

Newspaper Clips September 4-6, 2010

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1/3rd IIT faculty slots vacant

NITIN MAHAJAN

NEW DELHI

Sept. 3: Despite claims of expansion, inclusion and maintaining high standards in higher education sector of the country, IITs, the premiere engineering institutes in the country, are facing a massive shortage of teachers with over one-third positions lying vacant.

Official statistics reveal that the highest number of vacant posts of teachers lie in IIT Kharagpur at 299 followed by IIT Mumbai at 222, IIT Roorkee at 194, IIT Madras at 138 and IIT Delhi

at 78. The vacancies in IIT Kanpur stand at 69, IIT Guwahati at 65 and IIT Ropad at 48. Official sources stated that the situation of vacancies was somewhat similar at all 15 IITs in the country.

An internal study conducted by the Union human resource development ministry has revealed that the institutes have one of the poorest teacher-student ratio when compared to its counterparts in other countries. The IITs have a teacher-student ratio of 1:15 while other international prestigious organisations have

much better teacher-student ratio like Harvard 1:7, Massachusetts Institute of Technology, University of Hong Kong and National University of Singapore have a ratio of 1:5. While University of Michigan, has a ratio of 1:6.

Official sources stated that presently there was a provision for maintaining a teacher-student ratio of 1:10 at IITs. However, in all about 34.2 per cent of all teachers posts are lying vacant in IITs across the country. With the government proposing to open up the higher education market

for international educational institutes, the situation is expected to worsen.

“The foreign players will also affect the existing faculty strength as they will try and recruit teachers from India as well,” sources said.

In an effort to prevent this expected exodus the HRD ministry has already proposed more incentives for IIT faculty members. A performance-related incentive scheme for existing teachers and faculty has been proposed which will also take into account the performance of teachers in research work and publications.

Asian Age ND 04-Sep-10

'Uranium reserves to be over by 2050'

RASHME SEHGAL

NEW DELHI

Sept. 3: Energy experts warn that an acute shortage of uranium is going to hit the nuclear energy industry. Dr Yogi Goswami, co-director of the Clean Energy Research Centre at the University of Florida warns that "the proven reserves of uranium will last less than 30 years."

Current nuclear plants consume around 67,000 tonnes of high-grade uranium per year. With present uranium deposits in the planet having been estimated at 4-5 million tones, this means the present resources would last 42 years.

But if there is going to be a stepping up of nuclear energy plants, as seems to be the case, then the likelihood is that that the time span is going to be considerably reduced. Dr Goswami who is the inventor of the a new thermodynamic cycle for solar thermal power now called the Goswami Ther-

With the shrinking uranium reserves, Dr Stefankos believes solar energy provides a safer alternative

modynamic cycle, says, "by 2050, all proven and undiscovered reserves of uranium will be over."

"Other options for producing uranium will be available. For example, three parts per billion of sea water is uranium but the costs of recovering this uranium are so high that it is unlikely to prove an unviable option," he said.

Dr Goswami agreed that atomic fuel was limitless if a government went in for breeder reactors. But from the 400 nuclear reactors being used in the world, "I do not know of a single government using them at present." Dr Goswami also expressed his scepticism at the thermal breeder reactor technology based on thori-

um. At present, India is the only country currently pursuing this because of its substantial thorium reserves.

His views were seconded by Dr Lee Stefankos, a professor of electrical engineering and director of the Clean Energy Research Centre at the University of South Florida. Dr Stefanakos, who has been carrying out research in the areas of solar thermal energy conversion, photovoltaic systems and hydrogen.

Dr Stefankos also feels that nuclear energy is not one of the major producers of energy. With the shrinking uranium reserves, Dr Stefankos believes solar energy provides a safer and in the long run, a much cheaper alternative.

An Indian scientist pointed out, "India is investing thousands of crores in expanding a nuclear energy program even though they were warned that high grade uranium is as much a dwindling resource as are coal and gas resources."

Asian Age ND 04-Sep-10

Educating classes



OF CABBAGES & KINGS

— Farrukh Dhondy —

"My mother sang 'I'm in heaven...' celebrating her love.. And, aged 4, I thought she was celebrating death."

From **Yaadein** by **Bachchoo**

THE BIGGEST debate the present British Conservative-Liberal Democrat coalition government faces, its first real challenge, is over its policy on schools. The education secretary of the new government, Michael Gove, is attempting to implement the coalition's first and most radical policy in two steps.

Firstly, he has offered successful schools in the state sector — which means schools whose pupils don't pay fees but go to schools paid for by the Central government through the administration of the local government — to choose to become "Academies". This would give them a status which would free them from their own local government's control.

What does that mean? In practical terms it would mean that these schools and their governing bodies and head teachers could determine the school's structure and the pay structure of their staff. They would have more control over the ethos and curriculum of the school and they could more easily hire and fire teachers for not coming up to the mark.

Breaking loose of local government would mean in practice that the school got more money from Central government which it could use on staff and equipment. The policy of freeing "good" schools, by and large those which have achieved high exam results and been praised by the inspecting authorities as working under sound administration, is opposed by the teach-

ers' unions. They fear that Academy status would grant the head teacher and the governors' powers of hiring and firing which would be an assault on the job-security of the classroom teacher. It would also undermine the pay structures that the unions have patiently and painstakingly negotiated with local authorities over the years. Schools would be allowed to offer teachers a wage according to market prices and forces — a shortage of physics teachers? Pay them more than teachers of French or English — unless those are in short supply too.

Mr Gove's second radical innovation, going much further than the plan for "Academy status" is allowing anyone — parents teachers, businessmen — to set up their own school, meet with government requirements and be financed by the state. Mr Gove's calculation is that the Central government gives each local borough money for the number of pupils that go to school there. The number of pupils, determined by the yearly birth and immigration and emigration rate in that borough, will remain the same whichever school they attend. So the Central government will not spend much more money but will achieve the ideological conservative (and now coalition) goal of allowing free market forces to enter schooling. The groups of parents, who set up their own school and attract the children of other parents, will be allowed to appoint their own head teachers and staff and determine the policy of the school.

The British school system has always been divided into several layers. The post-Second World War Labour government, elect-

ed on a wave of anti-class feeling, set up universal secondary education, compulsory for all children up to the age of 15. The schools were at the time divided into four layers. At the bottom were the trade schools, dedicating to turning out apprentices to the metal, wood and industrial crafts and trades. Then came the "secondary moderns" designed to absorb into education and teach routines and disciplines to the majority of working class children. Then the top layer for the general public were the grammar schools which chose the best of pupils at the age of 11, subjecting them to tests of English, maths and general knowledge, selecting and separating them and then training them to join the professional classes.

At the top, not paid for by the state, were the "Public schools" (the paradox being that the private schools were called "public"). These were, as the world has been taught to appreciate, Eton, Harrow, Rugby, Marlborough and the rest.

Under the 1964 Labour government of Harold Wilson, an education secretary called Anthony Crosland initiated a radical policy of amalgamating the state schools into a single layer of secondary "serve-all" schools, appropriately called Comprehensives. His aim was to put all young Britons into the same educational melting pot at the age of 11 and then allowing them to demonstrate their merit and sink or swim. The ablest would get the best results. The less able would be inspired by their cleverer or more fortunate and literate contemporaries.

It was a noble vision but it left out the fee-paying public schools which would retain their status as the perpetrators and markers of class.

The Indian school system was not modelled on the British. Undoubtedly, the school to which I went in Poona, now Pune, was a paradigmatic attempt by its Anglican Christian founders to emulate the

structure, systems and ideals of some British equivalent.

My parents paid the fees. We wore ties and blazers and were, as a student body, divided into Houses named after British Bishops, competing against each other in football, hockey, cricket, athletics and swimming. We were aware that there were grander schools to which richer boys and girls were sent, boarding in the hills and being groomed and pedigreed for high office and social favour.

Below that layer of commanding aspiration there was no school system orchestrated on the British model. Indian nationalism, ambition and the demand for literacy in the market caused successive governments over the period of independence to legislate for compulsory education which was layered into the English-speaking schools and the "vernacular" ones.

No Indian government now or under the present democratic dispensation will be able to legislate to bring any uniformity into this Indian school system. There can be no Anthony Crosland, seeking to level the opportunities of all citizens and succeeding in creating a vast meritocracy. There can be, because the countries start from very different dispositions, no Michael Gove of India, someone who himself was not privileged by birth to be a public school boy (as were his colleagues in government, the Prime Minister David Cameron, the Chancellor of the Exchequer, George Osborne and the deputy prime minister Nick Clegg).

Or am I wrong? Will there in some Indian government soon be a Prime Minister and education minister who can, as the Chinese Communist government has, muster the determination to work towards a uniform educational system in which the pupils of Doon school compete in the same league, linguistically, academically and socially with the pupils of, say, the local school of Sawant Vadi, Karwan Jilla? Not likely, but possible.

Pioneer ND 04-Sep-10

EX-IAF OFFICER'S SON HELD FOR DUPING IIT ASPIRANT

STAFF REPORTER ■ NEW DELHI

Rajender Nagar police of central district on Friday arrested the son of Shaurya Chakra winner retired-Flight Lieutenant of Indian Air Force (IAF) for allegedly cheating an IIT aspirant of ₹6 lakh on the pretext of securing him a confirmed seat in IIT Kharagpur.

The police said that the arrested person, identified as Vijay Kumar, claimed himself to be the vice-president of Microsoft in Gurgaon besides an alumni and guest lecturer of IIT Kharagpur.

Investigators said that the accused had cheated several other IIT aspirants and also a few students who are pursuing IIT engineering degree from different IITs. The police recovered 150 fake experience certificates of Microsoft, which he used to sell for Rs 50,000 each, fake identity cards of vice-president of Microsoft, Dell Corporation, Dy SP (CBI) and a few other forged documents, with which he used to cheat people.

Senior police officials said that Vijay Kumar was apprehended from his Najafgarh residence on Thursday by a

150 fake experience certificates of Microsoft were recovered from Vijay Kumar. He used to sell these for ₹50,000 each. Fake ID cards of vice-president of Microsoft, Dell Corporation and DSP (CBI) were also seized from his possession

police team led by Rituraj, Inspector ATO of Rajender Nagar police station, under the supervision of S Sarvanan, ACP/Karol Bagh. Investigators said that the arrest came following investigations into a complaint lodged by one Rajiv Ranjan Kumar, a lecturer from Bihar saying that he was cheated by the accused by promising admission to his son in IIT-Kharagpur.

The complainant told the police that his son Animesh

Ranjan had come to Delhi after passing Class XII for entrance coaching and during his stay, he came into contact with the accused, who claimed to be an engineer and IIT pass-out. "He cheated him of ₹6 lakh on the pretext of getting his son admitted in BTech in IIT Kharagpur," a senior police official said.

"The complainant also alleged that they had first paid him ₹3 lakh in advance and the rest amount was paid after Kumar gave him fake admission receipts of IIT Kharagpur and its hostel," a senior investigating official said, adding they are also suspecting the involvement of Kumar's father Ram Prasad, a retired flight lieutenant.

During interrogation, the official said, Kumar revealed that he used to target IIT aspirants and influence them by showing fake degrees and projecting himself as an engineer and a topper of IIT-Kharagpur. He also allegedly used to tell aspirants that he had a good rapport with the Deen of the institute and can easily manage admission on management quota.

SPECIAL PAY SETBACK FOR TOP IIT, IIM PROFESSORS

Charu Sudan Kasturi

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NEW DELHI: Top IIT and IIM professors will miss three years of a special pay grade they were promised, under a human resource development ministry order that has triggered fears of faculty protests among institute authorities.

Unlike all other pay hikes for faculty that are being implemented with effect from January 1, 2006, the special pay grade for 40 per cent professors at these institutes will be valid only from August 18, 2009.

The faculty selected in the 40 per cent will, as a consequence, not receive the extra pay as arrears but will receive pay according to the rules applicable to other professors for the 2006 to 2009 period.

The academic grade pay – which defines the rank of a teacher within a pay band – for professors is Rs 10,500 a month and Rs 12,000 a month for those selected in the 40 per cent. The special pay was incorporated for the best among professors to discourage stagnation and retain them in the face of lucrative industry offers. These professors are picked based on research work, publications, teaching feedback and other parameters.

IIT directors have articulated their concerns over the August 26 order to the ministry amid fears of a revival of unprecedented faculty protests that rocked IIT campuses last year, top institute sources told HT.

"This order has the potential to create problems once again. But I am sure the government also has its compulsions," a director said.

Ministry sources said the order was just a "clarification" to help implement the new pay structure. "The special category of professors did not exist in 2006, so how can IITs expect to be paid for something that didn't exist?" an official argued.

But a senior professor at IIT Bombay pointed out that the order specifically hurt those who would be selected in the best 40 per cent. "None of the current salaries existed in 2006. Is the government trying to say that these 40 per cent professors became worthy of the extra pay on some arbitrary date the ministry set," he questioned.

Hindustan Times ND 04-Sep-10

DEVELOPMENT DRIVE

ISRO eye on tribal plan in Red zones

Chetan Chauhan

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NEW DELHI: The Planning Commission has sought the help of Indian Space Research Organisation (ISRO) in monitoring the panel's Rs 14,000-crore plan for Naxal-affected tribal and backward regions, which got Prime Minister Manmohan Singh's in-principle approval on Friday.

According to panel sources, ISRO will provide satellite pictures of the work undertaken under the plan, which is likely to be considered by the cabinet in a fortnight.

"The satellite data can help us in finding whether the work for which the money is given is actually carried out or not," a senior panel functionary said.

With ISRO's help, the panel will also identify areas where special projects for water harvesting or improving agriculture productivity can be implemented. "The information provided with ISRO will be shared with people at the ground level to prepare a scientific plan that is workable".

This is the first time the plan panel has sought ISRO's help to monito central government

PM on airport

After pleas for an early clearance for the long-pending Navi Mumbai airport project, Prime Minister Manmohan Singh on Friday said he would personally look into it and resolve the matter at the earliest.

The assurance was given to a Maharashtra Congress delegation led by Chief Minister Ashok Chavan.

HTC

programmes. The integrated action plan for tribal and backward areas has a different approach, as most of the money would be provided for the project planned at the district level. It contrasts with most government schemes where the money is provided for plans devised at the state or the central level.

The panel has proposed to provide Rs 2,400 crore directly to 60 districts identified as beneficiaries under the plan. These Naxal-affected districts are in Bihar, Madhya Pradesh, Chhattisgarh, Jharkhand, West Bengal and Uttar Pradesh.

Hindustan Times ND 04-Sep-10

Urban slum population to cross 100mn by 2017

Moushumi Das Gupta

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NEW DELHI: As India's economy takes impressive strides, its urban slum population is also registering an alarming rate of growth and will cross 100 million by 2017 from the estimated 75.2 million in 2001.

The projections are in a report prepared by a government committee headed by Dr Pranob Sen, principal adviser, Planning Commission.

According to the report, India's urban slum population is expected to touch 93.06 million by 2011. The report was formally accepted by the housing and poverty alleviation ministry — the nodal agency dealing with slums — on Friday.

"Such a trend was expected due to increase in urbanisation," said Housing Minister Kumari Selja.

The committee, set up by the ministry to study the slum definition and estimate urban slum population in the country, has also revised the census 2001 figure, which projected India's urban slum population at 52.4 million.

The ministry was of the opinion that the figures did not



■ India's urban slum population is expected to touch 93.06 million by 2011, a report prepared by a government committee has said.

FILE PHOTO

reflect reality as it covered just the 1,743 cities and towns with a population of more than 20,000 as against the 5,161 cities/towns in the country. The Office of Registrar General, India (RGI) — the agency which conducts the census — also did not include non-notified slums, thereby keeping a sizable number of slums outside the purview of welfare schemes.

The revision of slum figures, Selja said, would be of great help while implementing the Rajiv Awas Yojana — the gov-

ernment's flagship project to make India slum free.

The Sen committee has also changed the definition of slums for the ongoing census. As per the new definition, even small clusters of 20-25 households living in a contiguous area and exhibiting slum like characteristics — like little or no access to basic civic amenities like water, sanitation and sewerage — should be categorised as slums. Earlier, the cluster size for identification of slums was 60 households.

PANKAJ AGRAWAL analyses what 3G services will mean for an average mobile user
If telcos persist with premium pricing, their user base will be limited to a few early adopters

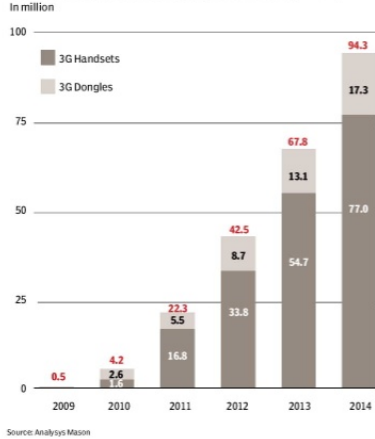
What not to expect from 3G



FEW people want to read more about 3G in India. It has been such a long undulating path of hope, expectation and despair over the last 4 years that 3G has become something of a mirage for waiting consumers. We can also be reasonably sure that our average mobile consumer does not know what exactly to expect from 3G. Will it really transform his currently aggravating user experience of trying to complete a voice call without any drops or allow him to find a mobile game, which he likes without repeatedly initiating the download and getting billed for it each time? Will he really be able to make those video calls being promoted by nubile celebrities, will that new mobile health application really help him get rid of the years of excess, or will he be able to watch that YouTube clip on his mobile browser?

It's widely accepted that unless telcos really work on developing an ecosystem around 3G services, just having access to spectrum will not change much in the lives of an average mobile consumer or in the topline of telcos. The key reason for this market structure is the difference between 3G and the earlier generations of communication technologies. When GSM and CDMA technologies were introduced, their value proposition of mobility over a fixed line connection was crystal clear, and as soon as the price points came down, the market hit the tipping point. However, from 2G to 3G, the key difference is the ability of the newer technolo-

3G subscriber base projection in India (2009-14)



Source: Analysys Mason



gies to support higher data speeds, which on its own is a clear use case for only a niche section of the population.

The first beneficiary of the higher data speed will be the mobile broadband market (dongles, embedded devices and modems). CDMA operators have had a real first mover advantage in this market, with their launch of EVDO dongles and they are already adding about 2 million subscribers per annum. This market can grow for EVDO operators, but for 3G

(HSPA) operators, the amount of allocated spectrum (5 MHz) very quickly starts becoming a bottleneck. One way for the 3G operators to address this issue is to increase the contention ratio (number of simultaneous users), but then the end user experience starts mimicking its current experience with 2G and the additional \$3.64 billion paid for pan-India 3G spectrum starts going down the drain. The other challenge is the limited growth in PC sales among residential users. Un-

like some of the developed markets like the US where telcos are subsidising embedded 3G notebooks, in India the telcos are not going to assume inventory risk. This means the customers should not expect fancy notebooks at Rs 4,000 with the launch of 3G, as the credit risk is very high and there is a constraint on the 3G data cards that can be supported in the limited spectrum. We expect this market to grow to about 17.3 million data cards by 2014. The other use of better ac-

cess speed is in enhancing the user experience in browsing and content download. This is where device vendors, content companies and the ecosystem starts becoming very important. Unlike in dongles, where the ecosystem has limited differentiators that it can offer (e.g., mobile TV services bundled with a 3G dongle), in handset-based browsing, the entire user experience and hence revenue upside is dependent on seamless content consumption, hence requiring strong

device-service integration. The reason why 50% of global mobile Internet data over smartphones goes through Apple devices, although they account for only 14.4% of the total smartphone base, is Apple's control over the end-to-end content consumption value chain. It may not be advisable for Indian telcos to try to replicate the Apple model, but all the ecosystem elements have to be in place to enhance end user experience and drive value out of 3G. In the current scenario of

telcos with stretched balance sheets, mobile device subsidy by telcos can also be ruled out. With the not-so-subtle and repeated hints coming from major telcos about 3G being a premium service, the content and monthly data plans may also be at a premium, at least in the initial year of 3G's introduction.

If an average user cannot afford a mobile device that supports the actual 3G experience, cannot afford the monthly data plan charges and does not have the flexibility to experiment with content to find what he likes due to premium pricing, then the user base will be limited to a few early adopters and the current bunch of premium users. The average user may then have to wait for that elusive enhanced 3G experience, at least for the coming one year. We expect that the mass market will begin to come into the 3G fold with dropping device and service prices by some time in 2012, and the total 3G user base (excluding dongles) will reach about 77 million users by 2014.

However, the wait for 3G will be worth it, at least for the 6-8% premium customers in India who will have a greater choice of devices, content, applications and services, and a step change in user experience. To make sure this finally happens, telcos will need a lot more focus on partnerships, product and service innovation, pricing and device service integration than ever before.

The author is associate director in the New Delhi office of Analysys Mason, a global telecom, media and technology consultancy

Economic Times ND 04-Sep-10

Geneva meet stresses action to save biodiversity

Our Political Bureau
NEW DELHI

AWAY from the centrestage occupied by the climate finance dialogue, an informal ministerial on biological diversity was also taking place in Geneva. Biological diversity, which gets far less attention than climate change, plays a crucial role in maintaining the "benign conditions" that are necessary for the well being and survival of the human species. The ministerial stressed the need for "immediate action" as "fate" of biodiversity "for the millennia to come" would be determined by the "action or inaction over the next decade or two".

