Newspaper Clips
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Tall claims spell trouble for 44 deemed varsities

ht EXCLUSIVE

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NEW DELHI: PhDs in subjects they cannot spell, wine tasting as an "innovative" course — misleading and false claims form evidence the government is submitting to the Supreme Court to nail 44 deemed universities it wants to derecognise.

Verbatim transcripts of interviews of the deemed universities by a human resource development ministry review panel, sought by the SC, also reveal that many institutions that have now challenged the government's move in the SC had accepted their flaws.

The HRD ministry plans to submit the transcripts — accessed by HT — to the SC early next week. The apex court is scheduled to hear the case on September 28. The SC's evaluation of this fresh evidence is likely to play a key role in the case that affects of students enrolled at these institutions and the future of the deemed university system.

The review panel consisting of four eminent academicians had to repeatedly ask Janardhan Rai Nagar deemed university in Rajasthan what "arthurology" mentioned in its documents meant, only to finally realise that the institution offers PhDs in archaeology.

Among the "innovative" programmes it is running, Bangalore's Christ University listed wine studies. Other "innovative" programmes listed by

FAILING THE TEST

- Janardhan Rai Nagar deemed university in Rajasthan was offering PhDs in arthurology (archaeology misspelt)
- Karpagam deemed university did not know how many of its teachers hold PhDs
- Bangalore's Christ University's innovative programmes – Wine Studies, Information Technology
- Vice-Chancellor of Mody Institute in Rajasthan did not know the members of his own institute's Board of Governors

institutions included Information Technology — a subject taught by almost every engineering college in the country. Karpagam deemed university did not know how many of its teachers hold PhDs.

Several deemed universities that have filed affidavits in the SC challenging the HRD ministry's move to derecognise them had accepted they were wrong during the interaction with the panel. Vinayaka Mission University accepted it was running 175 distance education courses without requisite approval, while Ponnaih Ramanujam Institute of Science and Technology accepted that it was running programmes different from those for which it got the deemed tag. Rajasthan-based Institute of Advanced Studies in Education accepted it ran unrecognised distance education programmes between '03 and '07.

Sri Sidhartha and Dr. MGR deemed universities accepted families of the sponsor, controlled the institutions.

Financial Chronicle ND 20/09/2010

Sector review: Information technology

Although IT firms had earlier raised concerns about US protectionist moves, the industry now feels it will have little impact on them

IT firms Alt + F4 US moves

THANUJA BM

The second quarter of this financial year has been a quite happening one for the Indian IT industry so far. However, the US it seems is playing a spoilsport. With elections due in November in the US, which is Indian IT companies' main market accounting for about 60 per cent of the revenues, attempts are being made there to be more protectionist with the view to assuage voters who have been reeling under high unemployment rates.

It all started with the controversial Border Security Bill, a $600-million emergency package aimed at strengthening security along the US-Mexican border. It will result in a rise in H1B and L1 visa fees for Indian companies operating in the US by $2,000 or even more. To make things worse, US senator Charles E Schumer, the champion of the bill, called Infosys Technologies a 'chop shop', prompting sharp reactions from both the company and the Indian IT industry.

A chop shop is a place where stolen cars are dismantled and parts sold separately. Though Schumer later clarified that he actually wanted to say 'body shop', the damage had already been done.

The next installment came in the form of the US state of Ohio proposing a blanket ban on outsourcing of the government IT projects to India. Incidentally, no Indian firm has any project running with the Ohio government. TCS is the only Indian IT company to have a centre there, employing 400 people.

According to industry trackers, Indian companies have almost 'nil' share in the $100 billion spent on technology by the US government and the country's public sector enterprises.
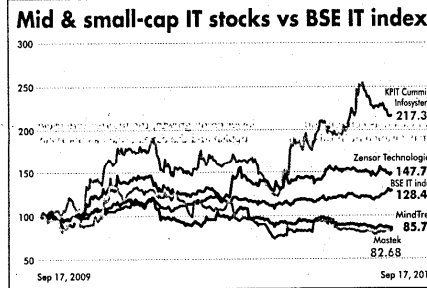
Marginal impact

Even as the Indian IT firms will see a marginal impact of this, especially that arising from the hike in visa fees, most analysts say it is more of a political rhetoric. They are also hopeful that things will get better once the November elections are over.

While Nasscom president Som Mittal described the US protectionist moves as a disturbing trend and said he hopes that America will make more investments to create jobs instead of taking such regressive actions, Forrester's vice-president and principal analyst John McCarthy said the moves are mere rhetorics and there won't be much impact on Indian IT services companies.

"A lot of it is rhetoric since the mood in the electorate is pretty volatile. But I don't see US companies becoming less reliant on IT because of this," he said.

A report by Religare Research said that while a little has been done on the ground towards protectionism in the last decade by the US, such steps can have small incremental negative impact on the Indian IT industry, especially for mid-sized players.

Analysts say visa costs account for 0.3

per cent to 0.5 per cent of the Indian IT firms' revenues, hence the financial impact of this move is minimal — about one per cent of earning per share (EPS).

Senior research analyst, IT, at Jaypee Capital, Vijay Gautam said large companies like TCS and Infosys would look at reducing non-local onsite workforce to cope with the hike while it would not matter to mid-cap companies at all since they are more offshore model-based with a meagre onsite presence.

At the same time, firms including TCS, Infosys, Wipro and mid-caps like Patni and MphasiS are setting up development centres in the US and hiring more locals, he added.

Wipro's joint CEO Suresh Vaswani said his company's localisation strategy is already in place not just in the US but in other countries as well. This is not driven by recent happenings but by the company's overall goal to become truly global in all aspects.

"One of the few bright spots in the overall economic recovery has been the

employment and investment commitment made by some of the global companies targeted by this law. Wipro will continue to increase long-term investment commitments in the US through its data centres, sales offices and delivery facilities. In fact, we are looking beyond business and are developing relationship with American universities for recruitment and research opportunities," Vaswani said.

Leaders still lead

Large-cap IT firms — TCS, Infosys, Wipro, Cognizant (listed on Nasdaq) and HCL — or the Big 5 as they are referred to, are expected to continue their good performance of the previous two quarters. While we have not still forecast our numbers for the sector, the leaders of the pack are leading in terms of financial and stock performance, said Gautam of Jaypee.

On the other hand, mid- and small-cap firms, with the exception of MphasiS, are faring badly.

Mid & small-cap IT stocks vs BSE IT index

Large IT companies to hog the limelight

NITIN PADMANABHAN

Analyst, IT services,
Indiabulls Institutional Equities

After witnessing some action in the mid- and small-cap IT companies, we think the money is now changing hands at large-cap IT stocks counters, which are more liquid in nature. It will only be after these big IT stocks get overstretched that we will see action returning to the mid- and small-cap segment. There are several small- and mid-cap IT firms whose promoters are looking to divest their entire stakes.

Some of these companies are very domain-specific and are unable to grow due to infrastructure hurdles. But then there are also others with rich fundamentals and still their promoters are looking to sell their stakes. On a different footing, there are also firms seeking to acquire IT firms aboard.

However, these deals are likely to be in the of form small asset purchases. Amid this, although mid- and small-cap IT stocks continue to generate news, we believe big IT firms will outperform them.

"The game of IT has changed from just cost cutting to scalability now. Western companies understand the value of outsourcing and are willing to give more end-to-end projects involving re-engineering business processes and systems, but only if vendors are able to execute complex projects. Larger firms are building this capability and are able to win more big contracts," he explained.

While large caps are winning contracts over $100 million, mid-sized firms are being forced to look at projects in the $3 million to $5 million range.

On the other hand, smaller firms including the likes of MindTree, KPIT, Patni and Sasken have been unable to manage margins in the previous few quarters and this downside is expected to continue this quarter also.

Currency woes

Like in the previous few quarters, this quarter also witnessed strengthening of the rupee, which has appreciated two per cent to 2.5 per cent so far.

"It is not a concern at this point in time as IT firms are prepared to tackle this. It may be worrying if appreciation goes above five per cent," senior research analyst at Prabhudas Lilladher, Shashi Bhusan, said. CFO of Infosys, V Balakrishnan, said, "We have to wait and see how the situation moves." Infosys pegs the rupee against the dollar at Rs 46.45 for the quarter.

Making a deal

There has been a lot of speculation about M&As in the recent weeks. These include probable stake sales in Bangalore-based Sonata Software, Kale Consultants, Patni Computers and reported talks between Genpact and Cognizant. According to analyst firms like Forrester, Indian mid-cap firms are facing the heat and there could be some consolidation happening in this space in next few months.

Stock performance

Year-to-date, stocks of Kale Consultants, Omnitech Info, Axis IT&T and Zylog Systems have returned 68.35 per cent, 66.28 per cent, 63.92 per cent and 50.42 per cent, respectively. Sterling International, Sonata Software, KPIT Cummins Infosystems and RS Software gained 42.11 per cent, 25.41 per cent, 24.77 per cent and 14.06 per cent, respectively.

Mid-cap IT stocks — Financial Tech and NIIT Tech returned 5.52 per cent and 4.53 per cent, while Mastek and MindTree declined 37.74 per cent and 26.92 per cent. Zensar Technology inched up three per cent.

Large caps — TCS, Infosys, HCL Tech and Wipro, have returned 23.28 per cent, 14.16 per cent, 12.75 per cent and 3.11 per cent, respectively.

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'Online CAT. will be more secure this yr'

TIMES NEWS NETWORK

Mumbai: It's hard to pull a 'Munnabhai' on the IIMs this year. Stringent security measures have been put in place in order to prevent proxy candidates from taking Common Admission Test. Incidentally, last year when some aspiring managers sent in proxies to take CAT, they were caught as soon as they reached the gates of the IIMs and promptly shown the door.

While last year itself, candidates were put through a round of biometric tests which included fingerprinting, this time Prometric, the company that is conducting the computer-based CAT, says it has included some additional security measures.

"At the final stages of selection, after candidates have finished with the group discussion and personal interview, we match their fingerprints with the ones taken at the time of the CAT. So its easy to catch the proxies," said Soumitra Roy, managing director, Prometric India.

THREE WORLD UNIVERSITY RANKINGS WERE RECENTLY RELEASED. TIRNA RAY ANALYSES THE RESULTS TO FIND OUT WHAT IT MEANS FOR STUDENTS

ON TOP OF THE WORLD

QS
1. University of Cambridge, UK
2. Harvard University, US
3. Yale University, US
4. UCL (University College London), UK
5. Massachusetts Institute of Technology (MIT), US

SHANGHAI
1. Harvard University, US
2. University of California, Berkeley, US
3. Stanford University, US
4. Massachusetts Institute of Technology (MIT), US
5. University of Cambridge, UK

TIMES HIGHER EDUCATION
1. Harvard University, US
2. California Institute of Technology (MIT), US
3. Massachusetts Institute of Technology (MIT), US
4. Stanford University, US
5. Princeton University, US

The world university rankings have just been released by the three ranking agencies — Times Higher Education World University Rankings, Academic Ranking of World Universities (ARWU) compiled by Shanghai Jiao Tong University, and the QS World University Rankings. In an unexpected comeback, University of Cambridge, UK, has topped the QS World University Rankings this year — despite major slashing of UK government funds for 2010-11.

Harvard University, US, has topped both the ARWU and Times Higher Education World University Rankings. In fact, the US clearly dominates the world ranking scenario. While the QS rankings have six US universities in the top 10, Times Higher Education World University Rankings have US bagging all the top-five spots. In fact, US has bagged seven of the top 10 places and 27 of its universities figure in the top 50. In the ARWU rankings, the four top positions have been bagged by the American universities, while 17 of the top 20 are American universities.

As to US' performance, experts feel that apart from offering a good salary to its academics that ensures a strong faculty, US' budget for tertiary education is almost twice than that of its competitors.
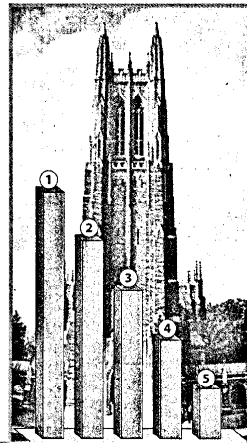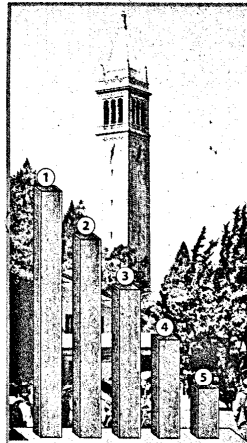
Meanwhile, Hong Kong is making its presence felt. In fact, in both the QS and Times Higher Education World University Rankings, Hong Kong ranks 23rd and 21st respectively. Also, Taiwan has bagged a decent place across the three rankings. Thailand, Israel, South Korea and Turkey are some of the other nations that feature in either of the three rankings or in two of the three.

