar.

Kakodkar himself will head the new committee which would consist of Ashok Jhunjhunwala of IIT-Madras, chairperson of standing committee of IITs; Devang Khakhar, director of IIT, Bombay; R K Shevgaonkar, director of IIT-Delhi and one more IIT director to be co-opted later.

A senior ministry official said, "Kakodkar committee gave a comprehensive report on a wide range of issues.

The committee recommended that IITs should produce up to 10,000 PhD graduates by 2020-25, while also adding 5 new centres

Some recommendations need legislative intervention for which the Institutes of Technology Act would have to be amended. There are academic issues that can be dealt collectively by the IITs. The implementation committee would act as an interface between the ministry and IITs."

Sources said some of the minor recommendations

would be put in place in the next six months. Issues like change in the administrative and fee structure, IITs' signing annual memorandum of understanding with HRD ministry and financial autonomy would need government intervention.

"The idea is to bring in the changes gradually" one official said. Most of Kakodkar committee's report has been accepted by the IIT Council. It had recommended that IITs should be re-branded as primary research institutes that should ramp up PhD students from less than 1,000 students to 10,000 PhD graduates by 2020-25, and the number of IITs from 15 to 20.

Kakodkar has also recommended setting up of research parks at each IIT similar to the one in IIT Madras.

The committee suggested that the government should give an outlay of Rs 1.5 lakh per student to the old IITs, and an endowment grant of Rs 50 crore for each new IIT. The government was asked to provide capital funds at Rs 20 lakh per additional student.

It was recommended that the ministry should pay the full operating cost of education along with a scholarship for all post-graduate – PhD, MS and MTech – and undergraduate students from reserved category and economically weaker sections.

Mail Today ND 24/11/2011 P15

## Centre looks abroad in search of new IIT directors



IIT-Kanpur director Sanjay Dhande is set to demit office on June 30, 2012.

THE SEARCH for candidates to head the prestigious Indian Institutes of Technology (IITs) could soon extend beyond the nation's shores.

The government is now keen on tapping the pool of top-shelf Indians abroad for the post of IIT directors. To achieve this, the next vacancy would be advertised internationally, too. This decision was taken at a meeting of the IIT council, the highest decision-making body of the 15 IITs, on September 14.

"There was a consensus that the post of an IIT director needs to be advertised globally so as to not only maintain greater transparency in the selection process but also to allow for the nomination of people with an excellent academic record for the prestigious post," the meeting minutes, accessed by MAIL TODAY, reveal.

By Ritika Chopra In New Delhi

But the document does not explicitly mention whether the advertisement will appear in the newspapers abroad or renowned international science journals.

According to the current practice, the selection is confined to the Indian residents. Earlier, the nominations were invited from eminent institutes and people. But after the system was challenged in the Madras High Court nearly three years ago, the IITs resolved to issue nationwide adverts. This is how the posts for the IIT directors at Delhi and Roorkee were recently filled.

The "global advertising" decision may soon be put to use by the HRD ministry as IIT Kanpur director Sanjay Dhande is set to demit office on June 30, 2012. "The

IITs are internationally famous...and the Indians settled abroad also should have the opportunity to apply," renowned scientist Goverdhan Mehta said.