The one-day Geneva meeting was attended by 11 ministers of countries that have held or will hold the presidency of the conference of parties to the Convention on Biological Diversity. Environment minister Jairam Ramesh was among those participating in the ministerial as India will hold the presidency in 2012-14.

The news is not good. The third Global Biodiversity Outlook, which was released in May, came up for discussion at the meet. The outlook is grim. It states that human actions are putting a strain on the environment, such that the "ability of the planet's ecosystems to sustain future generations can no longer be taken for granted". Worse still

CLIMATE TALKS

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the there appears to be no easing up on the pressures which are leading to loss of biodiversity. The issues of climate change and biodiversity loss are inextricably linked. Each can exacerbate the impacts of the other, but at the same time there are policy options that can address both issues.

In what was a cause for "extreme concern" for the ministerial, the Outlook states that "the consequences of current trends are much worse than previously thought." Should current trends persist over the next decade, several "tipping points" will be reached before the end of the century. This will cause "irreparable damage to the ability

of major ecosystems to continue providing their goods and services."

In view of the urgent situation, the ministerial in its declaration has appealed to world leaders to do more for biodiversity by committing themselves to a common long-term vision and short-term mission for biodiversity and to global, regional and national targets to be achieved. In order to ensure implementation of the new biodiversity strategy, the ministers called for a strategy for resource mobilisation. The aim is to ensure adequate and predictable financial resources, and technology transfer, to developing countries.

The Geneva ministerial has asked that equal attention be given to three objectives of the Convention—the conservation of biological diversity; the sustainable use of its components and the fair and equitable sharing of benefits arising from the utilisation of genetic resources.

This ministerial, being held just ahead of the tenth meet of the signatories to the Convention on Biological Diversity, sought to underscore the importance of finalising a global biodiversity agreement at the October meet in Nagoya, Japan. The Geneva ministerial has also decided to support Tokyo's initiative to recommend to the UN to consider declaring 2011-2020 as the 'International Decade for Biodiversity'.



CHECKING SCHEDULE: A delegate at an informal ministerial meeting in Geneva. AP

Times of India ND 04-Sep-10

One nabbed for promising jobs, admissions to IITs

TIMES NEWS NETWORK

New Delhi: A man, who allegedly posed as vice-president of a software giant and cheated several IIT aspirants by promising them admissions and "secure" jobs later, was arrested on Friday.

The accused, Vijay Kumar, was apprehended from Najafgarh in southwest Delhi following investigations into a complaint filed by one Rajiv Ranjan Kumar from Bihar.

Rajiv was cheated of Rs 3.11 lakh by the accused for promising admission to his son in IIT Kharagpur. The accused's father reportedly retired as a flight lieutenant and had been a Shaurya Chakra awardee.

The complainant told police that his son Animesh Ranjan had come to Delhi after completing Class XII for the entrance exam coaching and it was during his stay that he came in contact with the accused.

"He induced and cheated



Vijay Kumar used to pose as a vice-president of a software firm and a former IIT-Kharagpur topper. He used to tell IIT aspirants that he shared a rapport with the dean of the institute and could get them admitted

Rajiv of Rs 3,11,300 on the pretext of getting his son admitted in the BTech course in IIT Kharagpur," a senior police official said.

During interrogation, it was revealed that Vijay used to target IIT aspirants and influence them by showing fake degrees and projecting himself as an engineer and a topper from IIT Kharagpur.

He also used to tell aspirants that he had a good rapport with the dean of the engineering institute and could easily manage admission in

the management quota. "He also allegedly posed himself as vice-president of Microsoft Company in Gurgaon, to impress his targets.

"He also made a fake CBI ID card to protect himself in case of any untoward situation," the official said.

"Several fake documents including CBI ID cards, engineering degree of IIT Kharagpur, appreciation letters from Microsoft, Gurgaon, were recovered from his possession," he added.

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Times of India ND 04-Sep-10

Remote logouts for safer e-networking

New York: Facebook is rolling out a new security feature that lets users log out of their accounts remotely from another computer.

To do this, go to "account settings" on your Facebook page and click on "change" next to "account security". There, you'll see where else your Facebook account is logged in, including the type of device and the city it's in or near. To log out of any of them, click "end activity".

Facebook is making this available over the next couple of weeks. It will be accessible on computers, but not mobile devices. The feature is similar to what Gmail offers to its users, and Facebook says it's

designed to help users keep their logins secure.

Not everyone will be able to use this new feature immediately, as it's being rolled out "gradually", Facebook said in an email message.

SECURITY CHECK

Someone whose account has been hacked could use this information to confirm that her account had been compromised and then reset her password. "It provides you with a visual indication of which devices currently have sessions open with your user profile," said Andrew Walls, research director with the analysis firm. AGENCIES

Times of India ND 04-Sep-10

Implantable kidney to make dialysis history

Device Consists Of Thousands Of Nanoscale Filters & A Bioreactor

Washington: An American team led by an Indian-origin scientist has unveiled a prototype model of the first implantable artificial kidney — a feat that one day could eliminate the need for dialysis.

The device, which would include thousands of microscopic filters as well as a bioreactor to mimic the metabolic and water-balancing roles of a real kidney, is being developed in a collaborative effort by engineers, biologists and physicians nationwide, led by Shuvo Roy, in the University of California, San Francisco, Department of Bioengineering and Therapeutic Sciences.

The treatment has been proven to work for the sickest patients using a room-sized external model developed by a team



NO REJECTION: Invention to do away with need for immunosuppressants

member in Michigan. Roy's goal is to apply silicon fabrication technology, along with specially engineered compartments for

live kidney cells, to shrink that large-scale technology into a device the size of a coffee cup.

The device would then be im-

planted in the body without the need for immune suppressant medications, allowing the patient to live a more normal life.

"This device is designed to deliver most of the health benefits of a kidney transplant, while addressing the limited number of kidney donors each year," said Roy.

A model of the implantable bioartificial kidney shows the two-stage system — thousands of nanoscale filters remove toxins from the blood, while a Bio-Cartridge of renal tubule cells mimics the metabolic and water-balance roles of the human kidney.

The team has established the feasibility of an implantable model in animal models and plans to be ready for clinical trials in five to seven years. ANI

New HIV treatment zaps infected cells only

Jerusalem: Israeli researchers have developed a new treatment for HIV that kills human cells infected with the virus and could lead to a breakthrough in treating AIDS, the Haaretz newspaper said on Friday.

Whereas current treatments focus on inhibiting the replication of the HIV virus, the new treatment destroys infected cells without damaging healthy ones, the newspaper said. The process makes use of peptides, or short protein segments, which vastly increase the replications of the virus once it enters a cell, causing the cell's self-de-

struction, Haaretz said, citing one of the researchers.

"The usual medications kill the virus that has entered the body during infection and the (peptide) treatment allows cells infected with the genetic load of the virus to be killed," Abraham Loyter, who carried out the study, was quoted as saying.

The study was published in the peer-reviewed British journal AIDS Research and Therapy in August.

They have registered an Israeli patent but the treatment must still be tested on animals and humans, Haaretz said. AFP

Times of India ND 04-Sep-10

'Infosys open to foreigner as chief'

New Delhi: Infosys chairman and chief mentor Narayana Murthy on Friday said the company is open to a foreigner becoming his successor.

"Well, given that we have a significant percentage of foreign holdings in Infosys, I don't think it should matter whether it is an Indian or a foreigner who chairs the company," Murthy told a private channel.

He was responding to a query on how Infosys' shareholders would react to a foreigner as his successor. "What they (shareholders) would look for is a person who can guide the company in a proper direction, who can manage the board well, who has the support of all the people in the company, so I don't think it would matter," he added.

The hunt for a replacement for Murthy has already started as he would retire in August next year after he turns 65.

"I am sure we will see in the years to come... one of the mem-

bers of the executive council become the chief executive officer. There is no doubt about that at all. "But, whether it is going to happen in the next two years, five years or seven years, that is not for me to comment," Murthy noted.

Earlier, Murthy had said that it would not be difficult for an outsider to succeed him.

Infosys' nominations committee has started the search for Murthy's successor. The committee has ICICI Bank non-executive chairman K V Kamath, Cornell University professor Jeffrey Lehman and HDFC Standard Life Insurance chief executive officer Deepak M Satwalekar as members.

The search for a successor to Narayana Murthy comes at a time when India's top business group, the Tatas, has begun to look for a replacement for its chairman, Ratan Tata, who is to retire in December, 2012. AGENCIES

Economic Times ND 04-Sep-10

Govt to speed up data entry to make industry survey relevant

QUICK BYTES



Source: Annual Survey of Industries -2007-08

Rishi Shah & Surabhi

NEW DELHI

THE annual survey of industries is undergoing an overhaul as part of attempts to make information available without the current 18-month lag to make it relevant for policy makers and analysts.

Online filing of data will start from the survey exercise for 2009-10 that was kicked off earlier this month. This will help the government to come up with quick estimates of industrial activity within months of the fiscal year close.

"We will implement a system of online data filing straight from the field during this survey," said TCA Anant, chief statistician of India.

The exercise would help reduce the time lag by about four months, but Mr Anant said some amount of time lag would remain because of the inherent nature of the survey.

"There are issues about generating quick estimates using the data in some other way. Once we streamline

the process of data collection, it may be possible to start exploring those," Mr Anant said.

The annual survey gives a complete picture of industrial activity as covers all factories registered under the Factories Act, offering in-depth information on depreciation, interest costs, emoluments, and productivity of capital and labour. It covers factories that employ 10 or more workers using electricity and 20 or more without using electricity.

The widely followed index of industrial production is a short-term indicator of growth in mining, manufacturing and electricity.

Data collection for the survey starts at least six months after a firm closes its books of accounts for the fiscal year. Since the survey seeks very specific data, the process of collecting the data from each factory is long and cumbersome. At present, it is filed manually at the field offices and centrally compiled and analysed later.

The ministry has been steadily working to reduce the time lag in publishing the survey. It was earlier released after a lag of over three years, which it has

come down to 18 months.

Most analysts welcomed the move, but said checks must be brought in to ensure the veracity of data.

"The annual survey of industries gives crucial data which is much more reliable and comprehensive than that provided in corporate results or the IIP," said Mridul Sagar, chief economist, Kotak Institutional Equities.

"It would be a good move if the government is able to reduce the time lag as it would greatly increase its relevance for research purposes, such as productivity and technical efficiency changes, as well as for other users like policymakers," he said.

Aditya Bhattacharjee, professor at the Delhi School of Economics suggested quality checks to ensure the integrity of the data as well as a partial modification in the survey format.

"Assigning code numbers to individual factories retrospectively would be very helpful as it would help track their behaviour in response to policy changes, without divulging their identities," he said.

Economic Times ND 04-Sep-10

Dubai police chief calls BlackBerry a spy tool



AP
DUBAI

UNITED Arab Emirates' worries about spying by the US and Israel spurred plans to sharply limit BlackBerry services in the United Arab Emirates, Dubai's police chief said in comments that suggest a tough line in talks with the smart phone maker.

The UAE says it will block BlackBerry e-mail, messaging and Web services October 11 unless authorities can gain access to the encrypted data traffic — a demand by other countries warning of possible bans including India. The proposed UAE action threatens BlackBerry service for an estimated 5,00,000 local subscribers and could tarnish the country's reputation as the Gulf's business and tourism hub with potentially millions of visitors left without key BlackBerry services.

Dubai's police chief, Lt Gen. Dahi Khalfan Tamim, said that fears of espionage and information sharing by foe Israel — as well as UAE allies United States and Britain — helped prompt the possible limits on the popular BlackBerry.

Tamim told a conference on information technology that the proposed BlackBerry curbs are also "meant to control false rumours and defamation of public figures due to the absence of surveillance," according to a story posted Friday on the website of the UAE newspaper Al-Khaleej. Tamim, whose remarks are often considered to reflect the views of Dubai's leadership, did not elaborate on the spying accusations in the article. The police chief gained international attention as the pointman in the probe into the January slaying of a Hamas commander in Dubai, which Emirati officials have blamed on Israel's Mossad spy agency. UAE officials reportedly are still in talks with BlackBerry maker, Canada-based Research In Motion. Tamim's comments, however, point to a hard line by Emirates security chiefs who demand access to BlackBerry data. BlackBerry traffic is encrypted and routed through servers operated by RIM. The company has said it would not disclose details of discussions with regulators in any of the more than 175 countries where it operates.

This week, India gave RIM a 60-day window to offer ways for authorities to monitor BlackBerry traffic. Saudi Arabia last month allowed BlackBerry services to continue, citing 'positive developments' after talks with the company.

Economic Times ND
04-Sep-10

Promotion denial prime cause of attrition: Study



Our Bureau
NEW DELHI

THREE out of every five Indian professionals who quit their jobs do so due to lack of promotion despite their performance and almost half of them say flexible work hours could be an incentive enough to stay back, says a study conducted by workplace solutions firm Regus.

"One of the effects of the economic recovery is that many more employees have started quitting their jobs," said Madhusudan Thakur, country head, Regus.

The survey that tried to fathom the reasons that make employees quit also revealed nearly half of the respondents who wanted to leave their jobs said their decision was due to lack of communication and involvement by the company's top management.

Around 30% of the respondents said they did not want to stick around due to lack of company vision.

A fifth of the employees counted their boss taking credit for their own work among the reasons for quitting. An equal proportion of those surveyed felt that a shabby workplace was good enough reason to resign. This, according to the study, leads to stress among employees.

"Although bonuses and job perks were cut back to weather the economic storm, but as growth picks up, employees are flocking to businesses that promise them better work conditions," Mr Thakur said. The survey conducted among 15,000 professionals globally also asked workers what could companies do to avoid attrition of their best talent. As much as 42% of the Indian respondents said they look for ability to flex their work hours as top of their wish-list besides a pay rise.

Economic Times ND 04-Sep-10

10% of global reinsurers close doors on Indian cos

Move Triggered By Govt's Decision To Tax Premium Paid By Domestic Companies To Global Underwriters



PLAYING SPOILSPORT

Mayur Shetty
MUMBAI

NEARLY 10% of the world's reinsurance markets have closed down for Indian insurers following the government's decision to tax premium paid out by domestic companies to global underwriters.

Last year, the government made it mandatory for insurance companies to deduct tax at source for all reinsurance transactions. Insurance companies had earlier argued that reinsurance companies do not have any set-up in India and do not attract the provision of Section 9 of the IT Act which describes income deemed to accrue or arise in India. Companies which are dealing with underwriters in countries where there is a Double Taxation Avoidance Agreement (DTAA) have found a way around the

problem, but a significant amount of reinsurance — almost 10% — is done outside the DTAA countries.

Several non-life companies based in the south have received notices from the IT department for recovery of tax on premium paid to reinsurance companies. "We have been arguing with the tax authorities that the tax should be subject to the difference between the amount paid as premium and the money received in the form of claims from reinsurance companies. However, the department continues to hold that all premiums are taxable"

Insurers say it is possible to avoid tax payments if the reinsurer is based in a country with which India has a DTAA. There are 79 countries with which India has a DTAA. Most of the reinsurance companies are based in European mar-

PARTY POOPER
Last year, the government made it mandatory for insurance companies to deduct tax at source for all reinsurance transactions. Several non-life companies based in the south have received notices from the IT department for tax recovery

kets. However, in recent years new reinsurance markets have opened up in the Caribbean and Hong Kong which are not part of the DTAA. Insurers say it might become uneconomical to do business in these markets because of the withholding tax.

The impact on the balance sheets of the non-life companies is limited, thanks to the high level of retention of premium in India. Overall, less than 15% of the premium collected from policy holders is paid to reinsurance companies. General insurers pass on risks to reinsurance companies under two types of contracts — facultative reinsurance and through treaties. Facultative reinsurance is when a local company passes on most of the premium collected under a policy because the risk is too significant for its balance sheet. This can be seen in the case of oil refineries and airlines. Besides this all insurance companies enter into reinsurance treaties to ensure that their balance sheet continues to remain protected beyond a certain level, if intensity of claims is very high in a particular year.

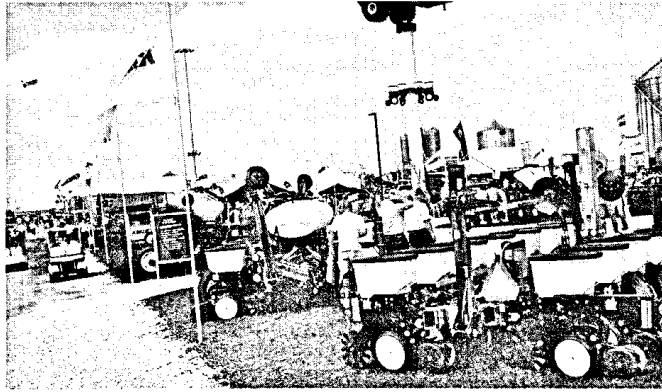
Technology, corporates marginalising small US farmers

K.V. Kurmanath

Boone, Iowa (US), Sept. 3
This small town in Iowa, which is in the top league of agriculture States in the US, gives a peep into the future of farming. Giant equipment, some that could easily pass off as battle tanks and surface-to-air missile launchers, monster-armed seed planters and harvesters, indeed are intimidating for someone from India.

The 55-year-old Farm Progress Show has become an annual rendezvous for farmers in the US, equipment manufacturers and those involved in seed development, with thousands making a bee-line to the stalls. Top names including John Deere, New Holland, Monsanto, Syngenta, Pioneer and Sukup have set up stalls. The next edition of Farm Progress Show would be held in Decatur in Illinois.

"Farming in the US is becoming computerised and robotised," Mr Steeve, a farmer from Central Iowa, told *Business Line*. It, indeed, is a para-



Latest farm equipment: Farmers at the Farm Progress Show on Thursday at Boone, Iowa, US. The three-day expo and field demonstrations attracted farmers from the US and 50 countries. The expo showcases latest technologies in seed and farm equipment by top names in the industry. — K.V. Kurmanath

dox. The show reflects a stark contradiction in US agriculture. Small farmers are facing the threat of extinction as bigger farmers and farm corporations are on the constant prowl for small parcels of land.

Several of the old farmers said equipment was turning unaffordable by the year, making them uncompetitive. The word 'small', however, is relative, when you compare with the smallness in India. While

the average small holding in India is about a hectare, farmers with below 1,000 acres are considered 'small farmers'.

"We are a dying tribe," Mr Steve admits. "I used to have 450 acres, but gave 350 of it on

lease because I can handle only 100," he said.

TWIN PROBLEMS

While the average age of farmers with small holdings is well past 60 years, the youth, who are interested in farming, are not in a position to find finances.

Ms Carol Kennon, a 71-year-old, farmer corroborates. "It has become increasingly difficult to be in race with technology. The equipment are becoming costlier each year, making it difficult for small farmers," she said.

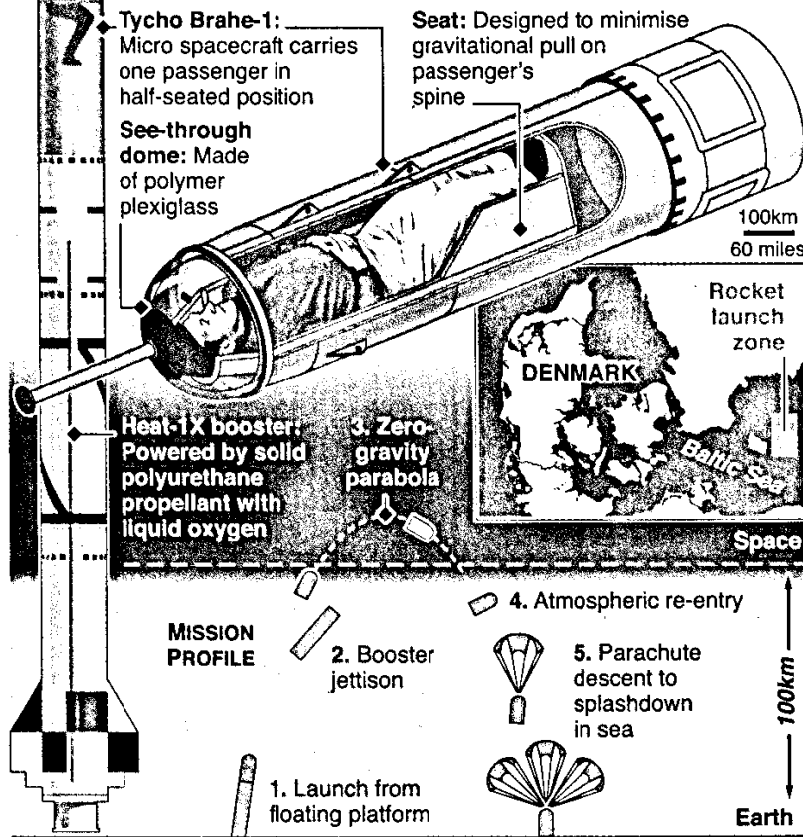
She, along with her 72-year-old husband, son, son-in-law and a handicapped grandson, manages 1,200 acres. (Managing means, they only can take care of the entire plot.)