However, India finds no place in the top 100 in any of the three rankings. While IIT-Bombay is ranked at 187 in the QS rankings, India figures nowhere in the top 200 in the other two rankings.

RANKING METHODOLOGY
Though the methodology used by ranking agencies has always generated controversy, global rankings do hold importance for the academic community across the world. Steve Young, senior pro-vice-chancellor, University of Cambridge, says, "While university league tables tend to over-simplify the range of achievements at institutions, it is particularly pleasing to note that the excellence of the transformative research carried out at Cambridge is so well regarded by fellow academics worldwide."

This year, following criticism about placing too much emphasis on peer review in its earlier methodology, Times Higher Education World University Rankings has developed a new methodology with its new data partner,

Thomson Reuters. Phil Baty, editor of Times Higher Education's World University Rankings, explains, "An important principle of the new Times Higher Education World University Rankings is that all universities that we list have actively cooperated with the system and signed off their data."

This system, he says, is designed to be a useful and rigorous tool for the global higher education community.

"However, it is unfortunate that we did not manage to collect as much information from India this time as we would have liked, which is a real shame for India. The world needs to get a clear sense of its higher education provision, as expectations are so high and

India's potential is so great."

As to QS' source of data, Ben Sowter, head of research, QS Intelligence Unit, says, "QS utilises a variety of sources. Beyond the well-documented surveys of academics and employers, we draw citations data from Scopus (a database maintained by Elsevier) which is the world's largest abstract and citation database; we refer to a wide range of national statistics sources such as HESA(UK), NCES(US) and JASSO(Japan). Where such bodies are unavailable or carry incomplete data we refer to university web-sites. In addition, we invite each university to submit data directly to us. All data are checked against previous submissions

and against corroborating sources where available."

ARWU considers every university that has any Nobel Laureates, fields medalists, highly cited researchers, or papers published in *Nature* or *Science*.

In addition, universities with significant amount of papers indexed by Science Citation Index-Expanded (SCIE) and Social Science Citation Index (SSCI) are also included. In total, more than 1,000 universities are actually ranked and the best 500 are published on the web.

RANKING RELEVANCE
According to Sarah Cunnane, a reporter at

Times Higher Education, UK, one option while beginning a global search is scouring one of the annual world university rankings. Despite limitations, she feels, they give a good idea about a university's standing.

For Indian students, rankings are indeed important. As Atreyee Bhattacharya, all set to leave for MIT, says, "Global rankings play a big role in the choice of a university. Apart from offering a perspective about a university's core strengths and overall profile, it helps one to figure out one's chances vis-à-vis the best universities in the world."

Hazel Siromoni, CEO, Indo-Canadian Business Chamber, who earlier worked with the Canadian Education Centre (CEC), maintains rankings are important for students and their parents as the first point of reference when they begin their research on where to study overseas.

"But subsequently discussions with representatives and students from universities which may not be ranked high also influences a student's decision, if they feel the programme is good and suits their needs," she adds.

Besides, Samita Bhatia, a parent, points out that banks offering education loans prefer top ranked universities. "In fact, one has to show proof of the ranking. This way banks feel assured that the student is going to a university of international credibility, and they facilitate the loan."

However, Shreya Chowdhury, a London School of Economics (LSE) alumnus who is applying to B-schools in the US says that rankings do matter but that is not the primary deciding factor.

"The parameters that I am looking for are a strong alumni network and an atmosphere that encourages entrepreneurship. I'd rather choose a B-school that's ranked a little low but has firm emphasis on these two parameters over a higher ranked B-school, which doesn't focus on the above."

Considering the fact that top ranked universities like Duke, US, are keen to open a campus in India, are not Indian students likely to choose a ranked university over an Indian university, especially if it is at its doorstep?

"Not really," says Narendra Jadhav, member, Planning Commission, adding that 'rankings' is only one of the issues and that Indian students will certainly give weightage to other issues such as fee structure, etc.

INDIA FINDS NO PLACE IN THE TOP 100 IN ANY OF THE THREE RANKINGS. WHILE IIT-BOMBAY IS RANKED AT 187 IN THE QS WORLD UNIVERSITY RANKINGS, INDIA FIGURES NOWHERE IN THE TOP 200 IN THE OTHER TWO RANKINGS

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Fee exemption for Indian students

Sakshi Khattar/TNN

IN a breakthrough for Indian students keen on studying in a Canadian institution, according to a recent agreement between the Shastri Indo-Canadian Institute (SICI) and Quebec government, an Indian student pursuing higher studies in Québec, Canada, will pay the same tuition fee as a domestic student. Around 27 higher education institutions are based in Québec, including McGill, Concordia and Laval, among others.
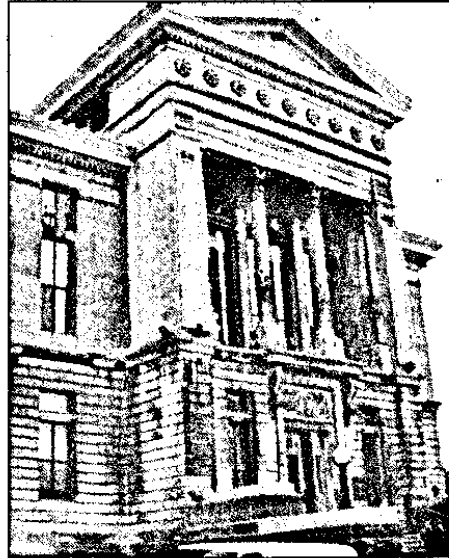
The move came into effect from February 2010. The eligibility criterion requires that an Indian student pursues full-time study in a programme offered by a Québec institution of higher learning. The number of university level exemptions is 15 at the Master's level and 14 at the doctoral level.

Says Sunaina Singh, president, SICI, "Selection of students recommended for fee exemption is to be conducted in a transparent manner through an adjudication committee. The criteria for selection may include the latest transcripts, a CV, letters of recommendation from the schools attended, a letter of intent and description of achievements."

ROAD AHEAD

Discussing SICI's future plans, Singh says, "We would be revitalising our academic collaborations and research in higher education with the view to promote Canadian and Indian studies; develop a synergy between research and its dissemination, twinning programmes, joint or dual degrees, and develop a strategy to promote post-doctoral research and training in Canada and proactively focus on research objectives as the institute has a rich bank of knowledge with 80 premier institution members. We also plan to develop a database/portal and renew our foundations including partnerships, administration and governance."

Facilitating 'joint research' is another area of focus and the institute will be investing in students and researchers through student-scholarships, internships, research fellowships, culture and fine arts training for both graduate and undergraduate students. There will also be renewed emphasis on international development. SICI's faculty and student mobility programme, initiated by Singh as a pilot programme under the IX

CANADA CALLING: Around 27 higher education institutions are based in Québec, including McGill University

Addendum of the MoU, aims at 'internationalisation of the curriculum.'

SK Thorat, chairman, UGC, attending 'Focus Canada,' a forum organised by SICI, said: "One area that needs attention is investing in teachers who should be sent abroad for faculty exchanges. These programmes not only help in value addition, but also the experiences they bring back can further help in improving our educational techniques and curriculum."

Vocational sector is one area that has tremendous scope, feels Amit Khare, joint secretary, department of higher education, MHRD. Besides, institutional linkages need to be strengthened, he added.

The institute has a range of fellowship programmes, which include India studies, understanding Canada, collaborative research projects, visiting lectureship, partnership development seed grant and millennium development goals research grant for both faculty members and students of both countries.

SICI has 50 academic institutions in India as its members. They include the IITs, IIMs, law schools and central and state universities. It has 37 members in Canada including McGill, Queen and York universities. Its scope has expanded to include law, management, environment, science and even biotechnology, among others.

DU JOINS THE CATWALK

THE COMMON ADMISSION TEST (CAT) SCORE IS SOON GOING TO BE THE DECISIVE FACTOR FOR GETTING ADMISSION INTO SEVERAL POSTGRADUATE COURSES IN DELHI UNIVERSITY. NEHA BHATIA REPORTS

With several departments revising the admission criteria for some of the courses in DU — Master's of Human Resource and Organisational Development (MHROD), Master's of Finance & Control (MFC), Master's of International Business (MIB) and Master's of Business Economics (MBE) — CAT is going to play a major role from the next academic session, which starts in April 2011.

The move is expected to simplify the admission process as students will be saved the trouble of taking multiple entrance exams. Says KV Bhanumurthi, head, department of commerce, Delhi School of Economics, "The move will standardise the examination process and also ensure intake of quality students. Students on the other hand will not have to take multiple exams. Also, when it comes to placement, selection through CAT gives more credibility and acceptance at the corporate level."

It is expected that the new move would further popularise these courses in the country, says CP Gupta, admission in-charge, MFC, adding, "We do have centres in a few places, but CAT has a far wider reach than that of an individual institute. We shall be able to have a common benchmark at an all-India level, which will help us in making our selection process more transparent."

Students agree that one common examination for PG courses will be helpful. Ankur Mehra, a student of the current batch of MFC says, "Earlier, a series of tests would leave students drained out. With one common admission test in place, students will be able to focus on group discussions (GD) and personal interview (PI)."

Though the criteria of final selection are still under consideration, broader guidelines have already been prepared by departments including MHROD and MFC. Talking about the procedure, Ajay Kumar Singh, course coordinator, MHROD and MIB explains, "Tentatively the ratio will be 5:1, which means five students will be competing per-seat. There are 31 seats for the general category in each course. We will also be taking into consideration sectional cut-offs."

Gupta adds, "For the final selection of students in MFC, 60% weightage will be attributed to CAT, 20% to PI and 10% to GD. The remaining 10% will be attributed to the total marks scored in class X and XII."

While the DU administration is busy finalising the new admission procedure, some feel that it is too late for students, especially with CAT 2010 not far away. However, senior faculty members in DU point out, most students do appear for CAT. "For any B-school applicant, CAT is a must. So it won't be late for them. In fact, this year onwards, we are only saving students from taking multiple examinations," says Bhanumurthi.

NEW PRESCRIPTION

THE IITs ARE ALL SET TO INTEGRATE SCIENCE, ENGINEERING AND TECHNOLOGY BY INTRODUCING COURSES IN MEDICINE. SURBHI BHATIA REPORTS

Following a recent meeting with the HRD minister, the Indian Institutes of Technology (IIT) have decided to offer courses in medicine. Explaining the larger intentions behind this, M Anandakrishnan, chairman, IIT Kanpur, says the move was to "integrate the fields of medicine, basic sciences, engineering and technology."

To meet the challenges posed by medicine in the 21st century, the country needs a new breed of medical professionals who can fuse medicinal science and technology together. "In countries abroad, educational institutions have always integrated branches like engineering, science," he says.

He says that the Harvard-MIT Division of Health Sciences and Technology (HST) brings together MIT, the Harvard Medical School and an assortment of research centres to solve problems regarding human health. "But the Indian education sys-

tem has fragmented these areas of study. If an engineer is completely unaware about the field of medicine, it would be difficult for him to innovate," he laments.

Realising this, some of the IITs have started offering interdisciplinary courses in biotechnology and biomedical engineering. IIT Delhi, Kanpur and Madras have schools and centres for carrying out research in biotechnology. IIT Kharagpur also offers a three-year Master's programme in medical science and technology.

According to Anandakrishnan, IIT Madras is collabo-

rating with Sree Chitra Tirunal Institute for Medical Sciences & Technology (SCTIMST) on various projects integrating science, medicine and technology. If the IITs start their own course in medicine they will either collaborate with other medical colleges or have their own separate degree programme.

Yashpal, chairman of the Yashpal Committee report, has proposed that the IITs should expand their spread of disciplines and operate like universities.

"The report talks about complete autonomy of educational

institutes. What should be taught in an institution should be decided by the institute without interference from any external agency like the MCI (Medical Council of India)," he says.

For this, the Yashpal Committee has proposed the formation of the National Commission on Higher Education and Research (NCHER) which will be a single supervising authority.

"The success of the IITs' vision to offer interdisciplinary education will depend on the NCHER. Till the time the NCHER Bill is not cleared, the IIT Council has worked out a compromise. For a degree course that enables a student to practice medicine, clearances will have to be sought from the Medical Council of India or its successor body. However, for a medical course that doesn't confer a practicing degree, no approval will be required," says Sanjay Dhande, director, IIT Kanpur.