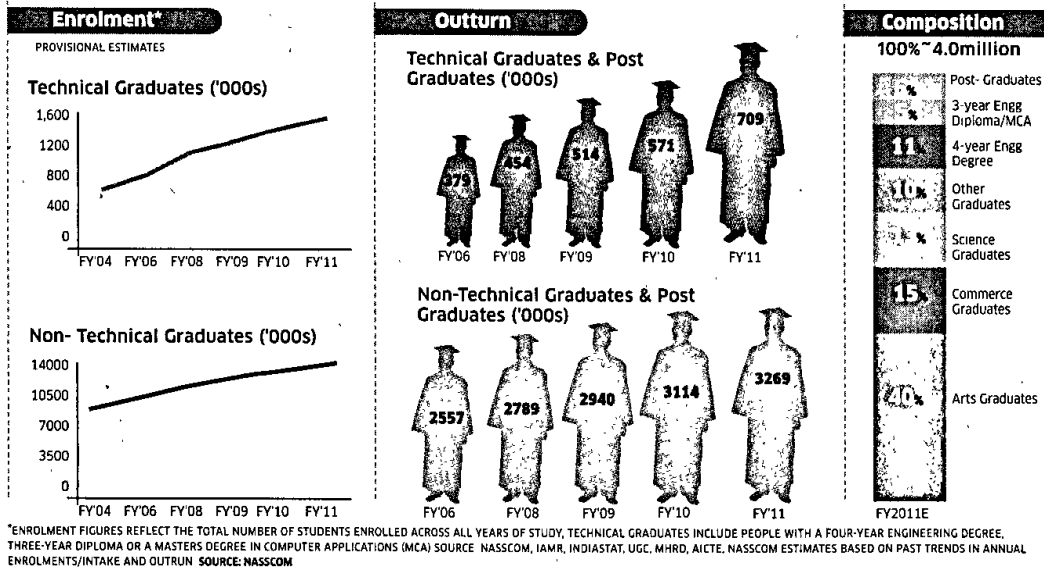
But there is a feeling this opportunity should be restricted only to the older IITs. "The person coming back from another country can play a better role in heading an established IIT. Being the director of a new IIT would include dealing with the government to acquire land and starting a lot of things from scratch. I don't know if they will be willing to do that," an IIT director said.

To ensure selection of the best-suited candidates, the council also considered the possibility of relaxing the eligibility requirement of 10 years of experience as a professor. This would be done only in the case of an "outstanding candidate".

# Tech Grads Swell, Paychecks Stagnate

## Growing Talent Pool is a Headache too...

...The band of engineering graduates has been swelling forcing fresher salaries at IT firms to stay stagnant



**INDU NANDAKUMAR & SHRUTISABHARWAL**  
BANGALORE

Right in the middle of the placement season in 2010, at one of the popular Tier 2 engineering colleges in Mumbai, Rohith, 21, decided not to sit for any placement tests. In 2008, when his sister passed out of the same college, she was recruited by one of the top IT services companies and was offered an annual package of Rs 3 lakh. Three years down the line, Rohith and other aspiring software engineers of his batch were offered the same package to be part of what they considered the most exciting industry.

India's IT firms recruits an increasing number of fresh graduates every year and is one of the largest white-collar employers. But the packages offered to campus hires at most Tier 2 engineering colleges have remained unchanged since the 2008-09 downturn, stagnating between Rs 3 and Rs 3.5 lakh.

While the demand for IT and IT-enabled jobs remain high, placement coordinators and students say more Indian IT firms have refused to hike fresher salaries. And the clear reason for this: growing availability of good talent and a spurt in engineering colleges in the past three years.

India has the largest technical and scientific manpower globally and total graduate outturn - the number coming out of colleges - across sectors has dou-

bled over the last decade enabling greater scalability for customers. The outturn of technical graduates and post graduates increased to over 7 lakh in FY11 compared to a little over 5.5 lakh in FY10, says Nasscom in a report earlier in the year. Enrolment in technology colleges in the same period increased sharply from 12 lakh to 16 lakh.

"Being able to work for one of the top 5 IT companies is a big thing among students. The entry-level salary in most of the IT companies such as Infosys, Wipro, TCS and Cognizant have remained between Rs 3 lakh and Rs 3.25 lakh since 2008. Even if they offer the same package in

**Companies are not going to witness a supply shortage and hence they are not compelled to raise salary packages at the entry level**

**NS NARASIMHAN**  
Director, Placements, RV College

future, demand for these jobs is not going to come down", says Varkey Philip, who heads the placements committee at the Rajagiri Institute of Engineering and Technology at Kochi. He says IT is still the most preferred for most engineering graduates.