"A good number of youth want to do farming and they are going to agriculture colleges. But what is lacking is investments," she said.

The big boys are ready to take over, Mr Steve said, when asked about how the future is going to be for small farmers.

World's largest amateur space rocket

A group of Danish rocketeers are to launch a volunteer-built one-man rocket – with a crash test dummy – 30km into the sky. Eventually the Copenhagen Suborbitals team hopes to launch a real person over 100km into space if initial tests are successful



5 SEP 2010

Business Line ND 05.09.10 p-12

Wanted: Candidates with warranty!



Professional certifications could signal higher skill levels of the candidate.

B. Venkatesh

Taking professional certification exams is neither easy nor cheap. It is small wonder that students in certain business schools are reluctant to take these exams in addition to their MBA. But why is it good economics for students to do these courses? Suppose you receive 100 applications for a job of a business analyst. Will you screen these applications to select candidates for the interview? Chances are you will request your human resources department to shortlist candidates who possess an undergraduate degree in engineering with an MBA from a top business school. You conveniently narrow your search to 20 candidates who might possess good analytical skills. You finally hire a candidate who has three professional certifications besides MBA. Why?

Information asymmetry

Candidates know more about themselves than you do about them. Unless you are clairvoyant, you are unlikely to find their true strengths and weaknesses during the interview process. You, therefore, suffer from information asymmetry.

It is the same problem you face if you buy a pre-owned car; the seller has more information than the buyer. Information asymmetry imposes high costs. How?

You may want to offer a low salary for the job, because you take the risk of hiring the wrong candidate. But low salary could keep the right candidates away and unintentionally attract the incompetent ones to the job! Companies attempt to reduce this cost by carrying a standard phrase in the recruitment advertisement: "Salary is not a constraint for the right candidate".

Professional certifications

Candidates can reduce the cost of information asymmetry by acquiring professional certifications. These certifications are akin to the warranty on, say, refrigerators. Typically, longer warranty period signals greater product quality, as it shows manufacturers' confidence in the product. Likewise, more professional certifications could signal higher skill levels of the candidate.

Students from top business schools who understand this equip themselves with handful of certifications. What does this mean to students of other business schools? Acquiring additional certifications is no longer about signalling — it is to keep pace with peers!

(The author is the founder of Navera Consulting. He can be reached at enhancek@gmail.com)

B-schools venture into green pasture

■ Demand for green managers prompts institutes to offer courses in environment-related disciplines

Rajiv Tikoo

New Delhi, Sep 4: Top engineering institutes and business schools across the country are going green with a vengeance. Seeing a growing market for green managers in the country, B-schools and universities are learning fast to offer management lessons in environment-related disciplines. While the Birla Institute of Management Technology (Bimtech) and the Institute of Chemical Technology have just introduced full-fledged MBA programmes in sustainability-related disciplines, IIM-Calcutta along with IIT-Kanpur and IIT-Madras has begun offering courses in green manufacturing this academic year onwards. IIM-Ahmedabad and IIM-Lucknow, too, have been including carbon courses in various programmes over the last year.

Elaborating that the green manufacturing course offered under the post-graduate programme for executives for visionary leadership in man-

ufacturing—a joint programme of IIM-Calcutta, IIT-Kanpur and IIT-Madras—focus on both technological and management aspects of greening. Shekhar Chaudhuri, director, IIM-Calcutta, adds, "It's an imperative for managers to be equipped to lead on sustainability issues in today's world." An initiative of the National Manufac-

uring Competitiveness Council, the programme is supported by Japanese International Cooperation Agency (Jica) under a bilateral agreement between the two governments.

Going a whole hog, the Birla Institute of Management Technology or Bimtech has introduced a two-year, full-time post-graduate diploma in management (Sustainable Development Practices) this year. According to Bimtech director H Chaturvedi, "The programme aims to impart

skills to managers to tap into new opportunities arising out of the interplay between changing international policies and national priorities on development issues and the business responses to them." The programme is modelled on similar ones offered by some of the leading foreign institutions like the Earth Institute at Columbia University and adapted in the Indian context after taking into consideration views of the industry thought leaders, adds programme coordinator Rahul Singh.

Mumbai-headquartered Institute of Chemical Tech-

nology just started a two-year MTech programme in green technology, which would seek to focus on green chemistry, environmental engineering and pollution prevention among other issues. Industry practitioners would have the option of pursuing it as a three-year part-time programme. Explaining the rationale for introducing the programme, GD Yadav, director, Institute of Chemical Tech-

nology says, "The chemical industry is an important industry to focus on from a sustainability perspective. Though the

chemical industry is one of the most polluting industries, it also has a big potential to offer sustainable solutions not only for healing itself, but also treating others."

While these institutions are newcomers in the environmental domain this year, Teri University and Symbiosis Institute of International Business took the leap last year. Teri's MBA in Business Sustainability positions itself as an MBA+ programme for integrating sustainable and ethical practices into traditional management disciplines like marketing, finance and strategy. Claiming that the university got a good response last year, which has further improved this year, Rajiv Seth, registrar, Teri University, adds, "We have an advantage over other green management programmes because we have the scope to leverage Teri's environmental knowledge bank."

■ Continued on Page 11

ie SUNDAY STORY

TURNING A NEW LEAF

- **IIM-Ahmedabad**
Course on carbon finance and environmental management strategies
- **IIM-Calcutta, IIT-Kanpur and IIT-Madras**
Post-graduate programme in green manufacturing
- **Symbiosis**
Two-year programme in energy & environment
- **Institute of Chemical Technology**
Two-year MTech in green technology

- **Birla Institute of Management Technology**
Two-year PG diploma in sustainable development practices
- **Amity School of Natural Resources and Sustainable Development**
Two-year MBA programme in Natural Resource Management
- **Teri University**
MBA in business sustainability



B-schools venture into green pasture

Similarly, Symbiosis's two-year, full-time programme in Energy & Environment seeks to cater to the industry requirements by imparting economic, legal and technical know-how in energy and environment to aspiring managers. The programme also focussed on related issues like mitigation of climate change, loss of biodiversity and ozone layer depletion that, which influence busi-

ness decisions in the new global context. According to director Rajani Gupte, "We got a fantastic response to our summer internship for the first batch. We did not have enough students to cater to requests from companies."

Even the Amity School of Natural Resources and Sustainable Development runs a two-year MBA programme in Natural Resource Management, which seeks to fo-

cus on development, conservation and sustainable management of natural resources and their measurable impact on economy.

Despite so many programmes, the trend is just about picking up in India. As of now, none of the Indian programmes is making it to the world's top 100 MBA programmes with green content, according to Aspen Institute. The ranking is

dominated by American universities, which offer 68 of the top 100 programmes. The toppers include Schulich School of Business, York University, Canada; Stephen M Ross School of Business, University of Michigan, USA; Yale School of Management, USA; Stanford Graduate School of Business, USA, and Mendoza College of Business, University of Notre Dame, USA.

GOOGLE SEARCH RATINGS UNDER SCRUTINY IN US

Texas attorney general orders probe into fairness of its search engine rankings

REUTERS
San Francisco, 4 September

Google Inc said it was the target of an investigation by the Texas Attorney General's office into the fairness of its search engine rankings.

The world number 1 search engine company said the probe is the first by a US legal authority into the fairness of its rankings, which can make or break commercial websites.

Google faces a similar probe by the European Commission, prompted by complaints from some small websites that felt they were unfairly hurt by low Google search rankings.

Texas attorney general Greg Abbott has asked for information about complaints from a number of companies, Google said on its website. Google specifically mentioned websites operated by Foundem, TradeComet and myTriggers as challenging its results, saying they competed with the search giant.

A spokeswoman for the Texas Attorney General confirmed the probe, but would give no further details. Google said it looks forward to answering questions from the Texas attorney general.

"We recognise that as Google grows, we're going to face more questions about how our business works," Deputy General Counsel Don Harrison said in a blog post. Harrison was not available for further comment.

In its statement on Friday, Google pointed out that two of the companies are represented by attorneys who also work for Microsoft Corp which has publicly encouraged companies to challenge Google's

business practices. Microsoft did not immediately respond to a request for comment.

TradeComet CEO Dan Savage said in an email that Google is trying to "distract from its own antitrust problems by pointing to others and their lawyers."

A myTriggers spokesperson added that its concern "is just the harm to myTriggers done by Google's anti-competitive conduct and bullying tactics."

Foundem did not respond to a request for comment.

FLASHPOINT

- Google faces a similar probe by the European Commission, prompted by complaints from some small websites that felt they were unfairly hurt by low Google search rankings
- Google specifically mentioned websites operated by Foundem, TradeComet and myTriggers as challenging its results, saying they competed with the search giant
- Google pointed out that two of the companies are represented by attorneys who also work for Microsoft Corp which has publicly encouraged companies to challenge Google's business practices

Privacy suit settled

Separately, Google has settled a federal lawsuit accusing it of privacy violations in connection with its Buzz social networking service, according to a court document filed on Friday.

To settle the lawsuit brought by a Gmail user, Google will set aside \$8.5 million for attorneys fees and donations to organisations focused on Internet privacy, according to the court filing.

In addition, "the settlement requires that Google undertake wider public education about the privacy aspects of Buzz," the filing said.

Launched in February, Buzz initially used an individual's email contacts from Google Gmail to build a social network of contacts that the rest of the world could see, which led to privacy concerns.

Google then changed the settings so that contacts were kept private by default.

The settlement filing comes as Google also said it would simplify and update its privacy policies, according to Associate General Counsel Mike Yang on the company's website (<http://google-blog.blogspot.com/2010/09/trimming-our-privacy-policies.html>).

IT dept draws roadmap for e-development

KIRTIKA SUNEJA
New Delhi, 4 September

The Department of Information Technology (DIT) has decided to 'e-develop' six core areas – e-governance, e-industry, e-innovation, e-learning, e-security and e-inclusion – over the next five years.

The draft proposal of the five-year plan focuses on a multi-pronged strategy to achieve e-development: creation of e-infrastructure to facilitate and promote e-governance, promotion of electronics and information technology (IT) industry, promotion of e-inclusion, providing support for creating innovation, building knowledge networks and securing India's cyber space.

"Though the policy for the plan period had been done before, it is for the first time that we are doing a self evaluation of the activities and setting the targets. We expect the recommendations from the industry and public to be incorporated and everything to be finalised by the end of November," said a DIT official.

The draft said six working groups have been constituted to look into each core area and develop strategic documents. Each working group comprises 10 members, including representatives of the academia and the industry.

DRAFT PROPOSAL

- Identifies six core areas
- Each area to have working group with members from academia, industry
- Common services centres to be called Bharat Nirman Common Services Centres
- To increase hardware sectors contribution to GDP to 3.5 per cent
- Providing skill-based training to 10 million people by 2022

To achieve an inclusive growth in healthcare, the draft has suggested a tax rebate of Rs 50,000 to consumers in a block of three years, for buying computers. It also suggests a tax rebate of ₹1,000 per month for internet and broadband access.

In case of e-governance, the draft said, the strategy will be to identify non-technology related areas where DIT can intervene and conceptualise the next version of the National e-Governance Plan (NeGP 2.0). The DIT has decided to reposition the Common Services Centres (CSC) as Bharat Nirman Common Services Cen-


tres for delivery of public services to the rural populace.

The department has also decided to have at least one CSC in every gram panchayat across the country, by increasing its numbers from 100,000 to 250,000. Moreover, with state governments keeping aside 2-3 per cent of their annual budgets for IT, the draft said that this can be an opportunity for increasing private sector participation in NeGP.

The DIT, according to the draft, aspires to increase the electronics hardware sector's contribution towards GDP to 3.5 per cent from the present 1.86 per cent. On the human development front, the government has listed DIT as part of the skill development initiative and has been given a target to train 10 million people by 2022.

For providing cyber security, the draft mentions setting up of 'Cyber Security Assurance' framework to assist national level efforts in protecting critical information infrastructure. It aims to cater to the security assurance needs of the government and critical infrastructure organisations by enabling and endorsing actions.

"The implementations are still being worked out and it is only by the end of the year that we will be able to work out the resources and investments involved," the official added.

BUSINESS STANDARD ND 5.09.10**Reforms not backed by right machinery'****K Keshava Rao / September 5, 2010, 0:28 IST**


I congratulate the minister (Kapil Sibal) for one thing. He has been thinking aright on these reformist measures. But, unfortunately, it is not backed up by the kind of implementation machinery it requires. Be it in the Right to Education or the disputes, in all these kinds of things, it is not only the intentions but the wherewithal that you try to carry and organise which becomes important.

To my mind, you place education at the Central level because there is a fashion and a fad now that everything should be of the national level, national perspective or national outlook in a country of a stratified society.

We have been having a multinational approach, forgetting that the traditions of a 100-year-old university are different from the traditions of those evolving their traditions. Take for example, my own State, Andhra Pradesh. We are forgetting that the needs of the hills or Vizag are different from those of Hyderabad.

There is no subject in the entire administrative polity more important than education, which would govern and re-build a nation. Today the academic institutions are not academically-managed; they are man-managed. Who I need as a vice-chancellor is not the one who is academically well-versed, but an army chief or a DGP who can manage my students, who are interested more in the campus rather than academic classes. This often makes us worry and think as to what is happening in our field of education.

According to the standing committee report, the Supreme Court said you could not have a tribunal without a man from the judiciary. The Bill today says, if somebody resigns, you will have an ordinary man to preside over. These are the issues that a learned man, a legal luminary like the minister should understand. It is not one; I can quote 23 such things which violate the rules that exist in our state. It now puts the states against the Centre.

I am the founder of India's first open university, which is known as AP University. You must have an innovative mind of how to involve people. Education is not what you read in the books. That is why, I say, disputes are many and your Bill does not include all. What is surprising to me is that the standing committee did talk about 20-22 subjects that you just said you didn't agree with. That is the first objection I raise. Secondly, you are saying you talked with the universities. I am sure, 500 universities would not have come and said yes.

You said this was an experiment. But, if you are really able to understand, it is an experiment which needs mid-term correction. For example, you have introduced one thing. All those PhDs who have done their PhDs in eighties are no more eligible to teach, unless they have the National Talent Certificate with them. Only new people who have done their PhDs now can be lecturers, because their books have changed. I do not understand the rationale.

Number two, sir, is about the way you have hastened it. Within ten days, you have brought it! And, you wanted us to do within three days what the standing committee did and what your Bill would be! So, this kind of hasty legislation on a subject like education does not augur well for a democracy.

Please look into the shortcomings and correct them. I am always moved by this minister because his thoughts run faster than the deeds that have to come through his own missionary, which is not there. So, there, we try to coordinate with both of them.

Please put yourself to the implementation aspects, and don't always talk about the quality because quality has never paid us; none of your Bills, RTI or this or any other, that has come before this House has yielded the desired results. Sir, the Education Bill has taken time not longer than necessary. I have never handled a file that talks about the curriculum, etc. All that it talks about is services, transfers, salaries and nothing else but those things. Sir, education minister is nothing but a first-class file pusher of the administrative system.

Excerpt from the speech of Congress MP in the Rajya Sabha, K Keshava Rao, on the Educational Tribunal Bill, August 31

HINDU ND 5.09.10

Call for public-funded institutions to allow free access to study material

Ajai Sreevatsan



Screenshot of Notemonk website.

CHENNAI: Books are our window to the world. They can make us laugh, smile, shed a tear or drive us mad while we try to understand that difficult mathematical derivation.

Sometimes books can also lead us to important questions about the copyright regime and its implications in the educational sphere.

When Prashanth Ellina, a software professional based in Bangalore, decided to offer free downloads of all the National Council of Education Research and Training (NCERT) textbooks (Class I to Class XII), the copyright framework was the last thing on his mind.

The content on the site (www.notemonk.com) was itself from the NCERT's own website, which Mr. Ellina serially downloaded and designed a better interface to house the material. The NCERT's portal has been non-functional for nearly a year now as according to G. Ravindra, Director (Incharge), "many have been taking content from the site and publishing it. We will remove a few pages and put the books online again so that only students will be able to use it."

Apart from the textbooks, the Notemonk enables registered members to ask questions and interact on specific topics. Since each chapter is organised hierarchically, the discussion forums are topic-specific.

Some students have also uploaded digital photographs of their lecture notes. We are in the process of linking material to relevant educational videos on Youtube, he says.

When a Class 12 student in West Bengal answers queries in Physics from a Class 10 student in Orissa, Mr. Ellina says, "It shows the enabling aspect of the web."

What started as a need to "have a reference on my desktop" because it was "too much trouble to buy the textbooks from a shop" snowballed into a debate about copyright when the NCERT came calling.

In an email on June 11, Rajaram S. Sharma, Head of the Department of Computer Education, NCERT, said: "We appreciate your spirit of furthering the cause of education, which we all espouse. But you are hereby notified that your actions of uploading NCERT books on your site, is without permission from us and is a clear copyright violation. You may at best maintain a link to the books on the NCERT website after written permission."

Recommending a move towards a Creative Commons licence regime for critical educational resources, Prashant Iyengar, researcher at the Alternative Law Forum, says that not only the NCERT, but all public-funded educational institutions, must make their content free for everyone to access.

Since India is one of the cheapest markets for printing, it makes sense to make the content free, he says. Shortage of textbooks is a huge problem in most State-run school education boards. "Providing free content would be a huge leverage to disseminate educational content. It can be printed locally at low cost and in a timely fashion."

According to him, copyright should not come in the way of access to educational material and says Section 52 of the Indian Copyright Act offers various avenues for fair use. "Most people presume that the copyright owner has the right to do anything and everything. You won't have copyright without fair dealing. And copyright is subject to fair dealing, not the other way around," he adds.

Since the NCERT books are de facto standards across the country, the board is also extremely wary that distortions could creep in.

However, there is an aspirational element to the Internet. It is intrinsically more free and democratic than any real world institution. But even in the virtual realm, eternal vigilance is the price that has to be paid for the sake of freedom and open access.

HINDU ND 5.09.10

Learning tool that enables home schooling

Amruta Byatnal

Pune: Home learning may well become the norm again. Maharashtra schools are definitely gearing up for the educational revolution of sorts. In a step towards free and uncontrolled learning, Pune-based Pragatipath Educational Foundation recently launched myEshala.

myEshala is a learning tool that enables children to study the Maharashtra State (S.S.C.) curriculum from their home. Pragatipath Educational Foundation also runs the Millennium National School in Pune. The model of e-learning was tried and tested on the school's students first, before bringing it out as an open tool. The tool can be used independently and as a reinforcement to what has already been taught at school.

The tool, a demo copy of which can be downloaded from the website, www.myEshala.in, comprises of lesson-by-lesson lecture videos of all subjects as per the State (S.S.C.) curriculum, including Maths, Science, History, Geography, and English and Grammar. The lectures are designed and scripted by a young team of professionals. The website claims that each lecture has been tried, evaluated and reviewed by school teachers and students, making it effective, accurate and interesting. After small segments, preliminary testing is done to check learning levels.

A copy of myEshala is valid for a period of one academic year, between May 1 to April 30 every year. In this time period, one is free to use all the available lectures and attempt all the quizzes as many times as wanted. It is available at an annual fee of Rs. 3,500 for home use.

Available only for the English medium syllabus from Class 3 to Class 8 as of now, the Foundation aims to expand it to other classes and to Marathi medium within a few months. As mobile phone penetration in rural areas is better than that of computers, the tool will be made compatible for mobile phones within the next year, to reach out to rural students. The Foundation has also requested the Pune Municipal Corporation to integrate the tool in Corporation-run schools.

One broad aim of the Foundation is to encourage home schooling and enable children to give external exams. This will usher in more freedom from the current educational system, it believes.

HINDU ND 5.09.10

My teaching years were the most satisfying”

Special Correspondent *Manmohan recalls best years of his life*



Manmohan Singh

NEW DELHI: He has just completed six years as Prime Minister of the world's largest democracy, but Manmohan Singh still counts his time in the teaching profession as the best years of his life.

“My own years as a teacher have been the most satisfying and fulfilling in my life,” he told the National Teacher awardees on the eve of Teachers' Day. “Through teachers, flow the values and culture of a nation and its people.”

A fine balance

Dr. Singh noted that despite the age-old values of the country's education system, teachers needed to accept change in keeping with the times, maintaining a fine balance between traditions and innovation. One of those changes includes the abolition of corporal punishment in schools.

“The [Right to Education] bans corporal punishment and mental harassment. It also bans detention and expulsion. These provisions have led many teachers to question how discipline will be maintained in the classroom,” he said.

Free of trauma, fear

Over the past year, a number of high-profile cases of corporal punishment, even leading to death or suicide, have put the issue in the spotlight.