Outsourcing emerged as a new business strategy in early 1980s
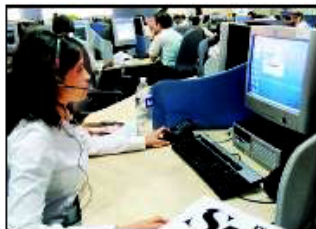
What exactly is outsourcing?
Companies hire outside individuals or other firms to perform specialized tasks, a process which is known as outsourcing. Simply put, outsourcing is going out to find the source of the service which you need done.
When was it established as formal business strategy?
Since the early 1980s, outsourcing has emerged as a new business strategy as companies decided to focus on their core business by identifying critical processes and outsourcing other business processes which were necessary to run the company but were not related to the company's core business. Apart from decreasing the management layers, outsourcing to a country with cheap labour also resulted in cost benefits.
What is the present trend?
Although in the early days the typical strategy was to outsource business processes not related to a company's core competence, in 1989 Eastman Kodak took a revolutionary step by outsourcing most of its information technology systems. In 1990s, many companies followed the Kodak model and soon consensus was reached among business gurus that it was not necessary to own the technology to get access to information which they needed. What was important was to find a strategic partner who would own the technology

BANGALORED FOR A REASON

and deliver the results irrespective of whether the function is core or not.
Wouldn't this trade in services result in job loss in a company's parent country?
Any relocation of supply chains results in job losses, irrespective of whether the trade is in goods or services. Most economists who advocate free trade see outsourcing of services as the latest manifestation of the economic forces created by international trade. The world is used to seeing goods produced abroad and then transported to the market by ships or planes. Similarly, outsourcing of services is producing the services abroad and then transporting them to the market by telephone lines and internet cables and hence the economics remains the same. Like any new form of trade, outsourcing also creates winners and losers and most economists argue that it will increase overall pro-

ductivity, income and employment at home as well as abroad.
When did outsourcing become a political issue?
According to a 2005 paper published by Harvard University and American Enterprise Institute, the sudden interest in outsourcing arose during the 2004 US presidential polls. Since July 2000, US manufacturing and wholesale sector was undergoing a slowdown. The 9/11 attacks further dented the already suffering labour market. It is estimated that the slowdown cost about 750,000 jobs while 9/11 attacks further resulted in loss of 1.3 million jobs in the US. The economy recovered in late 2001, but the labour market was still under a downturn. The market finally recovered after April 2004, but before its recovery Bush administration released the Economic Report of the President stating the benefits from outsourcing. This statement was picked by media as well as the democratic presidential candidate John Kerry.

In faltering labour market, outsourcing was already a topic of public debate with politicians linking it to job losses. Bush's statement was published in prominent newspapers with headlines like "Bush wants to send more job abroad". At same

time, Nobel-winning economist Paul Samuelson published an article suggesting a retreat from the historical consensus on supporting free trade. His paper showed that technical progress in developing countries such as India and China had the potential to reduce welfare in US as in long run these countries will become America's competitors in global trade and reduce America's trade benefits. Samuelson's theory was rebutted by other economists, most noticeably by Jagdish Bhagwati, Arvind Panagariya and T N Srinivasan, who pointed out that it was too early to prove direct outcome of economic integration and that developing countries becoming potential competitors had nothing to do with outsourcing, which could happen anyway.
Do companies get tax benefits for outsourcing?
Corporate tax rate in the US is 35%. In case a company is operating in other countries, the US tax code provides them tax credits to avoid multiple taxation. Most economists believe that removal of tax credits will increase the cost of production and reduce profits. Hence whether the proposal to remove the credits to bring the jobs back will actually work remains debatable.

LEARNING WITH THE TIMES

New CAT tutorial for students

NEW FEATURES HAVE BEEN UPLOADED ON THE CAT WEBSITE TO DEMYSTIFY ISSUES RELATED TO THE ONLINE TEST.
ABHISHEK GHOSH REPORTS

A number of measures have been taken this year to ensure that the online exam of CAT 2010 is candidate-friendly. A new feature called the CAT tutorial — with 12 questions where candidates can take a demo-version of the actual test — will soon be uploaded on the CAT website.

The tutorial will clearly explain the function of each button that students see on screen. The tutorial will, however, not be representative of the difficulty level of the actual CAT.

Prometric — the US-based firm assigned the task of conducting the CAT exams — has taken these steps to acclimatise students with the test. "Candidates can take this practice test as many times as it takes for them to get comfortable with the format. We have introduced these measures after consulting candidates who had taken the test last year. We want to make sure that there are no more doubts or queries regarding the format of the exam," says Soumitra Roy, managing director, Prometric India.

Last year, after the IIMs had decided to go online to conduct CAT, many candidates were taken in by surprise. This was partly due to technical malfunctioning in some test centres as well as a lack of understanding of the new online format. To redress the latter, a number of videos have also been uploaded on the website, *www.catiim.in*. The audio-visual format will help students with the registration and scheduling process, test-day procedures, test-format and scoring process, in addition to any additional information that students may find helpful. Candidates appearing for CAT this year have been urged to visit the website for further clarification.

This year, Prometric has also decided to increase the test-window (number of days the exam is going to be conducted). "Last year, we had a testing window of 10 days, this time we have kept it to 20 days. We are expecting 18,000 candidates to appear for the test every day. We will have the test across 33 cities, in 78 centres, in 247 labs with 9,000 computers. We want to be absolutely certain that no candidate is inconvenienced due to technical malfunctions. We will have enough spare terminals to ensure that a candidate will be tested in the same time slot he has been allotted," informs Roy.

Security and surveillance is another aspect, which will be a priority this year. "We are fingerprinting every candidate appearing for CAT and in case candidates get a call, their fingerprints will be matched to ascertain their authenticity," Roy concludes.

The grand design

THE National Institute of Design, Ahmedabad, in association with the micro, small and medium enterprise ministry organised an orientation workshop for designers. The workshop aimed at sensitising the design community about India's MSME sector and the need for design expertise in the sector. "With globalisation, it has become important for the Indian industry to be competitive in terms of cost, quantity and quality. Big enterprises have started evolving their own strategies to address these issues. However, it is the MSME that still needs to work towards it," said Pradyumn Vyas, director, NID.

According to him, MSME is one of the biggest employers in the economy. It contributes to over 45% of industrial production and around 40% of the total exports. There are about 13 million MSMEs in India, employing about 31 million people. "But it is one of the most vulnerable sectors..It needs expertise and interventions at various levels."

Vyas explained that with the help of a designer, MSME can improve their competitiveness. "Designers' role is not limited to providing appearances to a product. Designers work with the psychology of consumers, they can provide consultancy on what and how to manufacture various products. A designer can advice and offer solutions on real-time design problems, resulting in continuous improvement and value addition for existing products," Vyas explained.

The government of India is realising that MSME can be a backbone of economy and designers can play a crucial role in increasing productivity of MSME. It has recently launched a design clinic scheme in association with NID. "The scheme will assist industrial clusters to open a channel for design information inflow for creative, innovative and futuristic approach. towards 'the product, •process, operations, manufacturing and business design," informed Madhav Lal, additional secretary and development commissioner, office of development commissioner, MSME.

designclinicsmsme.org

EMBA: a costly lesson

If 'executive' MBA programmes are not much different from their full-time counterparts, how do business schools justify charging twice the price?

IT STARTED with a little-reported court judgement in an American backwater. In 2007 Ruth Creps, a resident of Idaho, was made redundant by her employer. She applied for funds from the Federal Trade Adjustment Assistance programme, a scheme designed to help retrain workers who lost their jobs due to international trade competition. Ms Creps wanted to take an MBA at nearby Boise University, but decided that she would rather do the $41,000 part-time "executive" MBA (EMBA)—which is usually paid for by employers who are looking to train up their high potentials—instead of the full-time programme which cost just $14,000. When her request was turned down Ms Creps fought them all the way to the Idaho Supreme Court, only to lose because the court decided the more expensive programme was not significantly different from its traditional alternative.
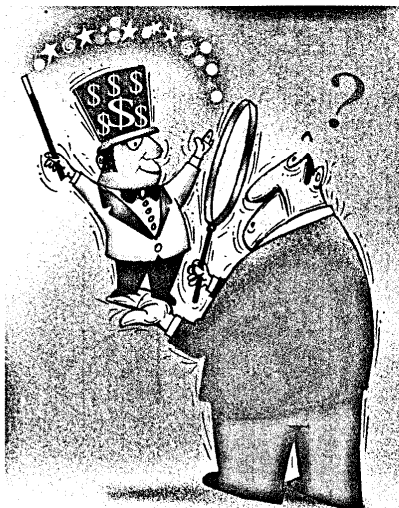
The decision was seized upon by business education commentators and a debate began as to how business schools could justify charging so much more for their executive MBAs. At INSEAD in France, for example, a full-time MBA costs 52,000 euros, while the EMBA comes in at 90,000 euros. Where schools getting away with it simply because firms have deeper pockets than individuals?

Not surprisingly, there is no shortage of business-school types eager to defend the price differential. According to Jenny George, dean of Melbourne Business School in Australia, one of the key reasons is the profile of the students. Executive MBA participants tend to be ten or twenty years older than their counterparts on conventional programmes and have significantly more experience. Their

expectations are correspondingly higher in everything from accommodation and catering to class size and style of teaching. Meeting those expectations costs money.

Indeed one of the biggest challenges facing executive-MBA providers is finding faculty that can hold the attention of such a demanding audience. Most EMBA participants have already learned the basic lessons of business and are on their chosen programme because they want better insight into the way they are operating within their present company, rather than for personal development or a career change. Such lessons are both difficult and expensive to teach.

EMBA students expect to be taught by people who not only have the theory but who also have demon-

EMBA STUDENTS EXPECT TO BE TAUGHT BY PEOPLE WHO NOT ONLY HAVE THE THEORY BUT WHO ALSO HAVE DEMONSTRABLE REAL-LIFE EXPERIENCE

strable real-life experience. Sean Kilbride, a professor at HEC School of Management, Paris, says that this means flying in top professors from all over the world and recruiting business veterans with credibility, including former CEOs.

Some question whether it is even valid to make a direct comparison between an executive and a standard MBA. Paul Healy of the Vlerick Leuven school in Belgium points out that a full-time MBA takes students out of the workplace for at least a year with a consequent loss of salary. EMBA students, on the other hand, remain in employment and study part time. Looked at this way the difference in the cost to the student quickly shrinks—although this does little to explain why the school itself should charge more.

Nevertheless, having MBAs

who remain in their jobs can produce benefit both for the students and the employer. Simon Learmount, director of the EMBA at Cambridge's Judge school, cites examples from his own class who applied classroom lessons as soon as they returned to the office, including one who concluded a lucrative deal with a Latin American client on the back of a cultural awareness class.

Perhaps the best answer to the question about price differential lies not in the quality of teaching or faculty or even in the standard of accommodation, food and wine. Instead, the premium comes down to the doors that an EMBA opens. More honest graduates admit that the most valuable thing they got from their business school was not any classroom lesson or insight, but membership of an exclusive club. And while a full-time MBA might give you access to the junior branch an EMBA gives you a lifetime pass to the senior common room itself. As Ms Creps's lawyers could have argued: it's not what you know but who you know.

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ASIT BAGCHI

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CAMPUS OF THE WEEK: PENDEKANTI INSTITUTE OF MANAGEMENT, HYDERABAD

fe@campus

An initiative by The Financial Express

fe@campus, a collaborative and cynosure initiative taken by *The Financial Express* in sync with a variety of higher education institutes representing today's youth, provides students an opportunity to pen their views on trends and trendsetters in the world of business. For this week, we put forth the topic: "Why do we need to revolutionise the usage of green technology?" Students of the Pendekanti Institute of Management, Hyderabad, sent us their essays. Here are three of the best:

THEME OF THE WEEK:
WHY DO WE NEED TO REVOLUTIONISE THE USAGE OF GREEN TECHNOLOGY?

Going 'green' leads to monetary savings

J Lakshmi Alekhya

ALTHOUGH environmental issues influence human activities, few academic disciplines have integrated 'green' issues into their literature. Green marketing is important because it offers business nesses bottom line incentives and top line growth possibilities. While such modifications may involve start-up costs, it will ultimately lead to monetary saving in the long-term. For example, the cost of installing solar equipment is an investment in future energy cost savings. Companies that develop new and improved products and services with their environmental impact in mind have seen increased profits over a period of time.

Some businesses in India have been quick to accept concepts like environmental management systems and waste minimisation. Terms like 'green marketing' and 'environmental marketing' would appear where one business received a great deal.

Green marketing refers to the process of selling products or services based on their environmental benefits and three successful ways of green marketing are: being genuine, educating your customers, and giving customers an opportunity to participate.

And among the reasons for firms in India to deploy an increased use of green marketing are: organisations perceive environmental marketing to be an opportunity that can be used to achieve its objectives, organisations believe they have a moral obligation to be more socially responsible, governmental bodies are forcing firms to be more responsible, competitors' environmental activities pressure firms to change their environmental marketing activities, and cost factors associated with waste disposal or reduction in material usage forces firms to modify their behaviour.