At RV College of Engineering in Bangalore too, entry-level salaries are stagnant at the pre-2008 recession level. While companies like Oracle and Microsoft offer between Rs 6 lakh and Rs 8 lakh to freshers, Indian IT companies, which recruit more,

offer Rs 3.5 lakh on an average.

NS Narasimhan, director of placements and training at RV College, says colleges are only worried about getting all the students placed, and not about the level of their salaries. "Most of the graduates work for a year or two and make the most out of your new job and experience. Colleges are only worried about getting them the job. Companies are not going to witness a supply shortage and hence they are not compelled to raise salary packages", he said.

Low entry level salaries are the biggest leverage for Indian IT firms to keep costs low. Most maintain a 60:40 ratio of freshers versus laterals. Most Indian IT firms also have to invest significant amount in training freshers to get them job ready. At Infosys for one, freshers go through an average of 3-6 months of training before becoming billable. Nasscom pegs training spends per employee in IT-BPO among the highest in the organised services sector.

At iGate, which would offer annual packages of between Rs 3.1 and 3.25 lakh to campus recruits this year, salaries have gone up marginally over the past three years. Srinivas Kandula, Head of HR operations, says that the entry-level salary remains stagnant because companies cannot afford to increase the cost. "It is a cost to the company. We invest on the freshers," he said.

"In fact, fresher salaries have gone up marginally, probably by 5%. Companies invest heavily

on training and upgrading talent. Raising entry-level salary can have a cascading effect. Unless there's a significant change in demand-supply, this trend is likely to continue," says P Thiruvengadam, senior director at Deloitte India.

There has also been an increase in supply of good quality talent cited as major concern by IT firms for over a decade. Three years back, Anna University in Chennai was the only place where IT firms made 1,000-plus offers every year. But now, there are at least six such universities where companies have made offers to over 1,000 students in a year. TCS at Sastra University, Cognizant at VIT and Amrita University, Infosys at Amrita University and Accenture at Amity are top examples.

"In the last few years, the quality of engineering graduates passing out of premier institutions across India has gone up significantly. We believe that this is because of a variety of reasons: stronger industry-academia linkage programmes, greater student connect with their predecessors through social networks, increased number of seats in reputable institutions, increase in the number of colleges especially those run by corporate houses, and so on," Shankar Srinivasan, Chief People Officer of Cognizant said.

HR experts say Indian IT has lost the power to increase prices as costs have risen and the industry has matured. This too is causing salaries to stay flat.

# Common test for MBA admissions

## 'C-MAT' will cover over 2,500 colleges but not the IIMs

SUMEDH RAINA

NEW DELHI, NOV 23

The Government has decided to conduct a common entrance examination for admission to all colleges and institutes recognised by the All-India Council for Technical Education (AICTE) which conducts MBA courses in the country.

The entrance examination, called Common Management Aptitude Test (C-MAT) will however not be applicable to all the Indian Institutes of Management (IIMs) considering their elitist status.

Sources in the Union Human Resources

Development (HRD) ministry said that the moving force behind the scheme is Union Human Resources Development

Minister, Kapil Sibal, who has already initiated several reforms in the crucial sphere of education.

There are close to 2,500 AICTE recognised colleges and institutes that impart training in management and the AICTE has already notified them about the ministry's plan as majority of them are understood to have welcomed the move.

Although the ministry was keen to have the changes in the entrance



examination system from the next year, a large number of institutions are believed to have indicated that it would be feasible only from the academic year of 2013 because of logistical problems.

It is felt that with this move, students clearing the C-MAT test, will be able to choose the institution of their choice. Apart from that, the system of using other means like giving capitation fees to get admission into MBA courses will stop.

It is estimated that as of now close to three lakh aspirants sit in examina-

tion to seek admission to different MBA courses and many others are compelled to go to private and unrecognised colleges who fleece them on account of their high fee structure.

Under the proposed system, the true merit of an aspirant will come to the fore and he or she will be judged on an all-India basis instead of state-level basis enabling every degree holder to compete evenly on the job market.

In the past, Sibal has been instrumental in getting a system of a common entrance for medical colleges introduced whose aim was to judge students on the basis of merit.