“The school environment should be free from fear, trauma and anxiety. No child, irrespective of caste, gender or community to which he or she belongs should dread the thought of going to school,” he added, pointing out that the attitude of teachers was crucial in making inclusive education schemes truly effective in the classroom.

Dr. Singh noted that teachers, although on the frontlines of educational reform, are often excluded from policy-making, governance and management of our educational system.

“We must, therefore, emphasise the empowerment of teachers, and that includes real opportunity for them to share policy perspectives and decision-making,” he said.

“They gain a sense of ownership over their work and their classrooms, when they are involved in the development of the curriculum, designing of the syllabus, making and selecting of teaching materials and in training programmes leading to their own intellectual and professional development.”

Hindu, ND 05-Sep-10 p-16

A starry-eyed mission

NASA's probe will plunge directly into sun's atmosphere

Narayan Lakshman

WASHINGTON: The sun — like a benevolent god, it shines down upon us and sustains all life on Earth, and god-like, it has also been beyond the reach of human endeavour. At least until now.

This week the National Aeronautical and Space Administration announced its most ambitious space exploration project yet — to send a probe to our nuclear-powered star by the year 2018.

In developing the path-breaking mission, called Solar Probe Plus, NASA said that it was hoping to encounter and study the sun “closer than ever before.” The unprecedented project is slated to launch no later than 2018 and will send a small-car-sized spacecraft across nearly 150 million kilometres to “plunge directly into the sun’s atmosphere” four million miles above the star’s surface.

The craft would have to withstand temperatures exceeding 2550 degrees Fahrenheit and blasts of intense radiation; and to do so it would be constructed using a revolutionary carbon-composite heat shield. If the mission succeeds, the spacecraft will have an “up close and personal view of the sun,”

- Experiments designed to solve key questions
- Preliminary designs approximately \$180 million

NASA said, and it would enable scientists to better understand, characterise and forecast the radiation environment for future space explorers.

Dick Fisher, director of NASA’s Heliophysics Division, said “The experiments selected for Solar Probe Plus are specifically designed to solve two key questions of solar physics — why is the sun’s outer atmosphere so much hotter than the sun’s visible surface and what propels the solar wind that affects Earth and our solar system?” He added that scientists had struggled with such questions for decades and this mission would finally provide answers. In particular, NASA noted that a mission to provide such measurements was first recommended in 1958 by the National Academy of Science’s “Simpson Committee,” and since then NASA had conducted several studies of possible implementations of a Solar Probe mission.

To make this historic project a reality, NASA said it had selected five science investi-

gations from a 2009 list of proposals that it had called for. The space agency said that the total dollar amount for the five selected investigations was approximately \$180 million for preliminary analysis, design, development and tests.

Among the selected proposals were studies that proposed to examine particles in solar wind, telescopes designed to make three-dimensional images of the sun’s corona, and projects that sought to measure energy fields, radio emissions, and shock waves in the sun’s atmospheric plasma.

An Indian-American scientist on the Solar Probe Plus team, Madhulika Guhathakurta, said “This project allows humanity’s ingenuity to go where no spacecraft has ever gone before... For the very first time, we’ll be able to touch, taste and smell our sun.” NASA noted that the Solar Probe Plus mission was part of its “Living with a Star” programme, designed to understand aspects of the sun’s and Earth’s space environment that affected life and society.

PM compliments Sibal's dedication on handling HRD ministry



OUR POLITICAL BUREAU
NEW DELHI

PRIME Minister Manmohan Singh signalled his full support and confidence in human resource development minister Kapil Sibal in his Teacher's Day address. Prime Minister Singh complimented the minister for his zeal and dedication in handling the "most important" ministry. This vote of confidence comes close on the heels of the attack by a Congress colleague in Parliament during the discussion on the National Educational Tribunal bill on the last day of the monsoon session. With the Prime Minister coming out Mr Sibal's support, the chapter on Mr Sibal's "isolation" within the party is expected to be closed.

"I compliment and pay tribute to my colleague Kapil Sibal for the zeal, dedication and enthusiasm that he has brought to bear on the work of this most important ministry of union government that the human resource development ministry is," the Prime Minister said during his address to the national award winning teachers on the occasion of Teacher's Day.

The HRD minister had to defer the Education Tribunal Bill, 2010, a key educational reform bills, which came under attack from Opposition members as also senior Congress leader K Keshava Rao in the Rajya Sabha. Even though the ministry has maintained that this was not a setback, a delay of three months for the passage of the bill was not something Mr Sibal had expected.

Mr Sibal had been keen to ensure the passage of the tribunals bill in the monsoon session as it would have expedited the process of taking up two linked bills. Together with the national educational tribunal bill, the Prohibition of Unfair Practices in Technical, Medical Educational Institutions and Universities Bill and National Accreditation Authority Bill form the basis of the HRD minister's reform plans for higher education. The Lok Sabha rules do not permit taking up of linked bills, till one of them has been notified. The HRD minister has avoided making any public recriminations against his party colleagues or the government's floor management in Parliament. However, the fact that a senior Congress leader chose to speak out against him would have caused some consternation. The Prime Minister's public praise, a clear signal of support, puts an end to the matter.

Coming as a boost, Mr Sibal used the occasion accorded by the Teacher's Day lunch to stress once again on the need for reform. Linking school education to the country's economic growth, Mr Sibal pitched for good pay packages for teachers to attract the "best minds". He said that the sector would witness investments to the tune of billions of dollars in the next two decades and become the fastest growing sector in the country.

"What you are doing in schools will directly impact the GDP of the country... The Growth Enrolment Ratio is presently 12.4 per cent and this should touch 30 per cent," the minister said at a lunch hosted by him for the national award winning teachers.

TIMES OF INDIA ND 5.09.10

Good teachers are costly, but bad teachers cost more

Teacher's Special!

WHAT is it about Teachers' Day that with every passing year the day is marked with increasingly less fanfare even as the hype associated with less relevant commemorative days such as Valentine's Day seems to increase exponentially? Perhaps it is a reflection of our skewed sense of priorities. But as another Teachers' Day dawns and I sit back and reflect on what has happened in the field of education in the year gone by, my first reaction is, well, there's been a lot of sound and fury for sure!

Whether it is the Right to Education Act that makes the right to education a fundamental right or the Foreign Universities Bill that allows foreign universities to set up shop in India or the Educational Tribunals Bill that sets up educational Tribunals to adjudicate disputes involving teachers and other stakeholders, or the decision to make 10th standard Board examinations optional, seldom has the once low-key education ministry, now re-named in keeping with the times, as the Human Resources Development ministry been more in the news.

What is missing in all this, however, is that even as so much time and effort seems to be going into increasing students' access to education, nothing remotely comparable seems to be going into improving the lot or the quality of the dispensers of education: teachers.

To be sure teachers today, especially those in government schools and colleges, are far better paid than during my grandmother's time when her village school master routinely nibbled the edges of the idlis she brought for lunch because he was too poor to afford a decent meal. Nonetheless, there is no doubt that compared to the top brass in the corporate sector the



kaleidoscope

MYTHILI BHUSNURMATH

top rung in our institutions of higher education earn a paltry sum. Facilities, whether for research or further study, or even what the corporate sector takes for granted such as air-conditioned offices, clean toilets and other material comforts, are non-existent.

The net result is that the teaching profession is not able to attract the best talent. Worse, in a world that respects only success and equates success with material success, there is a steady erosion of respect for teachers. The unspoken, but widespread, belief is that a person takes to teaching only because he/she could not get an opening elsewhere.

'Teaching is not a lost art, but the regard for it is a lost tradition,' lamented

Jacques Barzun, the noted centenarian American scholar-historian. What can we do to change this? A great deal! Better salaries, more incentives and along with that, far greater accountability than at present. Teaching is a vocation, not a 9 to 5 job; a good teacher is like a good doctor, she has to be passionate about her calling and cannot look at it only as a means to earn a livelihood.

The unfortunate part is that government which is the main purveyor of education in the country has not woken up the need for action here. Almost the only person who has is Azim Premji, Chairman Wipro Ltd whose Azim Premji Foundation is doing pioneering work in education.

Writing in Business Today's 14th Anniversary Issue in 2006, Premji pointed out, 'The sad reality is that we teach for examinations that test the student's ability to recall information. As a result teaching becomes a didactic and mechanical one-way process—and children respond to this with rote learning. True learning happens when children construct their own meaning. One does not learn the laws of motion by remembering definitions. Rather, you learn when you observe motion, hypothesize, test, make inferences, validate, and so on. This process of learning by self-discovery, guided by the teacher, is what leads to true understanding.'

The equally sad reality is none of this will change unless we realise the need to look at both teachers and the taught as one integrated whole. Increasing access alone is of no use if we are not able to teach our children right. We will merely churn out vast numbers that are educated only in name or even if they are able to master the skills of passing exams, and brilliantly at that, remain singularly uninformed by what constitutes real education.

'Good teachers are costly, but bad teachers cost more,' wrote Bob Talbert, the iconic Michigan journalist. On Teachers Day that is a thought all of us, especially policy-makers, would do well to dwell upon.

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Times of India ND 05-Sep-10 p-14

After MP rap over edu bill, PM throws a line to Sibal

Still Sees HRD Minister As The Man For Steering Education Reforms

TIMES NEWS NETWORK

New Delhi: After having had to beat a reluctant retreat over the Education Tribunals Bill in Rajya Sabha, HRD minister Kapil Sibal found some relief on Saturday with Prime Minister Manmohan Singh praising his handling of the crucial ministry.

The PM's words would be a much-needed succour to the minister whose complaint that the bill has fallen victim to poor floor management had been vigorously rejected by the team of parliamentary ministers led by Pawan Bansal.

Bansal, in fact, turned back to argue that ministers had to be mindful of UPA-II's lack of numbers in the Upper House.

Sibal's colleagues argued that the minister's decision not to accept even one recommendation of HRD standing committee, headed by Congress working committee member Oscar Fernandes, had not gone down well. The attack on the bill by Congress's K Keshava Rao led to both the Left and the BJP sensing a possibility of embarrassing the government.

What was remarkable, Rao's action was not deplored and Bansal went so far



PM with HRD minister Kapil Sibal during a meeting in New Delhi on Saturday

as to argue that a ruling party MP had the right to articulate his views and that he had done so himself in the past. As long as the MP did not violate the party whip, it was all right. The parliamentary minister said it made no sense to invite defeat on the floor of the House.

Given the Bill's unceremonious withdrawal, PM's compliments for Sibal for his "zeal, dedication and enthusiasm in

this most important ministry" would be a salve for the minister. It would also mean the PM still sees Sibal as the man for steering education reforms.

But despite the PM's words, Congress's internal jousting has hardly subsided. On Saturday, it was the turn of a veteran MP K Samba Siva Rao to lash out at Keshava Rao for "stopping the legislation." Keshava Rao has claimed that the HRD ministry's initiatives like the Right to Education were not rolling out on the ground.

Samba Siva Rao argued, "If there was something wrong with the bill, he (Keshava Rao) should have discussed it with the party leadership but not stop the legislation." He went on say "People who are disciplined, committed to the party, sincere are taken lightly whereas those who create problems are being rewarded."

Though this can be seen as a criticism of Keshava Rao, the comment is also a crib about the leadership for not taking into account views of MPs like Samba Siva Rao. "Attacking government's bill is like attacking the Cabinet that in its wisdom cleared the legislation," he told TOI.

It seems the last word on the tribunals bill has not been said as yet.

ASIAN AGE ND 5.09.10

Embattled mantri Sibal gets pat from PM

Encountering hostility and isolation within his own party, Union minister for human resources development Kapil Sibal appears to have at least Prime Minister Manmohan Singh firmly behind him. On Saturday, the PM showered the minister with praise for the work he has done as the country's HRD minister.

The encomiums for the embattled Mr Sibal came in the PM's speech before National Award-winning teachers at his residence here on Saturday, the eve of Teachers' Day. "I compliment and pay tribute to my colleague Kapil Sibal for the zeal, dedication and enthusiasm that he has brought to bear on the work of this most important ministry."

While the PM did not say as much, the need to draw attention to his Cabinet colleague's work has clearly arisen after a bill moved by him in the Rajya Sabha, the Educational Tribunal Bill, 2010, had to be deferred earlier this week. To Mr Sibal's considerable embarrassment, this happened after none other than party MP and Congress Working Committee member K. Keshava Rao launched an attack on the proposed legislation when it came up for discussion in the Rajya Sabha.

The attack was seen as an instance of the hostility Mr Sibal is experiencing at the hands of his own party MPs who accuse of being high-handed. It is noteworthy that the parliamentary standing committee's report on the proposed legislation was ignored by Mr Sibal's ministry while drafting it. While Mr Rao later claimed there was nothing personal where his criticism of the bill was concerned, it is noteworthy that the party has not rebuked him for them.

Mr Sibal though is not the only Cabinet member facing flak from his own partymen. Union home minister P. Chidambaram too has been busy battling Congressmen on his use of the phrase "saffron terror". AICC general secretary Digvijay Singh had responded by saying the party had never used this term.

06 SEP 2010

Indian Express ND 06/09/2010 P3

JNU reverts to old admission policy, fills only 15.9 pc OBC seats

DEEPU SEBASTIAN EDMOND
NEW DELHI, SEPTEMBER 5

AFTER a last-minute flip-flop that saw the reinstatement of its controversial tailor-made admission process, the Jawaharlal Nehru University (JNU) has managed to fill only 15.9 per cent of its allotted 27 per cent OBC seats this year.

In other words, the university managed to fill only 396 of its 683 OBC seats. Many of the vacant seats have already been allotted to general category candidates.

Though this year's figure of 15.9 per cent is a tad better than last year's 14.2, it may be noted that the quota was only 18 per

cent of the intake back then. Consequently, 330 of the 413 OBC seats had been filled last year.

Newsline had reported last year's admission statistics on January 4, 2010. The analysis of the data showed that JNU was not struggling to find suitable OBC candidates; instead, they were being kept out by the peculiar way in which the institution has designed its admission procedure.

The university has filled 24.1 per cent of its OBC seats in its BA courses. However, in MA courses, it has managed to fill only 13.6 per cent of the 27 per cent OBC seats. The corresponding number of M Phil

courses offered for the Social Sciences is 14.3 per cent.

Sciences usually tend to perform better than courses in social sciences, as far as admissions are concerned. In MA Economics, 29 of the 35 OBC seats allotted have gone vacant, while it was 24 of 25 in MA Political Science, 22 of 23 in MA Sociology and 18 of 19 in MA Arts and Aesthetics.

On the other hand, all the 16 allotted seats were filled in MCA, while the number for MSc Life Sciences was two more than the 14 allotted seats. The 11 allotted OBC seats were filled in MTech Computer Science as well as M Phil Life Sciences.

As per the recommendations made by the Aditya Mukherjee-

chaired committee in 2009, the university had put in place two criteria for the selection of OBC students. There was a "cut-off" mark fixed at 10 marks below the JNU entrance exam score secured by the last selected general category student and a "qualifying mark", which is the minimum eligibility mark acquired in the entrance exam.

JNU students have long been campaigning against this procedure, calling for the "cut-off" of the University to be made the same as the "qualifying mark." Convinced by the logic in their argument, several senior faculty members had expressed their support for them.

Intense lobbying by students

using admission data from the first two years of OBC reservations led to the Academic Council meeting of March 18 scrapping the Aditya Mukherjee committee's model.

The AC called for the adoption of the Hyderabad Central University's reservation policy, with pre-fixed cut-offs, and referred the matter to the Deans' Committee. The Mukherjee committee was flayed for essentially tying the fate of OBC candidates to that of the last unreserved category student.

Then, on June 17, the Deans' Committee decided to treat the minimum qualifying mark in the entrance examination as the cut-off. Youth For Equality, the or-

ganisation that has been campaigning against OBC reservations, decided to throw a spanner in the works.

On June 27, the YFE's lawyer sent a legal notice to the JNU, threatening action — including contempt proceedings — for contravening the Supreme Court's orders. Following this, on July 9, the JNU administration obtained legal opinions from two lawyers — advising the university to revert to the controversial method.

On July 12, just a day before the BA/MA results were announced, JNU reverted to the OBC admission policy recommended by the Mukherjee committee.

Hindustan Times, ND 06-Sep-10 p-7

UGC breather for DU teachers

RESPIRE 300 teachers to benefit from UGC directive, get two years to be NET/SLET-qualified

Joyeeta Ghosh

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NEW DELHI: Around 300 ad hoc teachers of Delhi University (DU) have got a breather.

The teachers were on the verge of losing their jobs, for not having met the minimum qualifications set by the University Grants Commission (UGC).

In a letter addressed to the Deputy Registrar (Colleges) of DU, dated August 31, 2010, the UGC has allowed colleges to re-appoint lecturers who worked in the last academic year, even

if they do not meet the minimum required qualification.

The letter mentions, "...those presently working as teachers in ad-hoc capacity but not National Eligibility Test (NET) qualified, shall be given a time period of two years (i.e. four attempts at NET) to qualify in the NET/SLET (State Level Eligibility Test) and during this period of time of two years, colleges and universities may not fill teaching posts presently held by them on ad hoc or regular basis"

This letter upholds the earlier time period granted to the

During this period of...
two years, colleges and
universities may not fill
teaching posts presently
held by them on ad hoc
or regular basis.

UGC DIRECTIVE

ad hoc teachers to meet the minimum qualifications.

A letter issued by the UGC to the vice chancellors of universities on August 23, 2009 had mentioned, in a similar manner

as narrated earlier that, "...those presently working as teachers in ad hoc capacity; but not NET-qualified, shall be given a time period of two years to qualify in the NET/SLET and during this period of time of two years, colleges, and universities may not fill teaching posts presently held by them on ad hoc basis or regular basis."

This means the ad hoc teachers have time till August 2011 to clear the NET/SLET, which, as per the UGC's (Minimum Standards And Procedure for Awards of M.Phil/Ph.D degree) Regulation 2009, has been made

HINDUSTAN TIMES HAD FIRST REPORTED THAT AD HOC TEACHERS MAY LOSE THEIR JOBS SINCE THEY HAD NOT CLEARED NET/SLET.

mandatory for appointment of ad hoc lecturers in universities. The new regulation came into effect from July 16, 2010.

In compliance with the UGC regulations, Delhi University on April 20, 2010 had sent a letter to principals of colleges, asking

them to abide by the above guidelines.

The All India Researchers' Coordination Committee had pointed out that this order of DU was in violation of the earlier letter issued by UGC on August 29, 2009.

The varsity authorities had written to the UGC on June 28, 2010 about shortage of candidates who meet the UGC norms for the post of ad hoc teachers.

In reports published on July 15 and 25, HT had first reported that ad hoc teachers may lose their jobs since they had not cleared the NET/SLET.

Hindustan Times, ND 06-Sep-10 p-14

'Give reason in writing for rejecting selection'

COURT RULES SC rejects Centre's plea; says appointments panel has to record reason

Satya Prakash

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NEW DELHI: Ruling in favour of transparency in high-level bureaucratic appointments, the Supreme Court has said the Appointments Committee of Cabinet (ACC) must give reasons in writing for its decision rejecting recommendations for a bureaucrat's appointment to a particular post.

A bench headed by Justice H.S. Bedi turned down the Centre's plea that there was no rule requiring reasons to be recorded by the ACC for such decisions. The apex court upheld the verdict of the Delhi High Court, which asked the Centre to reconsider the case of Bhaskarendu Datta Majumdar for appointment as Director, Marketing in the State Trading Corporation (STC).

The verdict comes as an embarrassment to the government that had contended that the ACC was the final authority to make the selection and appointment and "it alone had the jurisdiction to determine the suitability of an officer".

The government also claimed that ACC decisions were not open to challenge except on grounds of mala fide or other exceptional reasons. The court, however, emphasised that this authority was not absolute.

If the government was not accepting the recommendations of the departmental promotion committee, the SC ruled citing a 1995 case, "it must give reasons for so differing to ward off any attack of arbitrariness. Those reasons will have to be



ILLUSTRATION: ABHIMANYU

recorded in the file".

Majumdar, who joined STC as Executive Secretary to the chairman-cum-managing Director in April 2001, was chief general manager when he applied for the post of Director (Marketing) in December 2005.

In March 2006, the Public Sector Enterprises Board shortlisted Majumdar and Neeraj Mishra. The Department of Commerce forwarded Majumdar's name to the ACC for approval with his vigilance clearance.

Majumdar contended that

the Home Minister, as the second member of the ACC, had also endorsed his name. But the then Cabinet Secretary — B.K. Chaturvedi, who had earlier been MD of STC — allegedly scuttled his appointment taking note of some serious allegations which at one point in time had been levelled against him.

This included departmental inquiries and two CBI cases involving Majumdar. But all the inquiries exonerated him. Ignoring the clean chits, the ACC did not clear his appointment.