Although a large number of firms are using green marketing, there are a number of potential problems that need to be addressed. In short, green marketing claims of a firm must clearly state environmental benefits, it should explain how benefits are achieved and it should ensure that comparative differences are justified.

The author is a student of MBA at the Pendekanti Institute of Management, Hyderabad

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Govt should encourage sustainability

Arpita Sharma

THE term 'technology' refers to the application of knowledge for practical purposes. And the field of 'green technology' encompasses a continuously evolving group of methods and materials, from techniques for generating energy to non-toxic cleaning products. Its major components are:

Sustainability: Meeting the needs of society in ways that can continue indefinitely into the future without depleting natural resources.

Source reduction: Reducing waste and pollution by changing patterns of production and consumption.

Innovation: Developing alternatives to technologies that have been demonstrated to damage health and the environment.

Viability: Creating a centre of economic activity around technologies and products that benefit the environment.

Also, renewable energy sources such as wind turbines, solar panels or bio-gas created by animal dung should be encouraged. Cities should aim to provide economies of scale that can make such energy sources viable.

Since India is a large country with huge population, there will be a tremendous demand for technology-oriented production and consumption process in the days ahead. And unless the government makes stringent efforts to introduce and encourage the society to innovate green technology, our future generations will be forced to face the wrath of ecological anger.

The author is a student of MBA at the Pendekanti Institute of Management, Hyderabad

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Green technology is the 'future' at large

J Keerthi

GREEN technology is a technology that is environment-friendly and ensures that natural resources are conserved. Green technology is the 'future' at large, and the main aim of this innovative technology is to avoid any deterioration to the environmental resources. In a way, green technology helps in reducing the amount of pollution that is being emitted during the process of production and even while consuming the products. It talks about the relationship between human beings and natural resources, and the irreversible hazard that is being caused to the nature and the environment because of the economic activities.

One can quote some examples of environmental hazards such as pollution of rivers, global warming resulting in depletion of ozone layer etc.

India is essentially a country that needs to implement green technology because of its vast geographic area and huge population, and also for the reason that India has been identified as one of the emerging and ever-growing markets for the world's producers. Both the production and consumption are so massive that one can witness the tremendous amount of damage that is being caused to the environment and natural resources every second. If the trend continues, then one day we may have to zero in on what we have achieved and get into the shoes to rectify our unpardonable mistakes, which are irreparable.

Green technology is not only essential for sustainable development in the long-run but there are also short-term advantages of using eco-friendly fuels. India can use 'cradle to cradle' technology, rather than 'cradle to grave', that can be fully re-used. But the question is how can India develop and tap green technology?

There are certain crucial issues that need to be focused upon while introducing green technology. For instance, a social awareness about the need for environment-friendly goods and services for production and consumption at a larger scale is required. And, for this, a massive campaign on this issue has to be undertaken. Green technology as a subject needs to be made mandatory in academics. The industrial segment needs to be pushed forward to come out with more environment-friendly production and consumption processes. Various incentives need to be given to the industrial sector, which is ready to innovate and implement green technology.
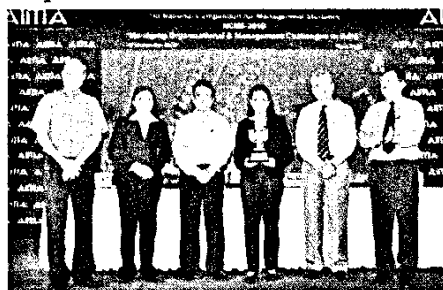
Also, the government can work towards encouraging people to come out with agricultural plots within or near the cities so that the distance the food has to travel may be reduced. This can be done either by the small farmers or by large-scale farming undertakers.

The author is a student of MBA at the Pendekanti Institute of Management, Hyderabad

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CAMPUS ROUNDUP

ISB team wins AIMA's 7th National Competition for Management Students

On September 14, All India Management Association (AIMA), an organisation that pools management talent and congregates business leaders of the country on a common platform, conducted the grand finale of 7th National Competition for Management Students (NCMS). For this year, the theme for the event was "Managing Organisational and Management Challenges in India", which invited young innovative minds from more than 200 B-schools across India to contend amongst the champions selected from four regions across India. NCMS has been successful to establish its brand equity since 2003 and is an eagerly awaited management competition. This year, the competition attracted a record participation. NCMS has a creative and innovative format and is a platform where students of management showcase their intellect, at the same

time being watched by industry leaders. Mukta and Megha from the Indian School of Business emerged victorious at the grand finale. The chief guest for the afternoon, AK Balyan, CEO & MD, Petronet LNG Ltd and Amandeep Gupta, executive director, Dalmia Cement (Bharat) Ltd felicitated the winners. The 1st

runners-up team of the grand finale was of Anand Moroney and Sameer Karkhanis from IIM Calcutta and the second runners-up team was of Sabitha and Gayattri from University of Madras.

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TERI University celebrates Aahvaan — a three-day 'green' cultural fest

To build a new consciousness on social and environmental sustainability, TERI University celebrated Aahvaan 2010. The fest reaffirms TERI University's commitment to contribute globally as a seat of advanced learning in the realms of energy, environment, and sustainable development. Aahvaan 2010 took place from September 17 to 19, 2010.

We invite colleges and universities to send in information—on new faculty, courses, alliances, projects and other events—for this section. Email: vikram.chaudhary@expressindia.com

OHIO PILL MAY NOT WORK FOR OUTSOURCING ILLS

Is US President Barack Obama really losing sleep over outsourcing, or is he just fulfilling his poll promise of fighting to regain American jobs? Is he really afraid about Indian talent riding roughshod over American enterprise, or is he just trying to please lobbies? These are difficult questions to answer, but one thing is sure—India's capabilities in the software field are not something he can ignore. Though the US President has been highly vocal on the subject, deep within he should know that outsourcing is a global reality and free trade an essential element in a liberalised world

Debojyoti Ghosh

OF late if you have been listening to the US President Barack Obama's take on the outsourcing industry, you must be wondering where does India stand in such a scenario. Is the honeymoon period over for the $50-billion offshoring industry in India? The answer to that might not be simple at this point, but industry experts feel all is not lost though, and India still has a strong story ahead. Recently the protectionist measures taken by the US government with regard to outsourcing has raised uncertainty about India's future as the leading outsourcing destination. But, industry is optimistic that the economic viability and business imperatives of outsourcing are compelling and present a reasonably strong case for India.

Outsourcing is an economic reality. "India is an integral part of the global sourcing strategy and cannot be neglected in the whole picture. One such US state banning government department from outsourcing to India doesn't shake India's position as the fore-runner in the global sourcing providers list," says Kumar R Parakala, global head, (sourcing advisory), KPMG.

The Indian IT-BPO industry is estimated to be a $60 billion business, of which exports account for about $50 billion and the rest constitutes the domestic revenues. According to Nasscom, the IT-BPO export revenue could reach to $175 billion by 2020. Today the industry employs about three million people across India and has largely influenced the sea change in the West's perception about the country.

Sandeep Aggarwal, executive vice-president, (sales, solutions and transition), Intelenet Global Services, says, "Outsourcing to India is now equally about quality rather than mere cost. Given the recently announced protectionist and tax reforms by the US government, it could mean that large outsourcing customers may have to pay certain taxes on their income from international markets."

Analysts feel since Indian IT is exposed to the US private sector largely and barely to the US government IT budgets, headwinds like these will have a minimal effect. The US accounts for around 61% of India's IT and IT-enabled service exports, and most of it comes from the US private sector.

The current stay on outsourcing is perceived more in the light of the US state government as customers and has the potential to hurt egovernance contracts and to a lesser extent, private demands. "The ban if becomes wide-spread will be limited to government projects, which probably constitute not more than 5%," says Aggarwal.

Recently, the Ohio state, has banned the outsourcing of government IT projects to offshore locations like India. The move came shortly after the US enacted a controversial legislation, Border Security Law, by almost doubling the application fee to about $4,300 from $2,300 for H-1B and L1 visas, used highly by the Indian IT professionals. Nasscom president Som Mittal sees these "protectionist move" by the US as a "disturbing trend." "I hope the US would make more positive investments in research and development to create jobs and to become more competitive, rather than taking any regressive action which seems negative and will lead to protectionist measures around the world," Mittal said at a Nasscom event in Bangalore recently.

Analysts feel unemployment rate of over 9% in the US and a sluggish economy have led to measures like visa-fee hike and the Ohio ban. "The protectionism has become more of an

> I hope the US would make more positive investments in research and development to create jobs and to become more competitive, rather than taking any regressive action which seems negative and will lead to protectionist measures around the world
>
> **Som Mittal, president, Nasscom**

marketing gimmick rather than agenda by the US government because of the elections due in November. This is a fad which will die away once the US unemployment normalise," says Srishti Anand, IT analyst, Angel Broking.

However, the Indian government is taking interest in the matter. It plans to raise the issue in the Trade Policy Forum meeting scheduled on September 21. In addition to this, a delegation comprising of Nasscom executives and representatives of top Indian IT-BPO companies plan to visit Washington shortly, to raise concerns on US' anti-outsourcing tirade.

"There could be a positive impact if the Indian Prime Minster also raises the issue with his US counterpart when the latter visits India in November. It needs to be pointed out to the US government that Indian IT-BPO firms are not only providing outsourcing services, but also employing US talent by setting-up operations in the US," says Parakala of KPMG.

Today outsourcing business in India is a healthy mix of integrated, pure play and captive organisations. Large integrated players generated more than a third of total BPO revenue, with 23% of revenue reported from BPO captives, according to Nasscom.

Enterprises are more educated now and understand that India is an integral part of the global sourcing strategy. "Indian IT companies still have a huge cost arbitrage vis-à-vis local IT vendor in US. Outsourcing will remain the need of hour and offshoring will be the only viable option to invest into infrastructure," says Anand.

Industry watchers feel that withdrawal of tax breaks might be detrimental for offshore set ups of MNCs like IBM and Accenture rather than Indian IT vendors. "Indian IT vendors have their delivery centres for clients and they will not have any tax implication because already they pay service taxes and don't enjoy any tax credit," she adds. On the client side, the companies who outsource work to Indian offshore players don't claim any tax benefit on the offshored IT work.

However, in the short term, measures like the Ohio ban might have an impact for Indian companies servicing government clients in Ohio, which are not many in number. "The issue will be a concern only if it becomes a trend with other US States and more so if private players are also penalised for outsourcing. Till then this doesn't seem to be a major concern," says Parakala. Going forward will there be an impact on the Indian IT companies? The answer is difficult to quantify, and may be the US government's annual IT spending of $85 billion will no longer remain a target market for the Indian outsourcing industry and focal point will have to be shifted.

To insulate from such moves and anti-offshoring sentiment in the future, India needs to leverage its strength by moving up the value chain towards high end knowledge services offerings. India has competition not only from China, but from a host of other countries that are slowly emerging as preferred outsourcing destinations.

While countries like China, Philippines and Sri Lanka are emerging as strong competitors in the voice-based transactions, Latin America and Africa are competing on the pricing front. "It is essential that Indian companies expand their footprint to diverse geographies, focus on generating more employable talent and on the domestic market," says Aggarwal of Intelenet.

> "When students around the world in Beijing, China, or Bangalore, India, are working harder than ever, and doing better than ever, your success in school is not just going to determine your success, it's going to determine America's success in the 21st century."
>
> "We believe on tax breaks for those firms that create jobs in the US. So we are beginning to do that. All firms that would innovate in the US would get tax breaks."
>
> "One of the keys to job creation is to encourage companies to invest more in the United States. But for years, our tax code has actually given billions of dollars in tax breaks that encourage companies to create jobs and profits in other countries."

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TECH TALK: SAURABH SRIVASTAVA

Cloud computing is a game-changer for Indian businesses

ABOUT three months ago, I wrote an article in this column titled "Cloud On The Horizon" where, in a generic fashion, I outlined what cloud computing was about. I concluded my article by saying, "I am convinced that cloud computing is a technology that's here to stay. This shift promises to transform the IT industry and influence any industry with a dependency on IT. This means every industry."

I think it is time now to revisit this phenomenon on which so many players are placing huge bets on. There has always been a mismatch between the speed of innovation required by businesses and the time it takes for IT organisations to deliver utilising traditional methods. IT has improved its efficiency in many ways, but the gap between IT supply and business demand is too broad, and growing too fast for it to continue to rely on traditional approaches. Cloud computing is a game changer in solving this problem.