Business Standard ND 24/11/2011 p-10

# A SUMMER OF FINANCE AT IIMs

Slowdown casts a shadow on summer placements at B-schools, but the scenario isn't all bleak



VINAY UMARI Ahmedabad

Summer placements at B-schools this season weren't as bright as last year, but offers from the finance sector added a silver lining.

"The offers, compared to last year, were less but recruiters from the finance sector made their presence felt," says Saral Mukherjee, placement chairperson, IIM-Ahmedabad. "Royal Bank of Scotland (RBS) accepted our invitation, though it made 12 offers as against 22 last year," Mukherjee adds.

The summer placement

process at premier B-schools for students of the first-year post graduate programme comprised four clusters. These included cohorts of international investment banks, global strategy consulting, private equity, venture capital, investment management firms, marketing, financial services, advisory, FMCG, business development and strategy, and general management.

A \$6-billion hedge fund visited the IIM-Calcutta campus, apart from JP Morgan which offered a student an internship at the chief investment officer's desk. While RBS made the maximum

number of offers (15), UBS followed with 12 offers. Other major finance recruiters at IIM-C included Barclays Capital, Credit Suisse, Goldman Sachs, Nomura, Bank of America, Merrill Lynch, Morgan Stanley, HSBC (Global), Citigroup and French investment bank BNP Paribas. Investment banks Elara Capital and Equirus Capital, private equity firms Jacob Ballas Capital, M-cap fund advisers Clearwater Capital, and Walden International also hired from IIM-C. Houlihan Smith, a specialised investment bank, also recruited exclusively from IIM-C, said the

institute.

At IIM-Bangalore, financial services absorbed around 33 per cent of the students, followed by sales and marketing (32 per cent). While offers in the management consulting sector accounted for 17 per cent, general management and leadership areas saw 11 per cent offers. "This year we placed the largest-yet cohort," says P D Jose, chairperson, Office of Career Development Services, IIM-B. "It was heartening to see the number of first-time companies on campus, most of which were from the FMCG, manufacturing, technology and services sectors. There were also a number of overseas assignments," he adds.

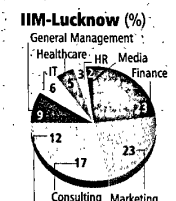
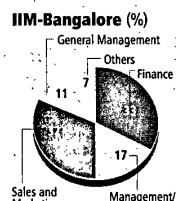
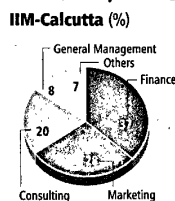
IIM-Lucknow continued its relationship with McKinsey and Boston Consulting Group after being the only campus to secure 100 per cent pre-placement offer conversion. IIM-L also became one of the few campuses to host hedge funds for summer recruitments. The institute saw its most successful Day Zero in its history with 50 offers. The process of summer placements was completed in a record six days for its largest ever batch of 434 students with 583 offers. "This year, more private equity and venture capital companies made offers to students,"

says S Karthikeyan, a student member of the placement committee at IIM-B. Companies which recruited from the campus include Blackstone Group, ChrysCapital and Morgan Stanley PE. Goldman Sachs recruited 10 students across six desks, while RBS made 14 offers for multiple locations across the globe. Dufferco offered a trading assignment based out of Lugano, Switzerland. O3 Capital recruited students for investment banking, quantitative trading and private equity functions.

Other banks that recruited from IIM-B this year include Bank of America, Merrill Lynch, Barclays Capital, Citi Global, Deutsche Bank (Global Markets-London), HSBC (HK), Morgan Stanley, Nomura, Rothschild and Standard Chartered (Financial Markets). Indian investment banks were represented by Aventus Capital, Edelweiss Capital and ICICI Securities amongst others.

Apart from finance, consulting firms were also top recruiters at the campuses. "Consulting firms made 12 offers at IIM-A for summer internships this year," says Ravish Kumar, recruitment secretary IIM-A Placement Committee. "The number of students who accepted the offers in some of the clusters was marginally lower than last year," he adds.