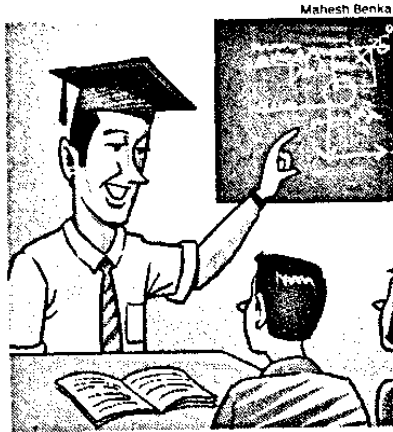
IIT undergrads start new chapter of tutoring juniors

Hemal Chhapla | TNN

Mumbai: Most IITians think that they are as different from their faculty members as MS-DOS is to Windows. Taking the same corollary a bit further, when it comes to their teaching assistants, the latter apparently are still stuck in the faded age of Orkut. But these gaps will soon be bridged with the launch of a novel programme, in which the Indian Institute of Technology, Bombay will have senior undergraduates teaching freshers.

Bright undergraduates tutoring their juniors is common on most American campuses but this is the first time that an Indian institute is attempting this teaching model. With the number of students rising, teaching assistants are becoming all the more important in the tutorial system being conducted after lectures.

"On an experimental basis, 50 undergraduates have been appointed as UGTAs (undergraduate teaching assistants) who will help faculty members take first- and second-year core courses. These students will have sim-



ilar assignments as that of regular postgraduate teaching assistants," said IIT-B dean (academic affairs) Supratim Biswas.

"We are being very careful while selecting students for the programme. Not only do they need to have brilliant academic credentials in IIT (without any backlogs) but they also should be able to handle the additional load of tutoring juniors beside completing their own studies."

Usually, IITs appoint their PG and PhD students as teaching assistants, who are also offered financial support. However, some of the schools have woken up to the fact that many of these assistants did not study their UG courses at an

Indian Institute of Technology; so, their methods of teaching often differ from that of a teacher, sometimes ending up confusing a student.

"We have observed that our undergraduates can relate to their seniors who are well equipped in handling the rigour of bread-and-butter institute-level core courses both academically as well as temperamentally," said Biswas.

In fact, IIT-B has infused a catalyst — a respectable honorarium of Rs 48,000 a year — to its experiment. If the arrangement yields good results, the next year may see more third- and fourth-year students (of the dual degree programme) being selected for coaching.

With the rising student population on campus, lectures for all core courses are being held four times a year, to make up for the paucity of faculty members and classrooms. Last year, the large hall meant for convocation was used for classes, but several students and teachers said it was irrational to have a class of 880 at a time. Lab sessions and workshops are held in shifts.

'We're launching Chandrayaan-2 for a total coverage of the moon'

On August 30, India's second unmanned scientific mission to the moon, the Rs 425-crore Chandrayaan-2, slated for launch in 2013, a joint Indo-Russian flight, from Sriharikota, took a definite shape with the seven scientific instruments or payloads - five on the India-built orbiter and two on the indigenous rover - being announced by ISRO. A high-level committee headed by U R Rao, chairman, Advisory Committee on Space Sciences, made the choice of instruments. Srinivas Laxman talks to Rao, who was also chairman of ISRO between 1984 and 1994:

■ India's first lunar mission Chandrayaan-1 had accomplished nearly 95 per cent of its scientific objectives and is considered a success internationally. Why is India returning to the moon?

There are still a lot of

outstanding issues about the moon, which have to be resolved in greater depth. Some of the experiments of Chandrayaan-1, moreover, achieved only 50 per cent to 70 per cent of their objectives. Again, due to power limitations, the Terrain Mapping Camera of Chandrayaan-1 could map only 45 per cent of the moon. We are launching Chandrayaan-2

Q & A because we need a total coverage of the moon, employ improved and new technology and obtain better quality photo imageries. The orbiter with the five payloads will be flying at an altitude of 200 km above the lunar surface and we estimate that its lifespan would be for two years depending on the use of the propellant.

■ A significant aspect of Chandrayaan-2 is that the orbiter, unlike in Chandra-



yaan-1, does not have any foreign payloads even though NASA and the European Space Agency showed interest. Is there any reason why foreign payloads have been removed?

As per the present plan we do not have any weight in the orbiter for foreign payloads. We were keen on giving an opportunity to our scientists. This is why we decided not to invite international participation this

time. Keeping this in view we, unlike in Chandrayaan-1, did not issue a formal Announcement of Opportunity calling for international participation. Even at the last moment if we decide to have foreign payloads on Chandrayaan-2 after making weight allowances, we have to issue an Announcement of Opportunity, an elaborate exercise, which can delay the flight. The total mass of the five payloads on the orbiter is about 40 kg at the moment and we are trying to reduce it, which may be difficult.

■ In Chandrayaan-1 many Indian scientists regretted that their achievements were sidelined especially with regard to the discovery of water and NASA took away the credit. Is this a reason why the committee eliminated foreign instruments on board Chandrayaan-2?

[Laughs] The instruments were chosen based purely on their scientific merit.

■ The weight of Indian rover was earlier stipulated as 15 kg. Has this been finalised and what will be its lifespan?

It will be more than that. It will function only for a few days on the surface of the moon because of power limitations. It will carry its own power. The design and development of the rover is a new technology for us. For the orbiter we have selected the right altitude of 200 km above the moon's surface for it to fly because too many corrections are not needed at this altitude. (The flight plan envisages the lander with the rover detaching from the orbiter at a certain point near the moon and soft landing on the lunar surface, the place has yet to be finalised. Thereafter, the rover will move out of the lander.)

US dynamism makes downsizing its importance very difficult, admits Infosys

BIBHU RANJAN MISHRA
Bangalore, 5 September

Infosys has time and again expressed its desire for reducing exposure to the US market.

But each time it vows to do so, the US market grows even more stronger.

S (Kris) Gopalakrishnan, the MD and CEO, recently trotted out the same old cliché, but with a specific figure. "We are pro-actively investing in increasing our non-US business. Today, about 65 per cent of our business comes from the US, but we want to get a ratio of 40 per cent. This is

not by reducing the US business, but by growing other geographies faster," he said.

It is not as easy as it sounds. Kris himself knows that. While talking to analysts in January 2008, Infosys' top management had announced the plan was to bring down the US contribution to its total revenue to around half. But the slowdown of 2008-09 changed everything. While it was the first among global economies to show signs of recovery, the US' contribution to the country's second-largest information technology (IT)

service provider's overall revenue went up further after the downturn.

"It's a challenge before us. That's why we have not set a time frame for this - it's directional," says Kris. "It (to keep US revenue contribution at 40 per cent) is difficult because the US is the best and the most dynamic market. In this recovery itself, the US has done better than other geographies," adds the Infosys co-founder.

Before the downturn, the contribution of the US to the Bangalore-based company's overall revenue was 60 per cent. It is now



The US continues to be the best market for technology-related services, agrees Kris Gopalakrishnan, MD and CEO, Infosys

close to 66 per cent. The share of Europe has further come down, though the company attributes it to a weak euro. Infosys' Europe revenue share in the last

quarter came down to 20 per cent from the earlier 29 per cent.

"Europe is expected to grow much slower than the US in the next few years, and it's because of the way they reacted to this downturn. The US has reacted more aggressively, so they are starting to recover much faster," explains Kris.

Infosys agrees the US market continues to remain at centre stage for most Indian IT service providers, despite the new wave of protectionism measures. There are still a lot more untapped opportunities in

the US market for Indian IT services' providers.

Infosys, for example, serves about 130-odd Fortune 500 companies in the US. "So, there are still a lot of opportunities to grow in the US market," says Kris.

Adding: "The US continues to be the best market for technology-related services. The US also adopts new practices fast. When offshore was introduced, US was the first to adopt that and use that model. That's the reason why the US will continue to be the largest and one of the important markets for us."

Boeing offers Isro tech help for 2016 manned space trip

Prashanth G N | TNN

Bangalore: The Indian Space Research Organisation has an offer too tempting to resist: Boeing has said it is ready to collaborate and offer technological know-how to Isro for its human space flight programme, scheduled tentatively for 2016.

This will include construction of a crew vehicle to the International Space Station (ISS), journey to the station and re-entry into earth's atmosphere, which is the most crucial aspect of the programme. Dr Vivek Lall, vice-president and India country head, Boeing Defense, Space and Security told TOI: "Boeing has initiated discussions with Isro to offer our support to India's human space flight programme. With our legacy in space exploration design, development and integration, we believe we can provide value-added assistance to In-



ALLIANCE OF THE TITANS

dia's national programme."

Lall added: "We plan to submit a formal request to the US Department of State to enable us to proceed down this path should our services be accepted." The senior Boeing official pointed out that Nasa had offered a Commercial Crew Development (CCDev) contract to Boeing with Bigelow Aerospace as a key

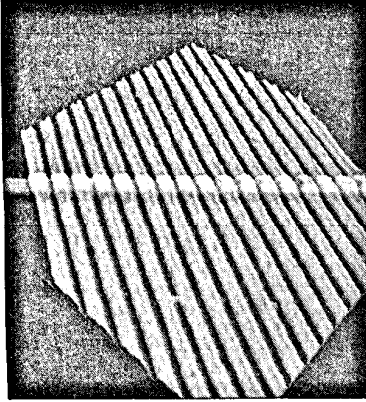
Data of Chandrayaan mission to go public

Voluminous scientific data, including rare images of the moon, from India's maiden lunar mission Chandrayaan-1 will be made public by the year-end. "People will have free access to the huge data obtained from our first moon mission on a web portal that will be launched by this year-end," a senior scientist of the Indian Space Research Organisation (ISRO) said. IANS

team mate to initiate the design and development architecture of commercial transport to and from ISS. "This programme opens the door for collaboration between Boeing and Isro in areas of commercial crew transportation."

Boeing has offered collaboration in four specific areas, one of them in which Isro has already begun work.

HP, Hynix to make next-gen memory chips



JOHN MARKOFF
SAN FRANCISCO

Sept. 5: Hewlett-Packard said Tuesday that it would commercialize a new computer memory technology with Hynix, the South Korean chip maker.

Hynix's agreement to build computer memories using a technology HP scientists developed called memristors indicates that more computer memory will be packed in even smaller devices in the second half of this decade. The two companies said the memristors will be commercially available in about three years.

To date, the memristor's most likely application is for dense nonvolatile memories, which is what is used in

flash memory cards for products like cameras and PCs. It is not out of the question, however, that it might play a role in other kinds of chips, including microprocessors, in the future.

The agreement to build the memory chips validates the work of Leon O. Chua, a University of California, Berkeley, electrical engineering professor. In 1971, he proposed a fourth basic circuit element (the other three are the resistor, capacitor and inductor) and called it a memristor, or memory resistor, as a simpler alternative to transistors. The idea languished for many years before a team of HP researchers found a way to use it in 2006. Since then, memristors have attracted

Memristors are still viewed as laboratory experiments by semi-conductor firms.

industrial, academic and military interest, but have not gone beyond being laboratory curiosities.

Competing in the memory business will not be an easy battle. Memristors are still viewed as laboratory and academic experiments by the majority of the world's leading semiconductor firms, most of whom have settled on a competing technology known as Phase Change Memory, or P.C.M. However, HP scientists said

they traveled the world discussing memristors with all of the leading chip makers before settling on their commercial development agreement with Hynix, the world's second-largest maker of memory chips behind Samsung Electronics.

"Right now the memristor outperforms flash," said Stan Williams, an HP Labs scientist who has led the development effort. He said the tiny switches could be turned on and off more than 100 times as fast as flash, use a tenth of the energy and have a much greater lifespan.

The storage densities are already staggering and will become even more impressive in the future. Next year

the most advanced flash storage chips will have a capacity of roughly 64 billion bits per square centimeter, according to the industry's annual road map. By 2014, that is expected to increase to 170 billion bits per square centimeter. Rice University scientists said that memristive storage devices could be five times as dense as the industry standard in 2014 and that the technology was more easily adaptable to three-dimensional packaging. HP researchers have described ways to design 1,000-layer memristor-based chips, although they acknowledged that with current manufacturing techniques such devices would not be practical. —NYT

Busines Standard ND 06/09/2010 p-12

Is supply of software a sale or a service?



SERVICE TAX

S MADHAVAN

In a very recent and interesting judgement, the Madras High Court has come to some fundamental conclusions, in relation to taxability of supply of software to customers under a typical software licensing agreement (Infotech Software Dealers Association Vs. UOI).

The petitioners were dealers in software and approached the High Court through writ petitions impugning the extension of the service tax law, as contained in the Finance Act 1994, to software, on the grounds of being null and void, ultra vires and against the Indian Constitution. Specifically, the challenge related to the taxable serv-

ice of provision of information technology software. It was the case of the petitioners that it was settled law, as per the judgement of the Supreme Court in TCS vs. State of Andhra Pradesh (2005) 1 SCC 308, that software was goods and hence transactions relating thereto could only be construed as sale of goods. Consequently, the States alone had the legislative competence to tax such transactions and hence the imposition of service tax in relation to such transactions by the Centre must be held to be without basis in law. It was also argued that while considering the transactions, the dominant intention of the parties would also be relevant, in terms of the Supreme Court's decision in the BSNL case, and in this regard as well it must be held that there could never be an intention for the contracting parties in relation to a software supply to provide a service to the other. It was also argued that the sale of software was, in any event, subject to VAT and hence the subsequent extension of the service tax in relation thereto was incorrect in law.

The particular transaction

in question was in relation to software supplied in terms of a typical licence agreement, whereby the end user was given a limited right to use the said software. Of course, there were other transactions in relation to the software as well but it was the licencing agreement that was the subject matter of the detailed findings of the Court.

To begin with, the Court took note of the decision in the TCS case (supra) and concluded that software was undoubtedly goods, as it was an article of value having regard to its utility, capability of being bought and sold, and capability of transmission, delivery, storage and possession. Since software satisfied these conditions, it would indeed be goods, whether customized or non customized & whether tangible or intangible. The Madras High Court hence came to the obvious conclusion as above, by not only following

It is critical the GST incorporates special rules in relation to taxation of software supplies and that they are uniformly and consistently applied

the TCS judgement (supra) but also following its own earlier decision in the case of Infosys Technologies Vs. CTO (2009) TIOI 509 as well as the decision of the Karnataka High Court in Anirix Corporation Ltd. Vs. Assistant Commissioner of Commercial Taxes (2010) TIOI 515. Having taken note of the settled position as above, the Court then went into the nature of the underlying transactions.

The Court came to the initial conclusion that notwithstanding that software was goods, the transactions whereby it was supplied to the customers would need to be considered for the purpose of taxation. The Court visualized cases of exclu-

sive sales of software, exclusive services relating to software and cases where both the elements of sales and services were involved.

The Court thereafter considered the typical software license agreements, both the master agreements between the software owner and dealers/distributors as well as the end use agreements between the software owner & the individual end users. The Court took note of certain specific clauses thereof which stated as follows:

■ the agreement was between the software IP owner (Licensor) and the end user (Licensee) ■ the IP owner retained the IP in the software & contained to remain the owner of the software in that regard ■ the licensee could not sell, license or distribute copies of the software ■ the licensee did not acquire any right to transfer or license or distribute the software and only obtained a limited right to use the software in question.

The Court arrived at a conclusion that the software owner retained the copyright in the software, regardless of whether it was canned, packaged or customized and that the transfer that took place was of a limited right to use, with copyright protection retained by the owner. The members of the petitioner association entered into master end use licence agree-

ments which enabled them to market the software to individual end users, under the end use licensing agreements in question. On a consideration of these factors, the Court held that in a situation as above, no transfer of the software took place at all and hence the provisions of the Constitution, under Article 365(29A)(d) thereof, in terms of deemed sales of goods were also not attracted to the case in hand. The Court therefore came to the conclusion that it could not be held that merely because software was goods, all transactions relating thereto must be outside the purview of the service tax, as they necessarily could only amount to actual sales of such software or deemed sales of such software, in the form of a transfer of the right to use such software. The Court held that such a conclusion could not be drawn and it was entirely possible to visualize situations where the transactions in relation to software, which was admittedly goods, were not covered within the ambit of either actual sales or deemed sales. Specifically, the typical software end user licence agree-

ment in question visualized the contracting parties to enter into a services contract, whereby one contracting party would provide a service to the other, in relation to software. The Court therefore held that while it undoubtedly concurred with the Supreme Court in regard to the dominant intent test to consider taxability, that test was necessarily a factual one, to be conducted qua the actual transactions that were under consideration. There could not be any automatic or axiomatic conclusion that since software was goods, the dominant intent of the contracting parties, in relation to such software, could only relate to sales and not to services.

The Court therefore concluded that the provisions in the service tax law introducing the taxable service of information technology services were constitutionally valid and it could not be held that the Centre had no Constitutional powers to tax transactions relating to software. The Court said that it was always open for the petitioners to argue their case regarding the dominant intention of the parties and they could hence resist the imposition of service tax by demonstrating that the transaction was a sale and not a service. It will be interesting to see

how the impending GST addresses this tricky question. The central challenge of whether a transaction is a supply of goods or a supply of services would continue to be relevant since it is likely that the GST rates could be different across goods and services, at least for the initial years of the GST. As is known, the present understanding is that goods will be charged to a standard GST rate of 20 per cent or a concessional GST rate of 12 per cent, as the case may be, and there would be a convergence to a 16 per cent rate over a three year timeframe. On services, the understanding is that the rate would be at 16 per cent from inception. If this were to come about, the challenge of determining the appropriate rate of GST on transactions relating to software supplies will continue to plague the industry for this initial period. It is therefore critical that the GST incorporates special rules in relation to taxation of software supplies and that they are uniformly and consistently applied.

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Supported by Rahul Renavikar

ALUMNI PLEDGE TO SERVE ALMA MATER

Raising funds for scholarships, faculty bonus and expansion



PROUD OF OUR PAST, BUILDING THE FUTURE

- The IIM-Bangalore alumni gave ₹13 lakh for the construction of a gymnasium on the campus.
- The IIT-Bombay alumni pledged 1% of their salary towards paying signing bonus to faculty and improving hostel infrastructure.
- The XLRI alumni is considering to divert donations for scholarships, foreign faculty and infrastructure.
- IIM-A raised ₹18 crore through alumni contributions. A former student of the 1989 batch donated ₹2.3 crore

KALPANA PATHAK
& VINAY UMARI
Mumbai/Ahmedabad

The alumni associations at premier B-schools and engineering institutes are going beyond handing out an annual donation cheque to their alma mater. They are contributing at every level and helping the institutes build their brand, both nationally and internationally.

"It's a moral calling towards our alma mater. We are together to support our institute. It's our responsibility to see that our institute stays on top," said Rakesh Godhwani, head, IIM Bangalore, alumni association.

Godhwani, who joined IIM-B three years ago, said the B-school has put in a lot of effort to institutionalise alumni involvement. "We made a professional secretariat at the office by making the alumni association a legal entity. Earlier, it was a problem reaching out to the alumni with their various yahoo and google groups," said Godhwani.

Every year, IIM-B is in-

creasing its alumni base by 1,000 students. From 1,500 members in 2007 the institute now has over 5,500 members.

The Indian Institute of Management, Ahmedabad (IIM-A) has set a target of raising ₹250 crore by the end of next year through alumni contributions. According to officials, the premier B-school is aiming not only to replenish its dwindling corpus, but being self-sufficient and attract better faculty and research.

So far, IIM-A has raised ₹18 crore through alumni contributions. One of the former students of the 1989 batch has donated ₹2.3 crore. The alumni includes some prominent names like Rasesh Shah, chairman of Edelweiss, Sanjeev Bikhchandani, founder of Naukri.com, Nirmal Jain, chief executive officer of India Infoline and Rahul Bhasin, managing partner for Bearing Private Equity.

At Xavier Labour Relations Institute (XLRI) in Jamshedpur, alumni members are helping the institute decide on how to use their financial contributions. They have decided to use

the funds either for student scholarships, recruiting international faculty or improving the infrastructure.

The institute has also developed an interactive alumni portal that has already seen around 5,000 registrations. XLRI has developed a database to keep track of the alumni and allow better interaction between students and the alumni members.

"Both B-schools and the alumni are now realising the need to bridge the gap further. Even at XLRI, we are involving alumni more and more to improve various areas of the institute. For instance, we have created an 'XLRI Endowment Fund' that is aimed at alumni contributions. Most of the members on the board of the endowment fund are XLRI alumni," said E Abraham, director, XLRI Jamshedpur.

The Indian Institute of Technology, Bombay (IIT-B) has found an innovative way to increase alumni participation on the campus—a new fund-raising drive called 'Give one for IIT-Bombay'. Every alumnus, who is part of the voluntary movement, pledges one

per cent of his or her salary to IIT-B every month.

So far, more than 735 students out of the 1,000 in the graduating class of 2010 have signed up for the initiative.

An IIT-B graduate earns an average annual salary of ₹7 lakh. This means the institute will be able to generate over ₹51 lakh (₹7,000 per student per annum) when these students start contributing in the first year.

"The aim is to engage our alumni early. We would be using the funds to meet various needs like infrastructure, joining bonus for faculty, green initiatives on the campus or benevolent fund for the faculty members and IIT-B staff," Bakul Desai, ideator, IIT Bombay Alumni Association, told *Business Standard*.