Cloud computing is a way of efficiently delivering, consuming and managing technology. It creates agility and efficiency benefits through an evolution of proven management capabilities like provisioning, self-service, security and assurance that span virtual and physical environments. CIOs are beginning to leverage cloud computing technology to enable them to become more responsive to the business needs for innovation with an economic model that matches usage where and when needed.

With the cloud, IT is delivering services to the business using a combination of virtualised internal and external resources. IT's challenge is no longer to just manage its own internal resources—it is to get optimum business value out of a budget that it can allocate with tremendous flexibility across an extended technology supply chain.

A few companies like CA Technologies approach the cloud, beyond operational efficiency, to enable companies to optimise IT's business value. Unlike approaches that focus on one narrow aspect of cloud computing from the bottom up, these companies approach both public and private cloud computing with a top-down perspective, based on the services and applications businesses depend on. This is the right way to go.

To make the promise of cloud computing real for customers and, more specifically, to help IT accelerate its transformation to master a dynamic service supply chain, companies must do three things. IT organisations must realise the agility of cloud computing by providing solutions to design, assemble, provision and scale services across both private and public clouds. They must give client companies control by extending security and assurance monitoring.

Public versus private cloud

Public clouds offer services to essentially anyone willing to pay for them. These are the ones most of us are familiar with, like Salesforce.com, Microsoft Azure and Amazon EC2. Benefits of public clouds include:

■ Reduced capital expenses through pay-as-you-go service models

■ Reduced operating expenses due to less internal infrastructure to maintain

■ Access to best-in-class services in real-time

■ Ability to build new elastic services on hosted platforms

■ Freedom to focus internal resources on core competencies

Private clouds can be on-premise and operated by the internal IT organisation using its own resources. Or a managed service provider can host and even operate a private cloud specifically for a single customer, using the MSP's own computing resources. Benefits of private clouds include:
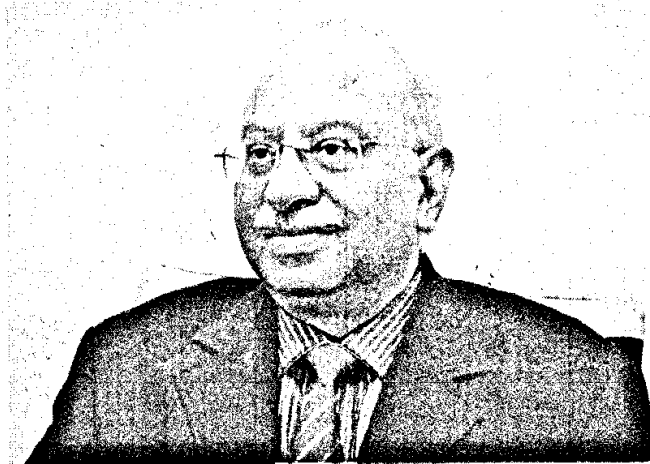

■ Reduced capital expenses through more efficient use of assets

■ Reduced operating expenses through reduction of infrastructure

■ More transparency into the business through increased metering capabilities

■ Increased agility through a combination of self-service and elasticity, which allows users to quickly order and receive a service when they need it

■ Flexibility to quickly align resources with operational demand with just-in-time provisioning of services and capacity

When taken together, you get a third model of cloud computing. This is the hybrid cloud. It is a model that combines elements of both private and public cloud computing. A common example of a hybrid cloud is "cloud bursting," where a service running in a private cloud can automatically harness resources from a public cloud to handle peaks in demand. Hybrid clouds are useful when customers need a highly tailored solution to address their IT and business needs. A successful cloud computing strategy delivers a combination of private and public cloud computing.

I am often asked what model is most likely to work in India. There is no blanket one-glove-fits-all solution. Having said that, generally speaking, going forward I am convinced that Indian businesses will adopt the cloud far quicker than the advanced economies. Talk surrounding cloud computing in India has generated keen interest during the economic difficulties of the last 18 months or so. This is simply because the technology helps reduce operating and capital costs.

India's 8 million population of small-to-medium-sized businesses represents huge potential for cloud computing. The next three years will be a critical period during which to develop strong cloud offerings and guide customers on their journey to the cloud and the tremendous business value that awaits them as the prize. A report suggests the Indian market for cloud alone would be worth $260 million by 2011.

I believe many large companies will start with the private cloud. This is because they have multiple datacentres and significant excess capacity—so the natural implementation for them will be a private cloud. However, as that develops and especially as smaller organisations try to implement in those areas, they will use a public cloud. We are seeing small businesses moving faster towards the public cloud simply because it is an easy way for them to get cost-effective access to really good technology.

The writer is chairman, CA Technologies

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'Send UK jobless to India for IT training'

■ Move will improve employment prospects for British youths, suggests biz secy Vince Cable

London, Sep 19: British youths who cannot get jobs here should be sent to India for IT training which could improve their prospects for employment when they return home, business secretary Vince Cable has suggested.

Cable, who was in India recently, made the remarks at the annual dinner of Indian Journalists Association.

He said during his meetings in Bangalore, India's IT tycoon Azim Premji had offered that he could train British youths and send them back so that they could have better job prospects. Cable is also opposed to placing an annual cap on migrants from India and other countries outside the EU.
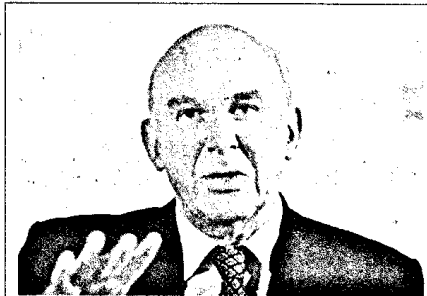
On Friday, he told *The Financial Times* that the limit imposed by the Home Office is already affecting the coun-

try's economic recovery.

Placing an annual limit on the number of Indian and other non-EU professionals who could come to Britain for work is one of the major items on the coalition government's agenda. The plan, however, has been opposed in several quarters. Cable said the cap—currently placed at 24,100 until April 2011—was leading to companies moving jobs overseas because they are unable to hire key personnel.

The limit placed by the David Cameron government on the number of professionals British firms can hire from outside the European Union is preventing the recruitment of key employees from India, according to the companies.

General Electric, one of the major employers in Britain with 18,000 workers,

Vince Cable, secretary of state for business, UK

LIMITED HORIZON

■ Cable is also opposed to placing an annual cap on migrants from India and other countries outside the EU

■ The limit imposed by the home office is already affecting the UK's economic recovery

■ The limit is leading to companies moving jobs overseas because they are unable to hire key personnel

■ Cable said in one instance a UK company needed 500 specialist engineers but was given a quota of four

has complained that it has been unable to hire a stem-cell research executive from India because of 'very, very small' quota has been given to the company to hire people from outside the EU.

It has also not been able to hire gas-turbine engineers from outside the EU due to the annual limit placed by the government. General Electric is the latest in the list of companies that business secretary Vince Cable says have been prevented from hiring the required skills from outside the EU because the skills are not available locally.

Mark Elborne, General Electric's national executive for North Europe, told *The Sunday Telegraph,* "It is very

difficult to make planning decisions and to know where to allocate people if you have a limitation on the number you can bring in." "We can't be prevented (from doing business) by some cap that is simply not reflective of our needs... That is not just an inability to grow but it is damaging future long-term prospects. The UK simply has to stay competitive in an open, global market place," he said.

Cable said in one instance a UK company needed 500 specialist engineers but was given a quota of four.

He mentioned an entrepreneur who abandoned plans to open a factory and create 400 jobs in north England after failing to secure visas for key staff.   *PTI*

> **UK simply has to stay competitive in an open, global market place**
>
> **Mark Elborne,**
> National executive (North Europe), General Electric

Hindu, ND 20-Sep-10   p-2

Campaign to hunt for budding innovators

'We want to nurture ideas that can decide the future'

Staff Reporter

NEW DELHI: The National Geographic Channel and Volkswagen have joined hands to come up with a unique initiative to identify innovations that lead to technological or scientific breakthroughs.

"Innovations for Everyone" campaign will hunt for individuals who have conceptualised radical ideas that can make a difference to society and to the country. The innovations will be evaluated across three categories: technology edge, a breakthrough project on investing something new; re-engineering edge, re-inventing and improving any existing invention; and environment edge, to save the environment.

To make the campaign successful, NGC and Volkswagen have collaborated with the Foundation for Innovation and Technology Transfer, the in-

• **'It would be excellent if these innovations can be adopted by business groups'**

• **'The entries are not restricted to candidates with engineering background'**

dustrial interface of country's leading educational institute IIT-Delhi.

FITT managing director Anil Wali, who is heading the jury, says: "We want to nurture ideas that can decide the future and it would be excellent if these innovations can be adopted by business groups. The ideas must be original and not be plagiarised ones."

Pointing out that several interesting innovations cutting across technical domains are taking place at the grassroots level, Dr. Wali says these are being identified and documented by the National Innovation Foundation. Many of

the innovations are helping to address local issues though some have much bigger potential. The 'Innovations for Everyone' campaign intends to capture as many interesting innovations that address the broad thematic issues underlining this initiative.

Dr. Wali says the participant can be anyone who has an idea, however small in magnitude but big in impact, that could make a significant difference to society. "The entries are not restricted to candidates with engineering background. There are many other non-technological ways to offer solutions. Like for example global warm-

ing which is affect of non-friendly environmental measures. Entries will be judged on the following parameters – social impact, economic feasibility, usage of locally available material, ergonomics of design, ease of use and scope of scaling. Three winners will be short listed from the three categories and will be awarded a cash prize of Rs.3 lakh."

Three short films will be created on each of the winning projects and will be aired on the channel. "This initiative will provide all the budding innovators an opportunity to put their out-of-the-box ideas to test," says Keertan Adyanthaya of the National Geographic Channel.

Interested participants can send their entries either by post to the NGC office or register on line at www.innovationsforeveryone.com by October 18.

Hindu, ND 20-Sep-10   p-4

JNU students plan fresh stir

'If the High Court order on OBC quota is not implemented'

Staff Reporter

NEW DELHI: A section of Jawaharlal Nehru University students has said they would launch a fresh agitation if the authorities do not implement the September 7 Delhi High Court verdict that criticised the varsity's reservation policy for the Other Backward Classes. The students have been agitating against the same since 2008 academic year.

The Delhi High Court had termed the JNU's OBC reservation policy as "contrary to the concept of reservation" and "illusory" and asked the university to admit two petitioners who had been denied admission within one week of their complying with requisite formalities.

The two petitioners had gone to the Court on the ground that the university had applied cut-off norms contrary to the Human Resources Development Ministry guidelines and denied them admission.

Students affiliated to the All-India Students Association (AISA) said the Court's verdict was "historic and far-reaching". They said the University .should now admit over 300 OBC students who were denied admission this year and over 200 others in the past two years.

They claimed that following a student demonstration on September 13 demanding implementation of the Court verdict, the JNU administration had "agreed in principle that JNU would admit the OBC students who did not make the earlier cut-off criteria".

The JNU administration said it has begun moves to admit one of the two petitioners. The administration said it will not apply the verdict to all the OBC students who did not get admission this year because the verdict has now been challenged in the Supreme Court.

The matter is coming up for hearing in the Supreme Court on September 27.

Delhi fastest job generating among four metros: Assocham

Staff Reporter

NEW DELHI: The National Capital Region has emerged as the fastest job generating city among the four major metropolitan cities in the country by fuelling a growth of 34.27 per cent in employment generation during the April-August period of the current fiscal over the corresponding period last year, according to the Associated Chambers of Commerce and Industry of India.

The Assocham Placement Pattern study on "Job Trends in the Four Metros" analysed the trend of job openings in 60 cities and 32 sectors from a sample of 2,40,314 employment opportunities generated during the period April-August this year. Delhi (NCR), Mumbai, Chennai and Kolkata, with a share of 57.22 per cent in the sample size, was the focus of the study.

According to the study undertaken by Assocham Research Bureau, NCR with 34.20 per cent was the most prominent employment destination for the aspirants. It was followed by Mumbai (12.70 per cent), Chennai (6.12 per cent) and Kolkata (4.19 per cent) at second, third and fourth positions respectively during April-August 2010.

"The job creation is happening at all levels including senior, middle and junior management and executives. Even in the engineering and management colleges, the campus placement trends are posi-

NCR 34.20 %, Mumbai 12.70 %, Chennai 6.12 % and Kolkata 4.19 %

tive compared to the last year trends. Companies are back in campus with a cautiously optimistic approach and the same pattern of growth is expected to continue for another next 6 months," said ASSOCHAM secretary general D. S. Rawat.

NCR recorded a growth of 34.27 per cent during April-August 2010 compared to the same period of last fiscal with increase in total share of 34.20 per cent compared to 32.35 per cent last year. Agriculture and allied services sector are on top in creating jobs in the NCR and show a growth of 314.29 per cent from the same period last year. Textile (159.83 per cent) and real estate (158.51 per cent) are on second and third position respectively.