### THEY CAME, THEY SAW AND THEY OFFERED



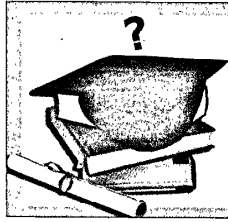
Deccan Herald Bangalore  
22.11.2011 P-11

# Cesspool of mess: From deemed to doomed universities

By Ambrose Pinto SJ

On November 2, 2011, the Centre informed the Supreme Court that 44 deemed or private universities, which were under scrutiny, had failed to meet the government's standards. They were first faulted by the Tandon Committee in October 2009. The committee was formed to evaluate infrastructure, faculty and other basics at the hundreds of deemed universities that have multiplied across the country with lack of quality. The Central government had on January 17, 2011, told the Supreme Court that it was all set to divest the 44 universities of their special "deemed university" status since they had misused the deemed university status. The universities in question had asked the Supreme Court to grant them more time to battle the Centre's complaints against them. The government then set up a panel of experts to review the findings of the Tandon Committee. The universities have once again been found wanting.

Deemed universities are entitled to autonomy in deciding their fees, syllabus and other matters. Some have misused this autonomy. Many deemed universities are run by politicians and have obtained the prized "deemed" status based on political connections rather than merit. Others are run as "family fiefdoms" rather than institutions of academic excellence. According to the affidavit, most of the 44 deemed universities, have failed to maintain high standard of academic excellence. They were offering post-graduate and undergraduate courses that are "fragmented with concocted nomenclatures". They had disproportionately increased their seats in lucrative course beyond the actual intake capacity. The Review Committee came across several aberrations in the functioning of some of the institutions deemed to be universities. It found families rather than professional academics controlling the functioning of institutions. The Supreme Court will now decide the case which will be heard on November 22. "List



these matters for final disposal on November 22, 2011," the Supreme Court bench had stated in its order passed on August 24, which means that a final decision on the matter is expected to be taken on November 22.

What are the consequences of divesting these universities of their "deemed" status?

There are over two lakh students in these universities. Their future is at stake. The Central government has said that their degrees would be valid. And yet how will the markets look at them? The Deemed Universities will now have to revert to their parent Universities as affiliated colleges. However, the state governments can make problems. It would depend on the equations these universities will have with the state. The question now is: How would the public look at them?

## Money and influence

A more important question is who is responsible for this mess? Why were they declared "deemed" if they were ineligible? They were declared "deemed universities" after an inspection by an expert body appointed by the University Grants Commission (UGC). The expert bodies after examining all the laid down criteria had proposed to the University Grants Commission that the institution can be declared as a "deemed university" and the UGC had

them declared as "deemed". The allegation now is that they did not fulfill all the criteria that were prescribed. Money and influence have played their role. Many of these institutions are managed by political families and others by those who are close to the centers of power. The conclusion is simple – the expert bodies are amenable to corruption and the deemed status was given due to reasons other than academics.

How could the University Grants Commission appoint such academicians amenable to corruption into their expert bodies? Shouldn't there be an action on these experts as well? Merely withdrawing deemed university status is not enough. It is important and necessary in the whole battle of fighting against corruption that people who are responsible for the mess are identified and the law should take its course. The other question of course is on academic standards. If the Central Government has to apply the same standards as they have applied to these institutions to some of the state universities, most state

universities may have to close shops. Is there a bias or double standards in applying the law? While not making a case in favour of "deemed universities" if they have not made the required grade, one would surely like to raise the issue of the standards of state universities. As the Tandon committee rightly pointed out, there are limitations in the "deemed universities". How about the limitations of state universities?

If the measures of the Ministry of Human Resource Development could help raise standards, one would not feel sad if the "deemed universities" are divested of their status. What we have witnessed in the last one decade is the construction of large infrastructure that meets international standards by several institutions without commitment to academics – teaching and research. In recommending de-recognition, the HRD has made a point. Universities are centres of learning and research and not mere buildings and infrastructure.