All these institutes have decided to keep an account of the contributing members and provide them a timely update on how the funds are being used. The former students can suggest to the association if they wish to divert the fund to a specific venture on the campus.

**Business
Standard ND p-17
06/09/2010**

AIMA OFFERS E-PG DIPLOMA IN MANAGEMENT

The All India Management Association's Center for Management Education (AIMA-CME) has launched an e-Post Graduate Diploma in Management (e-PGDM) programme on the e-Learning platform in collaboration with Hughes Communications India. There will be four modules in the programme. The first, second and fourth modules are common to all students. The third module offers specialisation modules on marketing, finance, human resource and operation management. Students can opt for either of these fields.
HYPERLINK:
["http://www.hugheseducation.com](http://www.hugheseducation.com)

**Business Standard p-17
ND 06/09/2010**

IIT-Bombay launches Eureka!

The Entrepreneurship Cell, IIT-Bombay launched Eureka! — its business plan competition this month. With a total prize money of ₹21 lakh (\$50,000), top 50 shortlisted teams will be provided free financial and legal consultancy. The winners of Eureka! 2010 will get a chance to pitch their idea before a panel of investors and venture capitalists from Indian Angel Network and Mumbai Angels. Participants will also get access to the knowledge library of Mentor Square.
HYPERLINK:
["http://www.ecell.in/eureka](http://www.ecell.in/eureka)

Carleton sets up India Centre of Excellence

BS REPORTER
Mumbai

Canada-based Carleton University has set up a Canada-India Centre of Excellence in Science, Technology, Trade and Policy at Carleton.

The centre will look at joint research projects, exchange of faculty and students and internship opportunities for engineering students in Canada and India. The centre is also looking at creating international job opportunities for students.

"It's the only centre in the world for science & technology and policy. In the university, we are educating the future generation, who will need science and technology to solve pres-

ent and future problems. This initiative will look at joint research projects, exchanges, conferences of interest to India and Canada," said Roseann O'Reilly Runte, president and vice-chancellor, Carleton University (CU).

The centre will create a network of selected universities for research. Carleton, for instance, has established relations with Delhi University, Kolkata University and Mumbai University among others.

"We are also working with labs of many companies and we are an-

nouncing an agreement with the Tata Institute of Fundamental Research in the area of computer science. This will run for a period of five years," said Runte.

Carleton has also signed an agreement with the Birla Institute of Technology and Science (BITS) Pilani. The agreement allows faculty and student exchange programmes, internships and joint research projects, especially in international health environment and engineering.

The centre will share campuses with the Norman Paterson School of

International Affairs, the School of Public Policy and Administration and the Sprott School of Business. The centre will also provide opportunities for many co-operative ventures.

Research will be carried out in nano-science, computer science, aero engineering, robotics and networks. "India and Canada have complementary situations. In both countries we have extraordinary researchers. Together they can be a powerhouse. Both countries have committed to environment and sustainability issues and researchers are looking at new innovative forms of energy. The interest in health care is very strong in both countries," Runte signed off.

The centre encourages joint research projects, faculty and student exchange programmes and internship opportunities for engineering students

Financial Express ND 06/09/2010 p1

Computer-based system shines as active fund managers underperform

Ashley Coutinho

Mumbai, Sep 5: It was perhaps the first litmus test for ING Investment Management's quant fund. With approaching election results, the market was gyrating wildly and many mutual fund houses were holding anywhere between 25-40% cash in April 2009. However, against prevailing wisdom, ING's recently launched large-cap focused FMS quant fund stayed invested (98%) in the market.

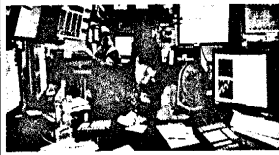
The strategy paid off. On May 8, the Sensex rose 2,000 points when it became certain that the Congress-led UPA would sweep the polls. While most fund houses lost out, ING's quant portfolio took a quantum leap.

Instances such as this have encouraged some Indian players to experiment with a new style of managing mon-

PROCESS-DRIVEN APPROACH

■ Indian players are experimenting with quant—an automated, computer-based model—instead of flesh-and-blood fund managers

■ According to recent report by S&P Crisil Spiva, almost two-thirds of equity-oriented funds have underperformed the benchmark index over a 5-year period



ey—through automated, computer-modelled 'quants' instead of flesh-and-blood fund managers. The abysmal track record of active fund managers has also prompted high net worth individuals (HNIs) to give these passive, mechanical models a try. According to recent report by S&P Crisil Spiva, almost two-

thirds of equity-oriented funds across both large-cap and equity-linked savings schemes have underperformed the benchmark index over a 5-year period.

"After the global financial crisis, HNIs are more willing to try out process-driven approaches. There is a focus on the investment process

rather than on short-term returns or a few great stock picks," says Radhika Gupta, director and one of the founding members of Forefront Capital Management, a boutique quant firm.

To be sure, quants have been around for more than two decades globally. In India, though, it's largely a two-year-old phenomenon. ING Investment Management, Forefront Capital Management and Benchmark Mutual Fund currently offer quant products through the portfolio management services route. Reliance Quant Plus Fund, Motilal Oswal's M50 Exchange Traded Fund and Religare Agile Fund are among the existing quant funds in the mutual fund space. Pramerica Asset Managers and IDFC MF are believed to be launching quant funds soon.

■ Continued on Page 2

Computer-based system shines as active fund managers underperform

"Quants are relatively new to India where 99.9% of investors, including HNIs, are invested into traditional products," says Navin Suri, chief executive of ING Investment Management, which has three quant products under its portfolio, with assets under management (AUM) of about Rs 1,000 crore. "In the US, about 20% of the investment corpus is in quants."

Quants are modelled on mathematical and statistical parameters based on a company's historical data such as earnings, profits, valuations and macro-economic data such as interest rate movements. It can take anywhere between six months and 2 years to build a particular model and a few more months for back-testing it. These funds are targeted at HNIs and super-HNIs. Typically, the minimum investment required is Rs 10 lakh with fixed charges akin to mutual fund expense ratios ranging between 1.5-2.5% p.a. There is no lock-in period.

Diversification and risk management are the two primary benefits of a quant fund. One of the popular strategies is multi-asset allocation where the corpus is invested across asset classes such as equity, gold, cash and fixed income. "Today in-

vestors are anxious as the market is dancing to global tunes. Quants can help manage risks arising out of volatility," says Vijai Mantri, MD & CEO, Pramerica Asset Managers. According to Suri, unlike human analysts, quants can analyse a wider breadth of companies equally well—and without behavioural bias.

Interestingly, the global demand for quants took a nosedive in the aftermath of the Lehman collapse in 2008 as investors yanked billions of dollars from several products. According to a recent New York Times article, the combined assets of quantitative funds specializing in US stocks have plunged to \$467 billion, from \$1.2 trillion in 2007, a decline of 61%. The assets of quant hedge funds have dwindled by about \$50 billion and one in four quant hedge funds has closed since 2007.

The performance of these funds took a beating as time-tested relationships between asset classes fell apart and mathematical programmes which relied on historical data came to naught. In fact, most of these funds are believed to have gone short on the same scrips during the crisis, triggering a cascading collapse in their prices. What's worse, some of the quant hedge

funds were highly leveraged.

Their fall from grace, however, hasn't dampened the enthusiasm of Indian fund managers, who are quick to defend these models. "Quant strategies are not the only strategies that suffer from the Black Swan risk," insists Gupta. According to her, it's the high leverage strategies and not quants per se that have backfired.

"No one strategy can perform all the time. Quants work well as a supplement to the more traditional methods of investing," admits Suri. Indian quant managers have also learnt from the mistakes of their global counterparts. One lesson is that it is important to tweak models to suit newer macro-economic realities rather than religiously follow a rigid pattern.

Thankfully by some measure, quants haven't done too badly in India so far. For instance, as on August 2010, ING's Adapt portfolio has given 1-year returns between 9.18% (very conservative) and 23.07% (very aggressive) against Nifty's 15.8%. As on July 2010, Reliance Quant Plus Fund

has given a 1-year return of 18.6%, while Forefront's flagship product India Opportunities claims to have outperformed Nifty by nearly 7% in its live portfolio over one year.

Yet, it's difficult to judge their absolute performance. For one thing, returns vary significantly depending on the risk profile of the investor. For another, many funds claim that returns can also vary significantly depending on the exit and entry strategy of individual investors as there is no lock-in period. "Most of these funds are less than three years old. So, it is too early to meaningfully assess their performance," says Dharendra Kumar, CEO of Delhi-based MF tracker Value Research India.

"Expectations from quant funds are too high in India," reveals Gupta. "Just because it is a new investment style doesn't mean it's going to work magic. If you look at global numbers, the best a quant fund can do is give returns in line with the best performing mutual fund. But that doesn't

make it a bad investment."

Talent may be an issue as well. Currently, only a handful of the brightest ITians are picked up and trained from India by global quant firms," reveals Sandeep Juneja, an associate professor at Tata Institute of Fundamental Research, who has headed Bank of America's quantitative operations in India for about a year. Globally, quant models are prepared by top-notch economists, mathematicians, physicists and computer science PhDs.

Understandably, investors are reluctant to repose their faith in these complex, and often abstract, mathematical models. Total AUM in the quant space is about Rs 1,500 crore. Internationally, Goldman Sachs Asset Management and AQR Capital Management together manage around \$70 billion. What's more, there is still no institutional market for quants in India. That itself hints at both the disparity and potential for quants here.

Quants players are well aware of this and are doing all they can to woo investors—through client seminars, education programmes, one-on-one meetings and advisory services of their distributors, mostly banks. "The future for quants is very bright

India. Besides, quants is a scalable business model and billions of dollars are managed by investment teams of 10-20 people globally in quant strategies," says Gupta. Suri is optimistic quant products will comprise 8-10% of HNI portfolio in the next 5 years. Many players, in fact, are already planning to introduce new quant products.

It won't be smooth sailing, though. Structural issues such as low liquidity in Indian markets may in some ways, mar the performance of quants. "Many a times, trading volumes in the market are not driven by fundamentals. Also, volumes drop significantly as you go below the top 60 to 70 stocks," says Sanjiv Shah, executive director, Benchmark Mutual Fund, which currently offers three quant products. And since many of the quant strategies like mean reversion work on the principle of reducing risk (buy at dips and sell at highs), it might be difficult for investors to maximize returns.

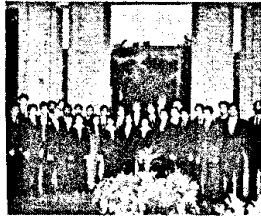
"Quant funds tend to underperform in an uninterrupted bull market," confesses Mantri. But, as professor Juneja points out, "the demand for quants will rise as Indian markets mature and more foreign banks set up shop here."

CAMPUS ROUNDUP

IIM Lucknow students head to foreign universities

This year 53 students from IIM Lucknow (IIML) are heading to foreign universities as part of the Student Exchange Programme, 2010. The international student exchange is at the forefront of IIML's efforts towards international exposure and recognition. IIML has alliances with prestigious institutions across the globe, spread across 4 continents and 22 universities. IIML will also play host to 30 foreign students from other countries. The students proceeding

to the foreign partner universities will leave as 'ambassadors' of the country and their Institute. In addition to acting as brand ambassadors of IIML, these



students promote the Indian culture, ethos and values in the respective partner institutes.

JIM's new campus at Indore (JIM-I) established

Jaipuria Institute of Management (JIM) has launched its new campus in Indore—which is now being recognised on the national map as a hub for professional education with the presence of IIT and IIM—by announcing admissions open to its PGDM programme with a new curriculum on Digital Management Practices with a focus to take

traditional organisation management functions as well as business to the 'e' platform. JIM has been operating for the past 15 years with campuses in Lucknow, Noida and Jaipur. JIM-I campus is spread over an area of 10 acres and plans to have two academic blocks with a covered area of 60,000 sq ft each.

We invite colleges and universities to send in information—on new faculty, courses, alliances, projects and other events—for this section.

Email: fecampusroundup@expressindia.com

DESI PLAY IN SOCIAL MEDIA COMES ALIVE

Social networking in India is not just about Facebook and Twitter anymore. Sites such as Minglebox, Parentree and CommonFloor are making waves with their unique offerings. Though they are still no match for the giants of social networking, they have been able to attract eyeballs nevertheless. Their future is still a guessing game with analysts doubting their engagement models. But they have decided to make the most of it when the going is good

Goutam Das

IN THE small town of Khatauli, 30 km from Meerut, Sumit Jain watched his father sell paints and hardware from the family-owned retail store everyday. The lessons of business management began here; he would rush back every weekend from IT Roorkee, where he got admitted, to be at the shop. The idea of entrepreneurship had coloured his mind.

Nov 25, Jain manages a new economy business, one that helps communicate, inform and manage things over the Internet. He interned mostly with start-ups before co-founding CommonFloor along with IIT batchmate Lalit Mangal and friend Vikas Malpani. CommonFloor is a social media platform for apartment-owners, helping in local networking. Know what book your neighbour is reading, what he thinks of the swimming pool no one visits; of dog mania in the locality; is he open to car pooling?

There are 20,000 apartment communities on his platform from 95 Indian cities. About 500 businesses—starting from banks to car makers—are either advertising on the site or paying a fee to get recommended to consumers who need a product or service. There is "clear visibility" of raking in \$100 million in topline over the next five years, Jain tells us confidently, sitting in his bangalow-like office in Indiranagar, a posh locality in Bangalore. He migrated to the city four years ago to pursue his entrepreneurial ambitions.

Far away from the big and busy world of Facebook and Orkut, Indian entrepreneurs have started to discover their own sweet spot in social media. There's no point in aping a Facebook. A niche-oriented approach would be easier to handle and not pinch the purse too much. Over the last three years, a string of networking companies have mushroomed with a singular focus on areas such as education, parenting, lifestyle, sports and music among others.

The venture capitalists (VCs) are lov-

Top social networking sites in India

| | Total unique visitors (000) | Jul 2009 | Jul 2010 |
|-------------------|-----------------------------|----------|----------|
| SocialNetworking | 23,255 | 33,196 | |
| Facebook.com | 7,472 | 20,473 | |
| Orkut | 17,089 | 19,171 | |
| Bharatstudent.com | 4,292 | 4,132 | |
| Yahoo! Pulse | NA | 3,077 | |
| Twitter.com | 884 | 3,141 | |
| LinkedIn.com | NA | 3,267 | |
| Zedge.net | 1,767 | 3,296 | |
| Rebo.com | 1,562 | 2,160 | |
| Yahoo! Buzz | 542 | 1,807 | |
| Shyfto.fm | 407 | 1,550 | |

Growth of top 10 social networking markets worldwide

| | Total unique visitors (000) | Jul 2009 | Jul 2010 |
|--------------------|-----------------------------|----------|----------|
| Worldwide | 378,092 | 8,45,948 | |
| United States | 311,088 | 174,429 | |
| China | NA | 97,151 | |
| Germany | 25,743 | 37,828 | |
| Russian Federation | 10,245 | 35,308 | |
| Brazil | 21,966 | 35,211 | |
| United Kingdom | 30,587 | 35,153 | |
| India | 23,255 | 33,196 | |
| France | 25,121 | 32,744 | |
| Japan | 23,691 | 31,957 | |
| South Korea | 35,910 | 24,962 | |

Source: comScore

ing it; a niche focus implies targeted advertising opportunities and is verticals like education, scalability is never an issue. And social networking is increasingly becoming a tool for businesses to connect better with customers.

pus networking site and morphed into an education platform, secured two rounds of funding worth \$8 million from Trident, Sequoia Capital and Silicon Valley Bank. CommonFloor raised capital from Accel Partners, a firm that has also invested in Facebook. Food turned lifestyle site Burpp managed an angel funding of \$1,00,000 initially and was acquired by Infomedia 18 in April last year.

"The future definitely is in verticals. Nobody is building horizontal portals any longer," Anand Jain, Burry's co-founder says. The site is clocking five million page views every month. Consulting firm Browne & Mohan estimates the number of unique visitors to such sites growing 85% year-on-year. FY10 revenues of India based social media companies, it found, were at \$1.6 million, up from \$0.7 million in FY09. Revenues are seen growing to \$4.2 million in FY13. The total revenues of India based players and international players such as LinkedIn, Facebook and others operating in India, is estimated to be \$3.4 million in FY10 and could touch \$10.3 million in FY13.

Some experts find these projections rather conservative considering the growing number of internet users, most of them young. The Boston Consulting Group sees India's number of internet users tripling to 257 million from the 81 million now by 2015.

However, international social media companies are likely to bag most of the user pie. "International firms are expected to witness higher revenue growth as they begin to customise the service and revenue mix. For example, LinkedIn has recently made a substantial change for job posting from Rs 9,000 for a single listing to more competitive Rs 1,200 for a single listing," S Harmeet Kaur, associate consultant with Browne & Mohan says.



with peers, check out colleges, network, share links, join groups. There are more than 5,000 college communities and the site is clocking one million unique visits a month.

CEO of Minglebox Kavita Iyer says the firm's topline is growing 10 times every year, albeit from a small base, and the company is close to breaking even. Business is being fuelled by the explosion of private education institutes in the country in the last five years. "There is a big need for these colleges to get students. We have created microsites for universities," she says.

Another site that is looking at multiple monetisation opportunities is Parentree, founded by two mothers Gita Dayal and Shobha Durairajan and who in turn may have engaged an army of

customers and grow customer relationships—there is a lot to learn from Facebook's success. "From a stickiness angle, the engagement model of Indian firms is weak," says Harmeet Kaur of Browne & Mohan. "Social media savvy companies need to understand the offline behavioural patterns in which the online communities live and connect with each other in order to tap well several distinct offline needs on to the online platform," she adds.

Until that happens, most of the promising firms of today may remain forever small. Some companies, says Harmeet, are just making revenues of less than Rs 10 lakh a year. It may be difficult for them to be profitable given the high people and content creation costs.

moms to develop its content. The site focuses on kids' education, health, and emotional development and is full of user generated content, listing of schools and their reviews.

While specialised networking sites in India hold potential, some of them still need to develop the 'sticky factor' to retain users.

parents and grow customer relationships—there is a lot to learn from Facebook's success. "From a stickiness angle, the engagement model of Indian firms is weak," says Harmeet Kaur of Browne & Mohan. "Social media savvy companies need to understand the offline behavioural patterns in which the online communities live and connect with each other in order to tap well several distinct offline needs on to the online platform," she adds.



fe@campus, a collaborative and cymosure 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: "How can the government tackle the growing threat of Maoist violence?" Students of the Shailesh J Mehta School of Management, IIT, Bombay, sent us their essays. Here are three of the best:



**THEME OF THE WEEK:
HOW CAN THE GOVERNMENT TACKLE THE
GROWING THREAT OF MAOIST VIOLENCE?**

We are fighting an ideology, not a movement

Apoorva Shah

THE Maoist problem is more than a law and order issue—the tribals actually feel marginalised and exploited. So, we must ensure equitable development. But how to achieve it in such a violent territory, which even the security forces find difficult to traverse? Maoist intellectuals have always rationalised their actions as a mass movement against an oppressive government. But the doctrine of war says—judge the intent of the enemy not from what he says to you, but only from what he says to his own people. Voluminous literature recovered from Maoist leaders has pointed out that under the garb of "leading the people" their ultimate aim

through an armed struggle by 2050, and establish communist dictatorship. Any effective response to this threat cannot be devised without recognising this reality. Many strategic weaknesses of our paramilitary forces have been exposed in the recent ambushes. Apart from reliable weapons, they need to be trained in all functions of civilian combat—thorough study of terrain, operational planning, command control, networking, and intelligence collection and sharing.



However, in spite of all provocations, we should resist a direct army intervention. Any involvement of the army in a conflict area will allow Maoists to strengthen their basic theory of state atrocity. A long-term military presence has always led to flames

role should be restricted to combat training, intelligence development and logistics. In event of any major attacks with even more human and collateral damage, this decision will test the state's patience and resilience. State agencies must work with visible commitment and pro-people sensitivity to build roads, schools, hospitals, etc. and run the existing ones with better efficiency. Local industry, agriculture and services, which can provide sustainable employment, should be promoted. The common people should feel that the court, police and officials treat them with dignity and do not appear pro-rich. This is absolutely necessary to destroy the Maoist claim of serving the people's cause. Remember, we are fighting an ideology, not just the movement.