The infrastructure and aviation sectors are ranked fourth and fifth constituting 147.41 per cent and 146.49 per cent of the total vacancies offered during the period April-August 2010, added Mr. Rawat.

Mumbai and Chennai are ranked second and third with 12.70 per cent and 6.12 per cent of the total vacancies offered. Next in line is Kolkata with a share of 4.19 per cent in generating employment opportunities.

Academics emerged as the largest share of the vacancies posted in the metro cities for teachers and professors in schools, universities and private institutes (engineering and management). Almost 59.47 per cent of the openings publicised in last five months belonged to the education sector.

The IT sector created maximum number of jobs constituting 57.39 per cent in four metros despite the dip in the earnings before interest, tax, depreciation and operating margins of the top IT companies. This was largely due to the spurt in wage inflation and low demand in European countries.

The IT and IT-enabled services accounted for 57.07 per cent of the total job openings, followed by IT/hardware sector which contributed 54.93 per cent of overall openings in four cities.

The number of job openings in the segment remained buoyant on account of a rise in the engineering goods and other activities of different projects running under progress in NCR in view of the Games.

The engineering segment has the share of 54.29 per cent in the total employment generation in the sector.

With a contribution of around 53.71 per cent in job openings, the manufacturing sector found a highly skewed distribution of the new job openings in the metros. On the other hand, telecom, banking and logistics sectors recorded marginal decline during the analysed period.

Glaciers: weaknesses in IPCC review to the fore

R. Ramachandran

NEW DELHI: The review by the Inter-Academy Council (IAC) of the working of the Inter-governmental Panel on Climate Change (IPCC), which was released on August 30, has brought out some interesting facts about the Himalayan glacier controversy.

Significantly, besides revealing the weaknesses in the multi-layered process established by the IPCC to review draft chapters of its reports and correct errors, the IAC report highlights the shortcomings in the internal process of review within the government when the reports are received by it for comments.

The observation on the Himalayan glaciers in the Fourth Assessment Report (AR4) of the IPCC, issued in 2007, was one of the controversial statements in the report that led the Panel to request the IAC on March 10 to "conduct a thorough and independent review of the processes and procedures followed by the IPCC in preparing its Assessment Reports."

The controversial statement on the Himalayan glaciers appeared in Section 10.6.2 of the report of the Working Group II on Impacts, Vulnerability and Adaptation. Citing a 2005 report of the World Wide Fund for Nature (WWF), a non-peer-reviewed (grey) literature, it said: "Glaciers in the Himalayas are receding faster than in any other part of the world...and, if the present rate continues, the likelihood of them disappearing by... 2035 and perhaps sooner is very high if the Earth keeps warming at the current rate. Its total area will likely shrink from the present 500,000 km2 to 100,000 km2 by ... 2035."

The WWF report had, in turn, cited a 1999 report of the Working Group on Himalayan Glaciology (WGHG) of the International Commission for Snow and Ice (ICSI) whose chairman at that time was the well-known Indian glaciologist, Syed Iqbal Has-

• Two experts offered comments on second draft

• They were not from India; nor did the government give any response

nain, formerly of the Jawaharlal Nehru University (JNU) and now with The Energy Research Institute (TERI), New Delhi. The ICSI report had also resulted in a *New Scientist* article in June 1999 that quoted Professor Hasnain as saying that the Himalayan glaciers would vanish within 40 years as a result of global warming.

'No critical comments'

Investigating the error, the IAC committee examined the draft text of the chapter in question and the relevant reviewer comments. The committee's analysis showed that six experts reviewed this section in the first draft and, interestingly, none of their comments was critical. However, at the stage of the second draft, which is sent to both the governments and expert reviewers, two comments were related to the erroneous statement on Himalayan glaciers, but neither of them was from the Indian government or any Indian expert.

David Saltz of the Desert Research Institute, Ben Gunion University, Israel, had pointed to the contradiction in the text, which spoke of glaciers disappearing by 2035, and in the same breath said their total area would shrink by 2035. However, the authors or the review editors "missed" clarifying this and failed to change the text.

Another reviewer, Hayley Fowler of Newcastle University, questioned the conclusions of the section and referred to the work that arrived at different conclusions. Professor Fowler pointed out that measurements by Hewitt suggested that the western Himalayan glaciers were expanding and added that the changes in precipitation and temperature trends, which he along

with D. R. Archer had observed, also supported that. After merely noting on the margins, "Was unable to get hold of the suggested references; will consider in the final version," the writing team failed to act upon this comment and the final version of the chapter remained unchanged.

Professor Fowler and Mr. Archer had said in their 2006 paper: "The observed downward trend in summer temperature and runoff is consistent with the observed thickening and expansion of Karakoram glaciers, in contrast to widespread decay and retreat in the eastern Himalayas. This suggests that the Western Himalayas are showing a different response to global warming than other parts of the globe."

In contrast to the final version of the WG II report, the final version of the Summary for Policy Makers (SPM), however, does not have any statement on the Himalayan glaciers. This is because the (second) draft version of the report, which is sent to experts and the governments, elicited a response from the Indian government and, interestingly, none from any expert.

The remark included in the draft SPM from Section 10.6.2 was: "If the current warming rates are maintained, the Himalayan glaciers could decay at very rapid rates, shrinking from the present 500,000 km2 to 100,000 km2 by 2030s."

The Indian government had commented: "This is a very drastic conclusion. Should have a supporting reference otherwise should be deleted." In response, the writing team removed the contentious statement from the SPM.

But what is interesting to note is the lacuna in the review process.

FULL-TIME MEDICAL COURSES FAIL TO ENTHUSE MOST IITs

However, the institutes could offer inter-disciplinary courses in medicine and engineering

KALPANA PATHAK
Mumbai

The Indian Institutes of Technology (IITs) may have got the nod from the IIT Council to teach medicine, but barring IIT-Kharagpur (IIT-Kgp), none of the IITs will venture into full-time medical education in the near future.

"We will continue to offer courses related to medicine. But we do not wish to venture into medical education full time. We have access to good hospitals in our neighbourhood and as and when we need good technology, we use their services. IIT-Kgp is remotely located and needs a good hospital facility. This move will help them tremendously," said Professor Surendra Prasad, director, IIT Delhi.

IIT council, the apex decision-making body of the technology schools, on September 11, allowed the IITs to offer medical education after seeking approval from the Medical Council of India to offer post graduate degrees in medicine.

The IITs can, however on their own, launch inter-disciplinary courses in medicine and engineering. Some IITs have been running similar courses since the past few years. The IIT Act of 1961 will have to be amended to include medicine as a subject that will be taught in the institutes.

"The permission from IIT Council does not mean all IITs will give a degree in medical education. They can offer a course. A 40-hour lecture for IITs is one semester course whereas, universities have the power to grant degrees. If we wish to introduce a medical course (which IITs have been delivering) we do not need permission from the Medical Council of India. We need their permission to

in this area. We could deliver post graduate courses in some specific areas where technology is applicable or train doctors in the use of bio-medical engineering or applications. It is certainly not about starting a medical school," said an official of IIT-Madras.

For IIT Bombay and IIT Kanpur, medical education does not figure for the next five years, at least.

"We have a good bio-medical engineering programme. Delivering a post graduate programme means we need to have a good hospital and carry out big expansion. We have good tie ups with local hospitals and we are happy with that at present. We may give it a thought five later," said Professor Devang Khakhar, director, IIT-Bombay.

The whole idea of the IIT Council giving a go-ahead to the medical education programme, explains the IIT director, "is to facilitate IIT-Kgp which is deprived of good medical facilities owing to its remote location."

IIT-Kgp had in August 2009, signed a $50-million MoU with the University of California, San Diego, to set up a state-of-the-art 300-bed hospital, expandable to 750 bed and a research center at the institute.

IIT-Kgp started the School of Medical Science and Technology in its Golden Jubilee year in 2001. Its objective was to provide a platform for inter-disciplinary teaching and research in medical science and technology.

AK Majumdar, deputy director at IIT-Kgp had recently told *Business Standard* that the institute will explore the possibilities of building the proposed medical school on a public-private partnership.

"However, the cost of the project has gone up in the past one year and we will need to estimate how much it would cost us now."

IIT-B, TIFR to set up national mathematics centre

Indian Institute of Technology Bombay and Tata Institute of Fundamental Research have signed a Memorandum of Understanding to establish a National Centre for Math at IIT-B.

Mumbai has the largest concentration of mathematicians in India with the majority at TIFR, IIT-Bombay and Mumbai University. The

grant degrees, which IIT Kgp may be doing," explained an IIT director, on the condition of anonymity.

institutes have well-developed mathematics departments of international reputation and the faculty members have strong research groups that would help organise various programmes of the Centre throughout the year.

NCM will be modelled on the famous Oberwolfach Mathematics Research Institute (MFO), in Germany,

IITs said they would indeed be happy offering inter-disciplinary courses in medicine and engineer-

that was set up in 1944 and played an important role in re-establishing Germany as a leading nation in mathematics, post the Second World War. About 50 week-long international workshops and conferences are held per year at Oberwolfach. NCM aims to have workshops, conferences, instructional schools year-round for students, young teachers and researchers.

ing. "IITs starting medical education is too far fetched. They neither have the funds nor the expertise to expand

Industry-institute interface takes root in premier Kolkata varsities
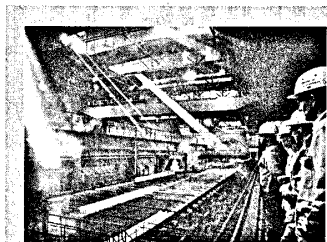
GOUTAM GHOSH
Kolkata

A productive interface between industry and academia, in the current era of a knowledge driven economy, is critical. And this idea appears to have taken deep roots in Kolkata.

Two prominent varsities in the city, the University of Calcutta (CU) and Jadavpur University (JU) along with the Indian Institute of Social Welfare and Business Management (IISWBM) have been promoting industry-institute interface in their academic activities. The concept had initially been suggested by the National Knowledge Commission in its reports.

topadhyay added.

JU, which has made a name for itself in science and technology, has also taken initiatives for increased interface with the industry. "We are into consultancy services in a big way. Last year, we serviced 350 industries with consultancy. JU is the nodal centre for the Industry-Institute Partnership in the eastern region. We are into this kind of partnerships for a long time," said Siddhartha Dutta, pro-vice chancellor of Jadavpur University.

The first management institute of the country, IISWBM, also has strong bonds with the industry. "We invite experts from the industry to share their expert-

THE UNIVERSITY OF CALCUTTA AND JADAVPUR UNIVERSITY along with the Indian Institute of Social Welfare and Business Management have been promoting industry-institute interface in their academic activities

On the 150-year celebrations of the universities of Calcutta, Mumbai and Madras in 2007, CU took the initiative to get into a partnership with the two other institutes to establish the Centre for Research in Nano-science and Nano-technology (CRNN).

"The CRNN has two representatives from the universities of Mumbai and Madras," said Dhrubojyoti Chattopadhyay, pro-vice chancellor of CU. The university has tie-ups with several Indian and foreign varsities for exchanging visiting fellows and professors.

"On the initiative of the West Bengal Higher Education Council, we take part in the inter-university exchange programmes. Several such programmes have been undertaken by the departments of Environment and Sanskrit, among others. At least 50 faculties of other universities have visited CU till date," said Chattopadhyay.

CU had asked the Confederation of Indian Industry for suggestions in the area of Nano-technology before setting up CRNN. The university had also asked Merchants' Chamber of Commerce in Kolkata for upgrading its syllabus for the Commerce department. "We have the Calcutta University-Industry Partnership Programme (CU-IIP) in place that interacts with the industry. All departments are party to this initiative," Chat-

ise on various topics on a weekly basis. This interaction continues for two hours. Apart from this, we send students to visit plant sites so that they get first hand knowledge about the industry," said SN Ray, director of IISWBM.

The students are required to submit a project report as part of their management degree programmes. "We have set up the Centre for Research in Materials Management (CRIMM) which is one of three institutes in the world and the only one in India. CRIMM trains working executives in materials management in association with the Indian Institute of Materials Management and the certificate is provided by the International Federation of Purchase and Supply Chain Management," said Ray.

"Already, 12 researchers have received their fellowships under this programme. The CRIMM board is a perfect blend of industry-academia partnership. The board comprises 60 per cent members from the industry and the rest from the academia."

IISWBM updates its syllabus every two years to keep itself abreast with the changing scenario. "We have made the Marketing Research paper more applicable. Last year, we started the specialisation in Operations Management. Before that, we had called in for industry inputs and held workshops to know what they expected from the students," said Ray.

Practice test for CAT 2010 in 2 weeks

BS REPORTER
New Delhi

Students aspiring to take the Common Admission Test (CAT) this year may find it easier to navigate through the computer-based CAT. Prometric, the US-based agency that is conducting the exam, will release practice tests for the candidates in two weeks.

The test is being jointly worked out with the Indian Institutes of Management (IIMs) and will have two part: — a tutorial and the actual test.

"A practice test will be available on www.catiim.in website at least a month before the start of the testing window to familiarise candidates with the navigation and functionality of the CAT. There will be a tutorial followed by 12 sample questions. The sample questions in the practice test are not representative of the content or difficulty level of the actual test," said Soumitra Roy, MD, Prometric India.

Roy said the test will be released in two weeks on the website. The tutorial will explain how to navigate the different options – question number, on-screen timer, next button, previous button, mark button, review button and quit test button – available on the screen.

Last year, when the CAT became CBT for the first time, can-

The test will have two parts — a tutorial and the actual test

didates complained of difficulty in navigation during the test.

Every question will have four options – A, B, C and D. Candidates will have to read the question on the screen and click on the circle next to their selected answer. They can change their answer by clicking on any other circle.

Three points will be awarded for each correct answer and one point will be deducted for each wrong answer. Candi-
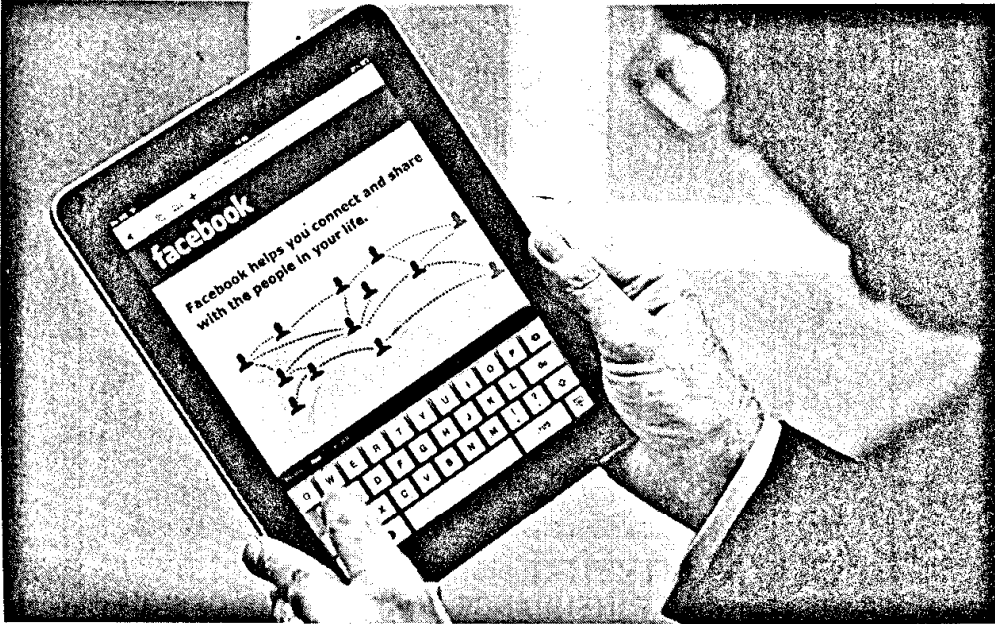
dates may choose not to answer a question if they are not sure.

"There is no penalty for unanswered questions. If they've already selected an answer but later decide that they would prefer not to answer that question, all they need to do is click on the circle again. Candidates have 15 minutes to complete the practice test and they can return and try the practice test as many times as they want," said Roy.

Candidates will have to sign a non-disclosure agreement to take the test. Disciplinary action may be taken against those who reveal the type of questions to other aspirants.

"We have kept some sessions idle for testing and there will be backups for every lab everyday. We can test 18,000 candidates in one day. Each lab will have 40 work stations and we have 247 labs across 78 centres," he said.

Business Standard ND20/09/2010   P-15

Will e-readers improve the adoption of e-books in India?

A mazon pioneered the e-reader through Kindle, and Apple set the trend with its much-publicised iPad, launched in April this year. While iPad received a huge response with 50,000 units sold in the first hour and about 300,000 on the first day, the phenomenon may be repeated with Samsung's Android-based tablet PC, the Galaxy Tab, which was unveiled this month. The question now we ask ourselves is, is now the time to replace our much-cherished books and newspapers in the big book shelf with a compact e-reader?

Though electronic publishing has existed since the advent of the web, it is the new generation of e-readers that are likely to improve the user experience and, hence, the adoption of e-content, especially e-books and e-newspapers. An e-reader is an electronic device, designed primarily for reading digital books and periodicals. A typical e-reader supports 6- to 9.7-inch display screen, weighs between 300 and 600 grams, uses either e-ink monochrome display, used in devices like Amazon's Kindle and Barnes & Noble's Nook, or color LCD screens like those used in Apple's iPad.

Compared to the developed countries, where most people are exposed to the internet and computer-based reading, online reading habit in India is much less, thanks to poor PC and internet penetration. The PC penetration, even in urban households, is just about 30 per cent, while the internet user base stands at a poor 7 per cent of the population. The other barrier in e-readers' adoption is the one-time cost of the device, considerably higher than the conventional books. The present price of e-readers in India ranges between ₹10,000 and ₹35,000. Colour screen e-readers like iProf costs about ₹15,000, with iPad yet to be introduced in India.

Also critical to the success of e-reader adoption is the availability of appropriate content. Traditional e-readers sold in the US are bundled with content provided by book stores like Amazon and Barnes & Noble. Newspapers like *Wall Street Journal* are available on subscription on the iPad. The iPad also plans to support select 10,000 applications in the AppStore developed for iPhones. This requires an ecosystem comprising device vendors, application developers, content providers and publishers, collaboratively working together.

There are other intangible benefits of using e-readers in schools and colleges. It is well known and researched that the weight of bags of school-going children cause serious neck and shoulder injuries. In a move that could well set a trend, the Kendriya Vidyalaya Sangathan earlier this year came up with a graded formula that prescribed weight limits on schoolbags of its students in the range of 2 kg to 6 kg. An e-reader can easily fit into the bags of even small children, making these easy to carry. The e-readers can also transform the way students learn from static book content to active learning, enabled by dynamic content download in real time from the internet and other sources.

What could be a better way for device manufacturers to earn carbon credits and students to reduce paper consumption by switching from heavy book-laden bags to smart lightweight e-readers?

(This article is authored by Subhash P, V Sridhar, and Siddharth Gaikwad of Sasken Communication Technologies. Views expressed are personal)

> ## E-book readers in India are priced between ₹10,000 and ₹35,000. Colour screen e-readers like iProf cost about ₹15,000, while iPad is yet to be introduced in India

In Naxal hotbed, varsity shows the way to development

The Central University, Koraput, celebrated its first anniversary recently by chalking out plans for next year
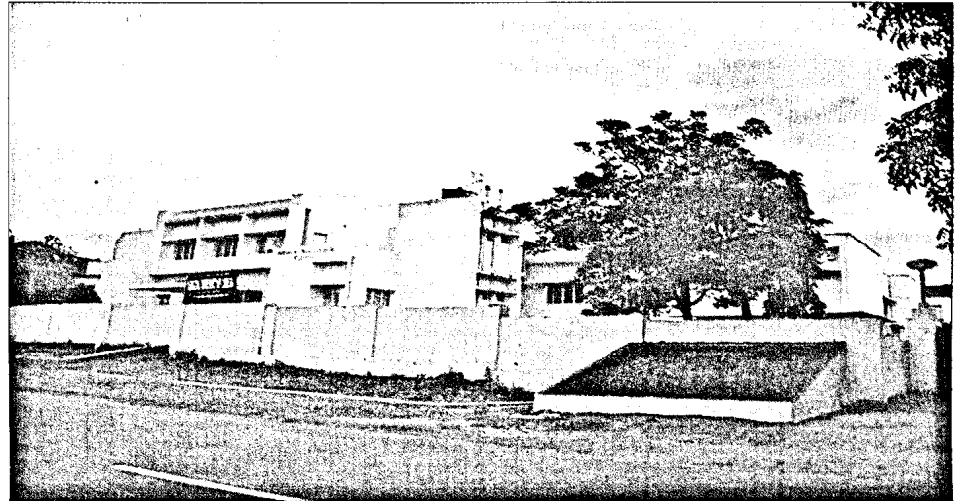
DEBABRATA MOHANTY
BHUBANESWAR, SEPTEMBER 19

LOCATED hundreds of kilometres away from Orissa's corridors of power, Koraput mostly evokes images of impoverished tribals dying of starvation or cholera-like epidemic. The added menace of Maoists spreading tentacle in the district since the past six years has made the place a veritable hell. However, this image notwithstanding, since last one year about 300 boys and girls have flocked to Koraput to study anthropology, sociology, English, Oriya and journalism at the Central University there. The university, which a fortnight ago completed a year of its existence and works from a once-dilapidated Central government building, may well be the brightest spot in the Maoist-scarred region.

Since the past few years Koraput has become the new hub of Naxal activity in the state. The series of major rebel attacks in the district, starting with the February 2004 one in which over 1,000 Maoists attacked Koraput town and looted 200 sophisticated guns and other weapons worth Rs 50 crore, has made the district a danger zone. There have been other big attacks in recent times, including the April 2009 raid on public sector aluminium major Nalco's bauxite mine in Damanjodi in which 10 jawans of the Central Industrial Security Force were killed. This April, 11 policemen, including 10 jawans of the elite Special Operation Group, were blown off by a landmine blast while clearing the road.

If such bloodletting in its backyard was not enough, the Central University at Landiguda village near Koraput town faced other daunting challenges as it did not have its own premises and had to take the decrepit building of the Central Silk Board on rent. But its Vice-Chancellor Surabhi Banerjee, currently the seniormost woman V-C in the country, was not deterred by the situation.

"I knew it was a Maoist hotbed. But if the Maoists say they are working for the development of tribals, are we not making an effort towards development too?" asked Banerjee.

Banerjee, who deftly divides her time between Koraput and New Delhi, networking with the HRD Ministry officials for getting more facilities and more teaching disciplines, faced more challenges as the Naveen Patnaik government did not offer much help, despite all verbal assurances. "We had to build everything from the scratch — starting from the building to getting hostels for students. In a place like Koraput there's hardly any building worth taking on rent. The biggest problem was getting faculty here as the distance and location of the varsity was a deterrent. One has to travel by

"I knew Koraput was a Maoist hotbed. If the Maoists say that they are working for the development of tribals, are we not making an effort towards development too?" says Surabhi Banerjee, V-C of Central University

Central University campus (above); computer lab at the varsity.

road or board a train and that means a loss of three days. Several times people from Delhi just don't come here saying that it's a back-breaking journey," said Banerjee.

• Despite such challenges, in the first year of its existence 470 students applied for admission to MA courses of which 150 got through. Of these 150, 13 were tribals and 29 Dalits. Incidentally, there were 77 women students compared to 73 men. This year, there are 15 tribal students among the 148.

The university now has its own video-conferencing facility which was used by Sam Pitroda to deliver the first foundation day lecture from New Delhi.

"We have not faced any Maoist threat since the day we came here. It's been peaceful and a happy time at the university. I was selected for the Indian Institute of Mass Communication at Dhenkanal, but I chose this place as it's the only university in Orissa offering MA in the subject," said Sujit Sahoo, a second-year MA Journalism and Mass Communication student at the varsity.

Banerjee has ambitious plans for the university, including its own medical college and hospital. In the past few months, the university has signed a slew of MoUs with eminent institutions for starting courses in health sciences, MBA, MCA, legal education and biodiversity, among several others.

It has signed MoU with the Public Health Foundation of India for establishing a School of Health Sciences where Masters in Public Health Management, nursing sciences and allied health sciences will be taught. Similarly, an MoU with British Council has been signed for a course in spoken English. Another MoU will be signed with Narayana Hrudayalaya, Bangalore, for training in medical and allied health sciences. Banerjee said the trained manpower will be a boon for the ailing healthcare sector in the region. Jamia Hamdard University, New Delhi, has extended help in the field of allied sciences. As the university enters its second year, it intends to tie up with the M S Swaminathan Research Foundation for setting up a School of Bio-Diversity and Conservation of Natural Resources, and with the Chennai Institute of Mathematical Studies that will offer a five-year integrated M Sc in Mathematics. From the next academic year, M Sc courses would be offered in information science. Besides, within the next two to three years, the university will shift to its own premises at Sunabeda in Koraput. The campus will be spread across 450 acres.