The author is Master of Management student (Class of 2010) at SJMSOM

Vikas U Masker

WHILE we are celebrating 63rd year of Independence, we are also battling the insurgency of Maoists in our country. Maoists command a following in about a third of districts in India. The state and central governments have taken counter-measures and are developing strategies to reduce the influence of Maoists by force. But is violence the real answer to violence? Have we forgotten Mahatma Gandhi's words, "An eye for an eye leaves the whole world blind"? So what do the Maoists really want? Surprisingly, their demands are nothing but fundamental rights conferred by the Constitution to every citizen: Right to Equality, Expression, Speech, Movement and Choice of Occupation. The government should make a serious effort in reaching out to the people

to understand their grievances and increase allocations in education, employment, healthcare and infrastructure, and effectively implement the same through efficient delivery mechanisms and proper governance. Government schemes like Bharat Nirman should create adequate infrastructure for development and NREGA can be utilised to provide employment to the tribals. The government should motivate its ground staff to work towards developing those backward areas. The government must use Air Force not to drop bombs but to deliver basic necessities to people living in those inaccessible terrains. This will bring about a perceptible change in their mindset. Once the deprived realise concrete gains, their focus will shift

towards growth and consolidation, and they will not supporting violent strategies for achieving their goals. Undoubtedly, above steps are easier said than done. They require careful planning and sensitivity to address the issues concerned. Certainly they don't require the use of any armed movements such as Salwa Judum or AFSPA. Isn't this in line with Gandhi's mission of reaching goals through non-violence and truth? Can't we adopt his universal and timeless principles to once again give freedom to some regions of India?



The author is 1st year Master of Management student at SJMSOM, IIT, Bombay. Email: vikas.masker@sjmsom.in

Sometimes, force is the answer

Indranil Biswas

AS India enters into its 64th year of Independence, the biggest internal security challenge since Independence looms large—the Maoist insurgency. The government, which has already decided to use force against the Maoists, should remain firm in its stand, despite the call of some intellectuals in the country to promote dialogue before security operations. The recent attacks of the Maoists on innocent civilians show that dialogue isn't the solution to the problem. To counter the Maoist threat an effective security operation should be conducted that can break their will. Nothing less would do. The biased rhetoric for such an op-

are in a position to influence the electoral outcome in the 'red corridor', generating political consensus is not easy. It is highly unlikely that all the state governments will be on the same page as the Centre, so what can be done? First, a serious consideration should be given to Article 355, which states, "It shall be the duty of the Union to protect every State against external aggression and internal disturbance." Appropriate amendment to this article will help the Centre to deploy forces in Maoist affected areas. Next, adequate police reforms should take place. Lot of lives have been lost due to the ineffectiveness of the police force. Adequate training should be given to them which are needed in Maoist affected areas. In



In states where a joint operation is going on by the central and state forces, there should be an effective strategy in place and proper demarcation of duties. At the moment, it is not clear whose responsibility is what. Sustained efforts should be made to prevent the cross-border smuggling of arms to cut off the supplies of the Maoists and if necessary, air assault should be considered. Finally, the government should make a concerted effort to promote development in the Maoist-affected areas and educate the people living there, who have started to believe that the abolition of state control is a solution to their problems. Only when adequate development takes place, local people will realise that they are being led on a wrong path by the Maoists.

The author is 1st year Master of Management student at

Enriching higher education

There is a need to include a course on domestic and global economic environment

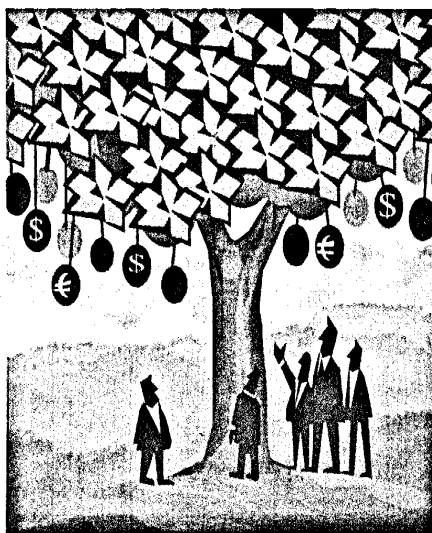
Shubhada Sabade

IT'S both amusing and interesting to notice the similarity between a fully grown tree and the education system. Like the roots of the tree spread across vast expanse of land and draw on every possible inch of the soil, school level education takes the children through the spectrum of subjects from drawing to maths; and from sports to history. Like the roots, once above the ground, converge into the narrow tree-trunk and move the nutrition upwards in a more focused manner, undergraduate level college education specialises students in their chosen area. Like the branches and leaves of the tree spread across vast space in the air, drawing from sunlight, atmosphere and clouds, so should higher education at post-graduation level. This article emphasises the need to include a course on domestic and global economic environment in higher education of all streams. To exemplify, it elaborates on how better knowledge about trade cycles would further enrich higher education.

Trade cycles, or business cycles, are the ups and downs in economic activity, viz. GDP growth rate, employment level and inflation. Trade cycles are a necessary evil of any market economy and as the world converges towards an economic system of regulated market forces, the incidence of trade cycles is inevitable and mea-

asures to smoothen out the cycles will be sought on all fronts. In a hypothetical situation of complete absence of government, the 'overheated' or prosperity phase of a trade cycle tips the economy into a downturn by virtue of overoptimism of the business, leading to too much of capacity creation and investments. At the tipping point, something falls short, maybe finances, market, raw material, or human resource and it marks the end of the prosperity phase. At the bottom of the trade cycle, if enough businessmen make the apparently irrational decision of investing to replace their worn-out machinery, it generates employment, incomes, demand and further investments, thus lifting the economy out of the recession.

It's curious that prosperity is self-defeating; carries its own seeds of destruction, or digs its own grave, while recession becomes self-correcting at one point. The overheated phase is undesirable for the economy because of the high inflation and misallocation of resources it causes and recession is undesirable because of the huge unemployment and mass misery it generates. In presence of government, economic policy is used to reduce the intensity of trade cycles, so as to limit the undesirable effects of both the phases. This is done through fiscal policy wherein government uses the budget deficit to either boost or contract the



ASIT BAGCHI

economy, and monetary policy wherein the central bank increases or reduces the money supply in the economy. All this is one of the simpler theories of trade cycles. The question is, how effective are economic policies? Isn't there anything short of government intervention? Can higher education do something to avert the painful incidence of trade cycles? Let's examine all these questions. Economic policies can be a bit too

effective due to three reasons. One, there is a time lag in some of the policy instruments and if it is misjudged, the policy instrument can have a stronger effect than desired. Two, economic policies work through the multiplier and accelerator effects. It's rather difficult to calculate and predict these numbers exactly, and hence the policy instruments can sometimes be a shot in the dark. Three, a democratic government needs to do 'something' to

ECONOMIC POLICIES IN RECESSION CAN BE LIKE THROWING MONEY INTO A BOTTOMLESS PIT. NOT REGULATIONS, BUT UNDERSTANDING OF SUCH ECONOMIC PHENOMENA BY THE YOUTH CAN CURE THIS

tackle situations of high inflation, or high unemployment and often ends up over-doing it. Good politics can be bad economics. An example of over-effective policy is the tight credit policy in India in late 1990s, causing a recession. And the decade-old liquidity trap with almost negative real interest rates in Japan. And the historic German unification, fiscal expansion, overheating and subsequent 'tightening', causing pains to the European countries who were facing recession, but were committed to fixed exchange rate with Deutsche Mark. And the debt trap faced by the 'PIGS'. And the scary possibility of the US entering a liquidity trap by December 2010 rendering the monetary policy ineffective.

Just short of government intervention, the only effective thing can be self-restraint by the business. The unscrupulous material pursuit of 'more'—more production, more incomes, more marketing, more demand, more depletion of resources,

more pollution, yet more production, more waste, more market share, more revenue and more profits are the culprit causing trade cycles and pains to the entire society and indeed themselves. Realisation that this 'more' has no end and is bound to boomerang one day, will lead to this self-restraint. Economic policies in recession can be like throwing money into a bottomless pit, as seen after the US sub-prime crisis. No amount of regulations would cure this ill of 'more'. If anything can, it's the understanding of such economic phenomena by the highly educated youth that is poised to take on the productive activity of the nation.

The Biotechnology dept of Pune University has brilliantly added an entire course on such economic and business matters for their M.Tech students. It's necessary to give inputs on macro-economic environment to all post-graduate students, not only MBA, but also ME, MSc, MA, MSW for the simple reason that almost nothing is untouched by economic environment. By creating an entire generation of 'aware' youth, we will be spreading the branches of our 'tree' of education thick and dense and capable of giving shadow, fruit, shelter and protection to all under it.

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Asian Age ND 06/09/2010 p-16

Living room is Apple's focus

ALEX DOBUZINSKIS

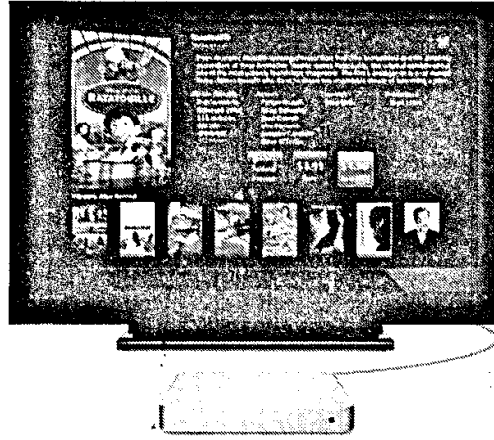
LOS ANGELES

Sept. 5: Critics hoping for more from Apple Inc's Web-to-TV plans — a device, say, that would revolutionise living room entertainment the way the iPad changed tablet computing — may just need to wait a bit longer.

Shortly after Apple unveiled its latest Apple TV product on Wednesday, complaints surfaced from some circles that the company had failed to live up to its own high standards. The device is smaller and cheaper than the one it brought out in 2006, but it also has shortcomings.

Kaufman Brothers analyst Mr Shaw Wu, for instance, called the Apple TV product "underwhelming" and said some innovative applications, such as those on the iPad, would have helped. "It seems it's strictly more of a rental machine."

But most expect that Apple has more groundbreaking plans for a future version of Apple TV, and for marrying the Web to the television, up its sleeve.



"Longer term, I do think they have more ambitions in the living room," said Mr Ashok Kumar, an analyst with Rodman & Renshaw LLC.

"They didn't announce it today, but we're talking literally about an Apple TV, not a gateway product, which integrates a TV and a Mac. That's a 2011 event. I'm not sure which other features it could have," Mr Kumar said.

Analysts said the ability to

run applications on a TV-connected device would be a key development down the line for Apple.

As it tackles the TV frontier, Apple will increasingly battle with the likes of Google Inc, Microsoft Corp and Amazon.com Inc, which have all sought to forge ties with Hollywood studios to distribute movies and shows online.

That has been a minefield for technology companies because of the rights issues

Most analysts expect that Apple has more groundbreaking plans for a future version of Apple TV, and for marrying the web to the television, up its sleeve.

involved. Hollywood studios and cable operators have pushed back, with Google encountering some resistance to its Internet-connected Google TV, which would allow users to search for content on the Web.

Apple co-founder, Mr Steve Jobs, gave an indication of the company's overall strategy by announcing Apple TV will stream content from iPhones and iPads through its AirPlay wireless technology. "The most important hint of Apple's real ambitions in the living room come from AirPlay, which puts iPhones and iPads in the driver's seat and makes the TV just an output device for the Apple ecosystem," said Forrester

Research analyst, Mr James McQuivey. "Expect Apple to gradually push more and more in that direction, but as of this moment in 2010, Apple has not yet made a significant play for control of the TV," he said.

Only 12 per cent of US adults who use the Internet are familiar with the original Apple TV, according to Forrester Research. Analysts said that the new \$99 price point for Apple TV, down from \$299 before, could give it wider adoption.

Meanwhile, consumers already have access to a broad range of devices that connect TVs to the Internet media players, from Blu-ray players to video game consoles like Microsoft's Xbox and the PlayStation.

And then there are stand-alone media players such as those from Roku Inc, which CEO Anthony Wood said is closing in on 1 million unit sales in three years.

Wood said of Apple TV's relaunch, "I was initially worried it would be better than it was but it's not something we couldn't compete with." — Reuters

Economic Times ND 06-Sep-10

p-1

Indian IT funding cash-strapped client projects

Infy, Wipro Invest Up Front In Building Systems For Customers & Offer Them On Pay-As-You-Go Basis

Pankaj Mishra & Srividya Iyer
BANGALORE

INDIAN software companies such as Infosys Technologies and Wipro are entering the unfamiliar area of vendor financing, at the urging of cash-strapped US customers, by using reserves accumulated over years to invest in so-called software platforms that run activities like payroll processing.

The country's \$50-billion outsourcing industry has flourished for close to two decades by maintaining the IT systems of US companies at sharply lower costs by writing software applica-

tion codes in India. But as customers such as JP-Morgan, Philips and Citibank attempt to cope with lower IT budgets by avoiding expensive licensed software, they are asking vendors to invest in building systems and to link payment to the number of transactions.

"We will have to bite the bullet now—if we wait, there may be no option left for us to have such conversations with customers later," said Subhash Dhar, Infosys' global head of sales and marketing and a member of the company's executive council.

"All said and done, if you look at balance sheets and profit and loss, ours look better than them.

And by and large, if you look at all the industries, tech is looking pretty okay from all the way from chip to software companies, they are looking good, so why not?" added Mr Dhar, referring to the demands of customers that software companies invest their own money to build platforms or what the industry refers to as software solutions.

This sort of investment is different from traditional vendor financing because companies like Infosys are not offering credit to their customers. Nonetheless, it is a distinct shift from selling software to users and, at least to some extent, is similar to that of companies like IBM, which bundle computer hardware, software

and services together in large outsourcing contracts, according to a consultant.

"The IBM issue was really around freeing up cash during hard times, and the overall value to the company was getting cash while over the long term, IBM probably made a return on the financing they did for that specific customer," said Rodney Nelsestuen, senior research director at US-based TowerGroup. Mr Nelsestuen, who consults with top vendors and customers about their new outsourcing strategies, said the Indians were doing it a little differently.

► Investments are not large: P 17



We will have to bite the bullet now; if we wait, there may be no option left for us to have such conversations with customers later.

SUBHASH DHAR
GLOBAL HEAD OF SALES & MARKETING, INFOSYS

Learn from the mistakes of others

Small IT firms are targeting the small and medium enterprises market to bring in the numbers

They are not trying to reinvent the wheel. Instead these small IT companies are trying to learn from the mistakes larger companies have made in the past. If they are successful, they could be the next Oracle or McAfee.

For a number of these companies, the winning strategy is simple—to tap the huge SME population out in the market and provide products and services to them. The SME market is hugely underserved and there is big opportunity waiting to be tapped there.

Kolkata-based Coral Softwares sees the SMB segment in India as its main driver for growth. The company builds customised ERP solutions for small companies, which currently do not have an option beyond large, unwieldy enterprise packages. Prem Chand Kankaria, managing director, says that they key is understanding local requirements. "Our software encompasses things like excise, service tax, and VAT," says Kankaria, pointing out why Coral has an edge over more generic packages.

The firm has also developed products like X-ise, which they claim is India's first central excise software to manage records related to, as the name suggests, central excise. Apart from SME clients, some large companies such as Amul, Glaxo SmithKline, Kodak and Lafarge have also implemented it.

For the company, though, the recession last year got sweeter tidings. Earlier, he had customers who wanted to implement ERP



without 'really knowing much about it'. Today when purse strings are tighter, he sees customers having a more focused approach and are informed about what they want.

In the complex world of financial software, InfracsoftTech has made inroads in selling its solutions to top Indian banks. For this company, the good news is that SMEs in the sector have lapped it up.

Hanuman Tripathi, CEO of company says that most international product companies are very risk-averse when it comes to making changes to their product and bringing out new upgrades. "Because of this, maintenance of international software products becomes difficult for companies," he says. In comparison, Indian software product companies keep upgrading their products. A fifth of InfracsoftTech's business comes from the Indian market and it has seen consistent growth here, though slower than in its in-

ternational markets. "People buy international products because of the strong branding. These companies have worked very hard on brand recall. We have done the same," says Mr Tripathi.

Branding is something that security solutions firm MicroWorld has been conscious of since its inception. This Mumbai-based SME has a range of web and computer security solutions and boasts of having names like Godrej, Crompton Greaves, Essel Packaging, etc in its customer list. MicroWorld became the first Indian anti-virus security company to start retail operations in India two years ago. Govind Rammurthy, CEO & MD, MicroWorld says, "Indian product companies are very strong technically and there is no doubt the stage is set for a fight in the online security market between local and international players. International security software like McAfee and Norton are difficult to deploy and upgrade. Our nimbleness is what separates us from the competition."

ANIRVAN GHOSH

READ HOW SMEs FOCUS ON BRINGING IT EXPERTS ON BOARD TO ENSURE SECURED DATABASE AT IT ZONE. ITZONE.BIZXCHANGE.IN

Economic Times ND 06-Sep-10 p-17

Banks may base education loans on placement track

Dheeraj Tiwari
NEW DELHI

YOUR education loan application has a better chance of getting a favourable response from banks if the institute you propose to study in has a good placement record. Faced with rising bad debts in their education loan portfolios that are not backed by collateral, banks are looking at the placement record of institutes to judge the repayment capacity of students seeking loans.

"The college may enjoy the government recognition, but if placement record is poor, how do you expect a student to get a job and repay?" said an official in the country's largest lender State Bank of India.

The government rules do not allow banks to demand collateral or security for education loans up to ₹ 4 lakh, a measure to ensure funds are easily available to needy students.

This unsecured lending, according to bankers, has seen a sharp spurt in instances of non-payment. They want to now ring fence these loans through other qualitative measures. So far banks have sanctioned ₹ 34,192 crore towards education loan.

Instead of sanctioning loans merely on the basis of the student's educational track record



and whether the course and the educational institute was approved by the government, banks are also looking at the minimum and maximum package offered to the students at the institute to assess repayment capacity, though the Indian Banking Association has not yet said anything on the issue.

"It's up to the sanctioning officer to take ad-

ditional measures if he's not convinced with the application. However, due care is taken not to unnecessarily harass the student," said an Indian Bank official.

One major public sector lender is asking for life insurance cover from its student applicants. "The policy is assigned in the favour of the bank and works as a double check," said a senior official with Punjab National Bank. The insurance policy helps to keep a track of the student and if there is an unfortunate event it protects the bank's investment.

The annual premium is paid by the student himself, or by the co-applicants, but the premium is generally very low. "In case the loan turns bad, there is some limited amount which can be recovered by surrendering that policy," explained an official with Bank of Baroda.

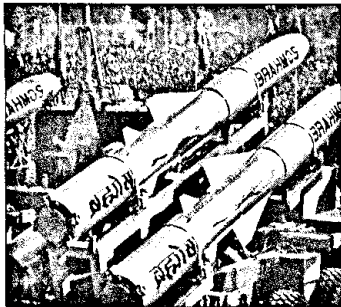
Banks are also looking to restructure education loans that have gone sour. Indian Bank is exploring the option of giving one-year relaxation to students for repayment towards their loans.

Generally banks give a payment moratorium period of six months from the time a student completes his course. Banks have found that most loans turned bad in cases where students are unable to find jobs.

Economic Times ND
06-Sep-10 p-3

p-2

BrahMos cruise missile successfully test-fired



SUCCESS STORY: BrahMos Missiles

Our Political Bureau
NEW DELHI

INDIA on Sunday test-fired the supersonic BrahMos cruise missile, which has a range of 290 kms, from the Integrated Test Range (ITR) at Chandipur off the Orissa coast.

The missile did a steep dive while flying at a speed nearly thrice that of sound. A DRDO official said it was a user's trial by the defence forces, as part of the fine-tuning exercise.

The BrahMos-II, a result of an Indo-Russian joint venture, can be potentially used for surgical strikes, including at terror camps, without causing collateral damage. It can carry conventional warheads up to 300 kg and effectively engage ground targets from an altitude of just 10 metres. The missile is named after rivers in India and Russia — the Brahmaputra and the Moskva.

It can be launched from multiple platforms — submarines, ships, aircraft and land-based Mobile Autonomous Launchers (MAL). However, the focus is on the development of its air-launched and the submarine-launched versions.

"The launch met all mission requirements. It was a 100% fantastic launch," director of the test range S P Dash was quoted by a news agency as saying after the test.

The BrahMos Block-II variant has been developed to take out a specific small target, with a low radar cross-section, in a multi-target environment.

A regiment of the BrahMos-I variant, consisting of 67 missiles, five mobile autonomous launchers on 12x12 Tatra vehicles and two mobile command posts, among other equipment, is already operational in the Army. The Navy has begun inducting the first version of BrahMos missile system in all its frontline war ships since 2005, the agency quoting defence sources said.

The Army is set to induct two more regiments of the BrahMos Block-II land-attack cruise missiles (LACM) designed as "precision strike weapons" capable of hitting small targets in cluttered urban environments, it said.

CIVIL SERVANTS: NOTHING CALLED RETIREMENT

Do they have a tag, 'recycle after use'?

It's difficult to see them without a white Ambassador car

Our Political Bureau
NEW DELHI

Old soldiers never die, they just fade away. General MacArthur had said upon his retirement after World War II. India's retired bureaucrats, on the other hand, are showered with critical jobs that entitle them to perks of office, including a bungalow in Lutyens Delhi, the red-beaconed white Amby and a retinue of servants.