Keeping in mind the local tribal population, Banerjee is planning a Centre for Tribal Welfare and Communication Development. The university has already conducted courses for tribals in mushroom cultivation.

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VIRTUAL WORLD

Accessing IITs without even cracking the JEE

A government scheme, under which classes at IITs, IISc are videographed, is helping other students

By PRASHANT K. NANDA
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NEW DELHI

After failing to clear the joint entrance examination (JEE) twice to enter the elite Indian Institutes of Technology (IITs), Robin Varshney reluctantly joined a lesser-known private engineering college in Greater Noida, on the outskirts of New Delhi. But nowadays, he is still able to take IIT classes and benefit from the notes of its professors—virtually.

A government programme, under which classes at all seven IITs—in New Delhi, Mumbai, Chennai, Bangalore, Kanpur, Guwahati and Roorkee—and the Indian Institute of Science in Bangalore (IISc) are videographed, is benefiting hundreds of thousands of students na-

tionwide.

The videos were initially provided to at least 225 engineering colleges, and later made freely available on YouTube, the online video sharing platform, from where they have been downloaded 27 million times in the past two-and-a-half years.

More recently, the video and text material has also hit the market on DVDs and hard disks.

A DVD with 45-50 lectures on one subject costs ₹200. The human resource development ministry gave ₹20 crore for what it calls the first phase of the National Programme on Technology Enhanced Learning (NPTel) project. The second phase, costing ₹96 crore, hopes to make the videos more widely available.

"In phase one, we have provided course material on 239 subjects. The second phase has just started, under which 900 more subjects will be covered," said Mangala Sunder Krishnan, a professor and one of the coordinators of the project. "The aim is to provide IIT-level classroom teaching to all engineering students who are out of the

purview of IIT system." More than 3,000 engineering colleges in far-flung areas will be covered in the next three to four years, Krishnan added.

"The awareness is low and now, we have written to all engineering colleges to avail the facility. It will address quality faculty crunch to certain extent." Students like Varshney, who is now in the BTech final year at the IILM Academy of

Higher Learning, are happy. "The lectures have improved my subject knowledge. It helped me prepare better during my 5th and 6th semester exams and GATE (Graduate Aptitude Test in Engineering) entrance preparation," he said.

Another BTech student, Aditya Bangari said he joined New Delhi's GB Pant Government Engineering College because, like Varshney, he couldn't crack

the IIT entrance test. "Our college is just four years old... There was a certain amount of inferiority complex (when I joined), but these video courses have made me confident as I am getting almost similar teaching to an IITian," he said. His college's principal, O.P. Sharma, said it has procured a large amount of NPTel content. "It cannot substitute classroom teaching, but (is) definitely a great add-on. Many concepts of students get cleared by these lectures," he said. "A new institute like ours also benefit from it as we don't have much permanent faculty." The videos are marketed by **BodhBridge Educational Services (P) Ltd**, an incubated company at IIT-Madras. "Our aim is not commercialization but helping engineering students who don't get quality teaching," chief executive Balaraju Kondaveeti said.

Even professional engineers are benefiting from the videos, although they buy them at a higher price.

Rajen Bhatt, a senior engineer with **Samsung Electronics Co. Ltd**, has purchased 35

DVDs at ₹1,000 each with nearly 50 hours of teaching. "Me and my colleagues are using it to update domain knowledge," he said.

"These are great products and they should advertise and sell for ₹10,000 each to professionals to earn good revenue."

"We have learned that even professionals from other countries are availing it on YouTube," said S.C Saxena, director of IIT-Roorkee.

Coordinators of the project meet every two months to discuss what is being videographed, so that different IITs do not duplicate each other's work.

Yash Pal, a leading educationist, said it was a nice gesture by IIT professors to put their lectures online for the benefit of non-IIT students. But such education has its limits. "Distance is dying due to the Internet but we should not forget the benefit of proximity," he said.

"Online lecturers are a great source of learning but that cannot be a substitute to classroom interaction, quality teachers and physical institutes."

Inclusive education: *O.P. Sharma, principal, GB Pant Government Engineering College, explains a free IIT video lecture under the NPTel.*
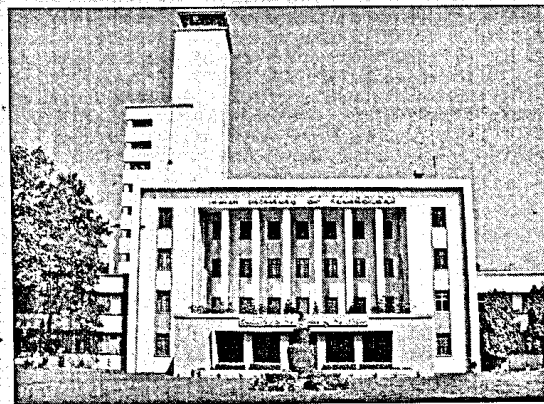

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Not the right time to expand

THE proposal to expand the sphere of the IITs by including medical education is a wrong step as it will not be possible for the authorities to concentrate on both the two subjects under one roof. This idea seems to be a brainchild of HRD minister Kapil Sibal whose department embarrassed India by asking the World Chess Champion Viswanathan Anand to prove his nationality despite his wife submitting a xerox copy of his Indian passport.

Even the Union health ministry is not in favour of IITs starting medical courses as the two streams are poles apart. Although there is no doubt that medical education and research in technology are going on in places like John Hopkins University, Imperial College, London or Harvard Medical School, the situation does not seem ripe in India because of structural weaknesses.

At a time when modern technology is advancing rapidly in developed countries, the government should concentrate on bringing these technologies to this country instead of trying to burden

Is the proposal to expand the activities of IITs so as to include education in medicine a step in the right direction?

these institutes with an additional stream for which the authorities can set up separate medical colleges and produce dedicated doctors. For this, an IIT will need another director with a medical background and this may result in clash of interests.

There are already flaws in IIT courses and a government committee has been set up to review the course content. In an interim report, it has called for "drastic changes" at the PG level, with stress on research to match requirements of industry. Basic research in various streams of technology is not getting priority in these premier institutes. The committee has suggested the setting up of research councils at each of these IITs to coordinate work with other Institutions and Industry.

In opening a new chapter, the IITs' attention will be distracted. Also, the IITs will have follow a number of procedures before they can start a medical course. They will have to seek approval from the Medical Council of India to start with. The HRD ministry will also have to amend the Institutes of Technology Act to allow them to offer medical course. Of course, a proposal to start a Medical College and Hospital at IIT,

Kharagpur, has been in the pipeline for several years and the Railway Ministry has since come forward to start it as a joint venture.

Besides, the Centre would do well to concentrate on improving teaching in IITs which are facing a faculty crunch now. Although there are 4,267 vacancies in the faculty, only 2,985 have been filled. This has prompted the IIT Council to decide to fill up the vacancies by inducting foreign nationals up to 10 per cent of the faculty strength on contract after security clearance. Since India is poised now to become a knowledge superpower, its growth is often inhibited by deep-rooted maladies. The HRD ministry should try to remove them, and, at the same time, monitor the quality of education.

asabari sen,
santiniketan, 14 september.

World standard

IITs across the country have proposed to introduce new courses in medicine, humanities and design, among others. The 13 IITs are autonomous engineering and technology-oriented institutes of higher education. These were created to train scientists and engineers with the aim of developing a skilled workforce to support the economic and social development of India. The basic objective was to create a benchmark for technological studies. However, going by the 2010 rankings of World University Rankings, only IIT Mumbai manages to secure 187th place among the top 200 universities in the world. It shows that the IITs lag behind the world standard.

Considering the present scenario, expanding the network for studies is not at all desirable. This will only dilute the gravity. Setting up another area for medical education with or without the supervision of Medical Council of India will only aggravate the situation. It is time the IITs adhered to the benchmark strictly instead of making the road to excellence unnecessarily wider.

indranil sanyal,
14 september, kolkata.

IT Inc claims to create jobs in US

Lack of talent in US forces Indian cos to import skilled staff

By **Anuradha Shukla** In New Delhi

FAR FROM taking away US jobs, Indian IT companies are actually creating huge employment in the US. In fact, dismissing US president Barack Obama's argument that Indian IT companies are responsible for rising unemployment, these companies say it is the shortage of talent in the US that is forcing them import talent from India.

"The fact that we are not contributing to the US economy is totally baseless. The Indian IT companies have created about 2,50,000 jobs in the US in the last three years and most of them are high paid jobs," said Ameet Nivsarkar, vice-president (global trade), the National Association of Software and Services Companies (Nasscom).

According to Nivsarkar, the advantage is not just in terms of cost but also in terms of knowledge base and a large talent pool that is available in India. US has a scarcity of talent base.

According to commerce minister Anand Sharma, in August itself Indian IT companies created 7,000 jobs in the US but the recent protectionist measures taken by the US, such as hiking

Indian IT cos created 250K jobs in US in 3 yrs

professional visa fees, could hamper such economic activities.

Infosys employs around 12,000 people in North America, including about 1,300 US citizens and permanent residents. The company announced that it is planning to hire 1,000 more US locals during this fiscal. TCS has hired about 1,350 people in the US recently and is planning to hire more.

However, Indian IT companies are citing talent crunch in the US as one of the reasons for importing workforce from India.

"Those who say that we do not hire because of the cost factor, are wrong. At present the salary of Indian IT professional is at par with the US, especially post recession. But even we are willing we find it difficult to get high skill professionals," said a senior HR manager from Infosys.

The same concern was expressed by the Cognizant Technology Solutions. The company said that it has hired about 50 recruitment staff in the US looking for IT professionals there but without much success. The company says it is forced to import Indians on work visas.

"If you look at the core of what we do, the technology work, the US simply doesn't have the talent

OFFSHORE EFFECT: McKinsey says every dollar of costs the US moves offshore, it brings a net benefit of $1.12 to $1.14, apart from higher productivity.

Experts feel it's just brief spell of rough weather for IT firms

By **Mail Today Science Bureau** In Bangalore

AS THE rhetoric in the US about Bangalore taking away Infotech jobs grows shriller, it is causing some concern here — but not enough to cause a storm. Though there are indications that US firms are deferring big contracts and sticking to short-term deals, the predominant industry sentiment is that it is just a brief spell of rough weather.

However, observers have noted that it is time to prepare to work harder, possibly on narrower profit margins.

President of the Nasscom Som Mittal has allayed fears of any long-term impact on the industry. He has acknowledged that the US statements and policy directions smack of protectionism and is political in nature.

Observers confirm that much of the noise has to do with the upcoming senate elections in November. Rhetoric against outsourcing during election time is usual — it happened during

NOW WHAT? Indian firms may have to work hard on smaller profit margins.

ing the 2004 and 2008 presidential elections, as well. Director of the Indian Institute of Information Technology Prof S. Sadagopan calls the current noise a part of such "political posturing".

He adds, "My reading is that instead of jobs outsourced there could be more jobs created onshore. So, these reactions might bring in some change. If that happens then the economics of the Indian firms vis-à-vis their US counterparts will also change." In simple terms, their cost of operation will go up.

"All this happens at a time when the job situation back home is not very good after the slowdown, the politicians want to make them feel happy — showing a "bogeyman," Infosys HR director Mohandas Pai described it earlier. (Infosys is currently on a silent period).

Mittal says beating Bangalore is not the solution for the problem that the US is facing. "I hope the US makes more positive investments to create jobs," he said. He listed, among risks, "unacceptable data security, and, thus, privacy and identity theft risks," earlier this month.

On ground there are indications of uncertainty. Infosys chief executive officer (CEO) S. Gopalakrishnan had said that the US firms of late were committing short term; reserving the right to cancel. He said clearly, everybody is playing the "short-term game."

Pai noted that the US should look at the jobs being created by firms like the Infosys and said, Sadagopan says it is a complicated scenario when the government protects jobs and wants to be seen as protecting jobs.

base today," said Francisco d'Souza, president and chief executive, Cognizant, said last week. Similarly, TCS, Genpact and Wipro said that they are planning to hire more locals from the US.

According to Ken Chan, vice-president, Moody's Investors, "The added costs of higher visa fees, if passed on to US clients, are also not likely to shift either the secular growth in outsourcing or its geographic pattern away from India to elsewhere."

Moreover, it says that government-funded work represents only a small, single-digit percentage of the business of Indian IT companies, so even if other US states took up Ohio's ban, business derived just from banking and financial service firms would still dwarf the lost revenues in magnitude.

Indian IT companies are not the sole beneficiary of outsourcing. According to McKinsey, every dollar of costs the US moves offshore, it brings US a net benefit of $1.12 to $1.14, apart from benefitting them in terms of higher productivity, new export markets and a talent pool.

The Indian software companies pay over $1 billion each year to the US government in the form of social security for their Indian IT professionals who go for short term contract in the US.