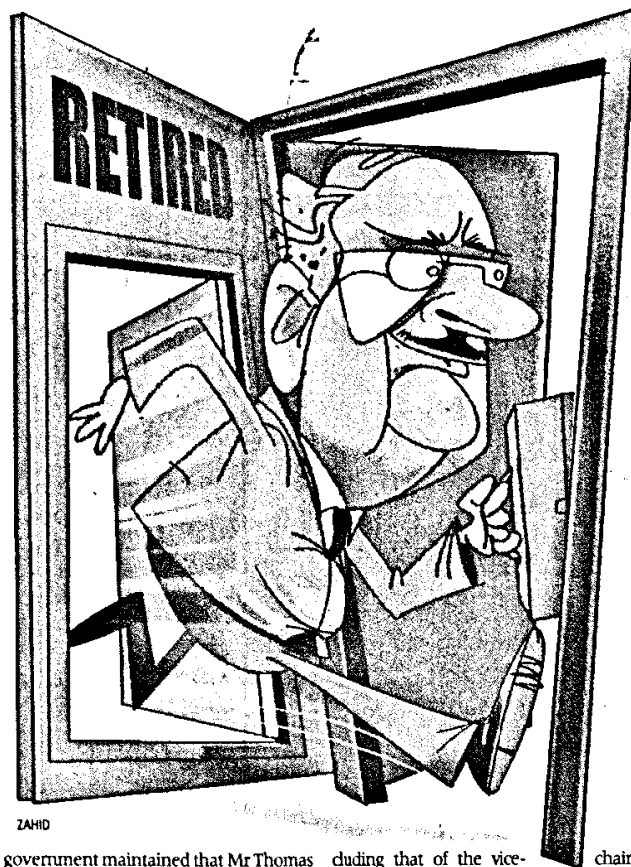
The latest to join the army of such appointees is telecom secretary P J Thomas, who has been named the next Chief Vigilance Commissioner, a post that he will occupy for at least four years. He pipped at least four other senior bureaucrats in the fray for the job.

There is a tinge of irony in the selection of Mr Thomas as India's top anti-corruption watchdog: His name figured in Kerala's infamous palmolein scandal of 1991-92. Mr Thomas was secretary of the state food department when it signed a controversial deal for importing palmolein. The Congress-led UDF government withdrew the case when it came to power in the state.

Opposition leader Sushma Swaraj, who was part of the team to select the next CVC, raised this issue at the meeting that cleared Mr Thomas' name. "I had told the meeting that it will not be proper to appoint a person whose name figured in a vigilance case as CVC. If they feel that Mr Thomas merits a post-retirement job, they should have considered him for some other assignment," Ms Swaraj said.

But what could make his tenure more controversial is that one of the major tasks of the CVC is to unravel the 2G spectrum scandal. There have been reports of the telecom department under Mr Thomas trying to place hurdles before a CVC probe. In a recent note to the law department, telecom department's legal advisor Santokh Singh had said bodies like CVC have no power to challenge policy decisions of the department. This stand had invited adverse reaction from the law ministry.

At a meeting of Prime Minister Manmohan Singh, home minister P Chidambaram and Ms Swaraj on Friday, the



ZAHID

government maintained that Mr Thomas was the right choice as CVC when Ms Swaraj pointed out that he cannot be expected to conduct a credible probe into the 2G spectrum allocation. Ms Swaraj alleged that the government had virtually presented a one-man panel as it was not willing to consider anyone else.

Meanwhile, 'friendly' bureaucrats are waiting for the next biggest appointment spree — six members of the National Disaster Management Authority (NDMA) in-

cluding that of the vice-chairman. NDMA, formed after the 2004 tsunami disaster, had shown how bureaucrats convert even national tragedies into opportunity for post-retirement jobs.

Hectic lobbying is already on for the job of vice-chairman of the organisation headed by the prime minister. It's a tough race as three between three officials — Mr N Madhavan Nambiar, Mr M Ramachandran and T Nanda Kumar. Sources say that Mr Nambiar is the front-runner.

Hindu, ND 06-Sep-10 p-11

'In the event of a nuclear incident, victims must get prompt compensation'

Interview with Dr. Srikumar Banerjee, Chairman, Atomic Energy Commission.

While the Lok Sabha passed the Civil Liability for Nuclear Damage Bill, 2010, on August 25, the Rajya Sabha passed it five days later. In this context, Srikumar Banerjee, Chairman, Atomic Energy Commission (AEC) and Secretary, Department of Atomic Energy (DAE), spoke to T.S. Subramanian on September 2 in Chennai. Dr. Banerjee answered questions about the Bill, India's nuclear-powered submarine programme, the uranium enrichment capability and so on. Excerpts.

It is a year since India's nuclear-powered submarine, Arihant, was launched. Has the Light Water Reactor (LWR), using enriched uranium as fuel, on board the submarine been started up?

Our nuclear steam supply system is ready 100 per cent. From our (DAE) side, everything is ready. We are only waiting for other systems to become operational so that we can start the commissioning activity of the reactor. I really do not know when the harbour trials will be done.

The Navy will need three or four nuclear-powered submarines for this arm to be a viable force. Will you build more LWRs for these submarines?

We are already doing that. I will not be able to tell you the number, but it is a fact that we are in that game. The next nuclear steam generating plants are getting ready for future applications.

Where will the enriched uranium for these boats come from? There is only one Rare Materials Plant at Ratnahalli, near Mysore, to produce enriched uranium. Will the proposed Special Material Enrichment Facility in Chitradurga district in Karnataka be helpful?

Chitradurga will come a little later, not immediately. Our Ratnahalli plant capacity has been enhanced. But more than that, there is significant improvement in our technology. Usually, a term called Separating Work Units (SWUs) defines the technology level that we have achieved in this, and I can assure you that there has been considerable improvement in SWUs of our next generation caskets of centrifuges. The separating capacity of our centrifuges has improved. So total capacity enhancement at Ratnahalli has been done. We are confident of supplying the entire fuel for the set of....

You cannot say anymore that India does not have enrichment technology. India has its own technology and we can produce [enriched uranium]. We have not started doing it for large-scale commercial nuclear power stations, which require a much larger quantity of enriched uranium. We will be able to do that once we go to Chitradurga.

There is an impression that the



SRIKUMAR BANERJEE: 'We want to make a victim-friendly legislation and make the operator liable.' - PHOTO: V.V. KRISHNAN

Federation of Indian Chambers of Commerce and Industry (FICCI) and the Confederation of the Indian Industry (CII) were scaremongering that the American companies would not give India nuclear reactors and that the Indian companies would not provide components and equipment to them if clause 17(b) of the Civil Liability for the Nuclear Damage Bill, 2010, remained in the legislation. (Clause 17 says that "The operator of the nuclear installation, after paying the compensation for nuclear damage in accordance with section 6, shall have a right of recourse where - (a) such right is expressly provided for in a contract in writing; (b) the nuclear incident has resulted as a consequence of an act of supplier or his employee, which includes supply of equipment or material with patent or latent defects or sub-standard services; (c) the nuclear incident has resulted from the act of commission or omission of an individual done with the intent to cause nuclear damage"). Top officials of the Nuclear Power Corporation of India Limited (NPCIL) went on record that clause 17(b) would deter the suppliers from engaging in nuclear commerce with India. Why are the DAE/the NPCIL batting for the American suppliers?

No. Before discussing the right of recourse of the operator, let me tell you about the basic purpose behind the introduction of the nuclear liability Bill. In

supply [in the equipment] which has been the primary cause of the incident. The Bill establishes prompt compensation from the operator to the victim.

This whole Bill is between the victims and the operators. It creates a new legal authority called the Claims Commission or the Claims Commissioner. That authority will determine, depending on the scale of the event, how much compensation should be given. The Bill also mentions that the Indian laws, whatever is available today, are in no way affected by the introduction of this new Act. The right of recourse in this case is available to the operator through other Acts [also].

Tort law?

Tort is there. Defect liability is there.... Only in this Act, it has been mentioned that they have the right of recourse. We [the DAE] are not taking sides. We just want to make a victim-friendly legislation and make the operator liable. One of the points is that you are inculcating safety-consciousness in the operator because you are introducing a heavy liability in case any incident occurs which affects the people. We sincerely believe that no situation will arise where it will be necessary to invoke this law.

There was an attempt in June to delete clause 17(b). There was a DAE internal note to that effect.

It was not an attempt.

The perception is that there was pressure on the DAE from the Prime Minister's Office to delete the clause.

No. Let me explain. There are two contradictory requirements. On the one side, you have to look at the international practice, what are the laws available in several countries. In most of these legislations, there is no mention of the right of recourse.... In some way, there is a mention and statements are similar to what is indicated in 17(a) and (c).

On the other side, when you are getting equipment and components from several suppliers, in case a fault in any of them leads to a nuclear accident, there should be some suppliers' responsibility. This is the contradiction.

That is why this point was discussed in detail during several discussions of the Parliamentary Standing Committee. Based on its recommendations and a broad political consensus, the present language in clause 17 was evolved.

Was there no pressure at all from the American suppliers to remove 17(b)?

It is a legislation made in India. So we have to ensure that it is India-centric. It cannot be based on what you are calling pressures from other countries. In any case, there will be many things published in the press, many viewpoints being expressed. But you cannot say that an Indian lobby is being created by pressure from other countries.

Hindu, ND 06-Sep-10 p-18

Check ragging, Pratibha tells teachers

“Students should be made to think in terms of welfare of humankind and progress of nation”

Aarti Dhar

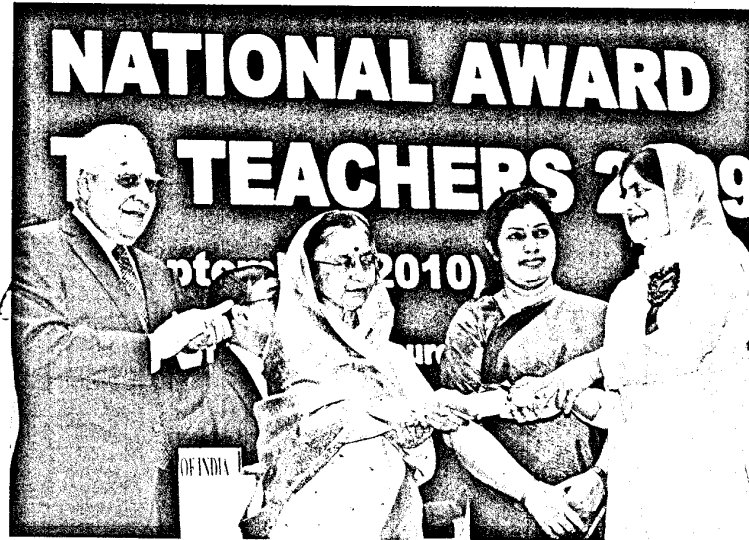
NEW DELHI: President Pratibha Patil on Sunday expressed concern over incidents of ragging in educational institutions and asked teachers to take steps to prevent the menace.

Speaking at a function got up to present National Awards to teachers on Teachers Day, Ms. Patil said ragging must be strongly condemned and it should not take place in any institution of the country.

“Today, one sees the disturbing trend of ragging in our institutions of higher education. I have often said that this practice is not healthy, as it is a manifestation of intolerance on the part of senior students towards their juniors, who are new to the campus. You have a role in preventing it,” she said.

Pointing out that in today's world it was all the more necessary that children understood the inter-linkages with other countries, as also the human values of love, respect and tolerance, which were essential for a peaceful world, the President said it was, therefore, vital that teachers emphasised the importance of these values, which are part of the country's ancient civilisational heritage. Students should be made to think in terms of the welfare of humankind and progress of the nation.

“I am sure all teachers, whether they teach social sciences, environmental stud-



RECOGNITION: President Pratibha Patil presents the National Teachers Award 2009 to Fareeda Akhtar of the Government Boys Higher Secondary School at Handwara in Kupwara district of Jammu and Kashmir, in New Delhi on Sunday. Union Minister for Human Resource Development Kapil Sibal and Minister of State D. Purandeswari are also seen. — PHOTO: RAJEEV BHATT

ies, science or mathematics, subjects very important in themselves, would also inculcate in their students a sense of pride in our cultural heritage,” she said.

Schools were the basic units of an educational sys-

tem, where children spend the formative years of their lives. “It is here that the process of learning begins, and the opportunity is given to children to acquire skills and values necessary for their growth as confident and self-

assured adults.”

“A milestone”

Ms. Patil said, “The coming into force of the Right to Free and Compulsory Education Act is a milestone. It places greater responsibility on all

stakeholders. The challenge before teachers is to ensure that children actively participate in school activities. They particularly in rural and distant areas, should hold classes regularly and ask students to attend school every day.

They should remain in contact with parents and pay personal attention to the difficulties that their students may face.”

Students should be made aware of the many hues of life, and the reality that along with opportunities, there would invariably be obstacles and difficulties. “Challenges are a daily occurrence; we should not get intimidated by them, but rather learn to surmount them. As self-discipline is that one quality that can help tide over many difficulties, due emphasis must be placed on this aspect.”

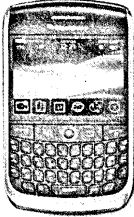
Human Resource Development Minister Kapil Sibal asked the State governments to prepare enforceable rules to ensure a rational and transparent system of postings and transfers in the light of the implementation of the Right of Children to Free and Compulsory Education Act.

“Domestic responsibilities”

“It should also be kept in mind that women teachers have demanding domestic responsibilities and their special circumstances should be given due consideration.”

Mr. Sibal said RTE also laid emphasis on full involvement of teachers in school management committee. The country could not afford to tolerate aberrations such as wilful absence from duty or appointment of substitute teachers. “There should be no compromise with the errant behaviour of teachers.”

Safety concerns vs privacy issues



ROOPINDER SINGH

BlackBerry blinked first, and the government gave it a 60-day reprieve to find a way to meet India's internal security concerns. It also lifted the impending ban on some BlackBerry services in India. Soon thereafter, the government announced that it would also ask other service providers to ensure that they comply with laws that require them to provide access to security agencies in India.

The genesis of the present show-down goes back to the horrific Mumbai terrorist attacks of November 26, 2008, in which cell phones, satellite phones and other electronic devices were used by the terrorists and their handlers. The government then decided to act in a decisive manner such that it would have access to all forms of electronic data that goes out of India.

Unlike other service providers like

India re-thought its cyber strategy after the Mumbai terrorist attacks and demanded more access to the electronic data that emanated from its shores. International service providers like BlackBerry, Google and Skype now have to respond to our national security concerns.

Google Inc, Nokia and Microsoft Corp. BlackBerry uses its own servers and security software, as well as centralised data centres for its customers. It thus became the primary target of security forces, even though none of the terrorists had actually used a BlackBerry device. Other service providers use encryption software made by specialised companies like Symantec Corp and McAfee Inc, more familiar to Indian users as the main providers of anti-virus software.

BlackBerry also provides its corporate customers a server called the BlackBerry Enterprise Server (BES) which encrypts mail according to special software "key" that is set up by the customers. It is because of this feature that BlackBerry says that it can't provide any "open-all" access key, because there is simply no such key.

On the other hand, the government maintains that it must have the ability to monitor the data sent across the servers because of national security concerns and to prevent criminals from using BlackBerry phones to transact business. One way out is that BlackBerry could install an "eavesdropping box" on each BES, and give the agencies access to that box.

By far, India is not the only country that has issues regarding BlackBerry. France, Saudi Arabia, the United Arab Emirates, Lebanon,

Kuwait are among the nations that had had security concerns regarding BlackBerry services.

The government has also asked other service providers to install servers in India. Nokia has announced that it will do so soon, and now the Gmail and Skype are also being specifically targeted. Once the servers are in India, their operators have to comply with Indian laws, and thus cooperation will become more proactive.

While the security concerns have been addressed, the larger question of providing privacy to the users remains. Indian citizens are well within their right to demand that a proper, transparent and effective system be set up to ensure that the security agencies do not misuse the access granted to them.

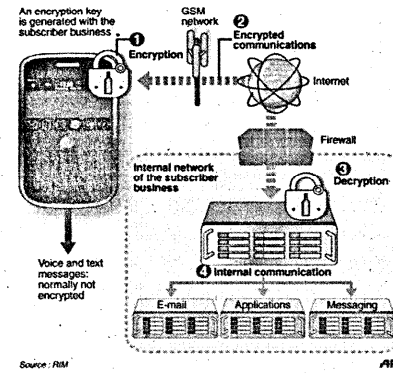
The Intelligence Bureau and the National Technical Research

INDIVIDUAL PRIVACY SHOULD BE INVOLABLE, UNLESS IT IS BREACHED FOR SPECIFIC LEGAL REASONS.

Organisation are the two organisations that will primarily deal with electronic surveillance. They will

BlackBerry encryption system

Makes on a security key held by the subscriber the system based communications surveillance very difficult.



Source: RIM

AFP

would give. A system of adequate judicial supervision should be chalked out to ensure that only those specific phones or e-mail IDs are tapped which are justified and necessary. Sometime ago, illegal tapping of mobile phones was exposed by the media. It raised a storm, even in Parliament, but there is no information on what is being done to prevent such incidents in future. The government must ensure accountability among the security agencies.

Individual privacy should be inviolable, unless it is breached for specific legal reasons. Data integrity is crucial to all kinds of transactions, including business transactions which have made BlackBerry phones a preferred choice of the corporate world. The independent BES servers provided a lifeline to the survivors of the 9/11 New York tragedy, and it became the only network that continued to work even in that trying time.

But then, as BlackBerry, Google and Skype must also realise, while at one level, the world is increasingly borderless, at another, it is not so—all have to conform to the law of the nations they operate in. They must demonstrate their commitment to the security concerns of these nations and work out ways in which they can continue to provide the best service possible to law-abiding users there.

thus be empowered tremendously. With power comes responsibility. The government should have trans-

parent and universal norms, proper procedures and oversight to prevent abuse of power that such access

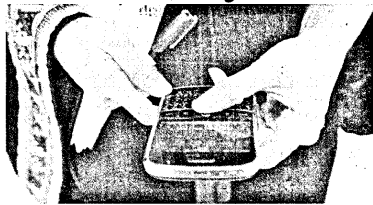
DEVIVANI SINGH.

Come September and our favourite BlackBerry would have been reduced to just another mobile, sans its two features of the BlackBerry Messenger Service and BlackBerry Enterprise mail. This crackdown on the BlackBerry services by the government came in the wake of the ever-looming threat of terrorism.

The Indian government had threatened to shut down the core features of the BlackBerry by August 31 if they did not provide access to their heavily encrypted email and messenger services. The Canadian Company RIM (Research In Motion), makers of BlackBerry, and have now been given a reprieve.

The main issue that RIM seems to be facing in complying with the Indian government's request is that it maintains that it does not have a master key for decoding the encrypted information. Do the RIM have a backdoor to access their encrypting system? Ethically no company would do such a thing as to make a loophole in its own system as it would make it very vulnerable to hackers.

BlackBerry blues



The end of the world as they knew it did not come for users of the smart phone

India has more than a million BlackBerry users and the number is ever increasing. RIM cannot afford to ignore this potential market and it will have to provide the codes for accessing its services to the government and to try and come out with a feasible solution like it has done in the case of other countries.

In fact this move against the BlackBerry could have a snowball effect all over the world if other nations start following suit.

The RIM claim that they cannot give any details regarding their decrypting procedure as they have none. They are unwilling to bring down their 256-bit encrypting to 40-

bit which is the acceptable Indian standard. They also say that since the BlackBerry servers are located in Canada, these exigencies could kill e-commerce.

The BlackBerry has become a lifestyle, a fashion statement, an indispensable business and personal accessory and even a necessary evil at social gatherings. To have all your contacts, emails, Facebook and Twitter accounts, Google Talk, Yahoo Messenger, the ability to send voice notes, pictures and videos instantly—all this in the palm of your hand anywhere you go, anytime—is a heady proposition indeed.

Added to this feature is the ability to set a password on the device so it stealthily shuts itself down. This kind of secrecy is a boon to many a clandestine office affair. Why, you can even keep the boredom of a boardroom meeting at bay by typing away to your loved ones secretly on your BlackBerry.

I see people on the streets 'BlackBerry walking' in slow motion like zombies while messaging away, their faces illuminated by the eerie light of their BlackBerries, giving a whole new angle to the popular

mobile add 'walk while you talk'. Now its 'type as you walk'. There is even the careless driver who can't resist a peek into his BlackBerry to check his email or messages every time it goes ping! There is a law against driving and talking on the mobile but no law against peeking at your messages which is an even more dangerous habit.

The iPhone has already found a partial solution to this in the form of an application that displays a transparent view of what's directly in front of you. But that still won't guarantee your safety. So you see there are other ways the messaging can kill you and its not just the terrorist!

It is a Catch-22 situation we find ourselves in—we want the government to ensure our protection without giving away any of our freedom. The reality of our times is such that the threat of terrorism is so interwoven into our social fabric these days that it has become virtually impossible to isolate it. So is it a terrorist you pass on the street everyday who holds that fancy BlackBerry Pearl, Curve or Storm or just another citizen in the real world lost in his BlackBerry? Guess we will never know.

FACT FILE

The provocation

The 2008 Mumbai attacks in 2008 in Mumbai led to a review of information security since the attack was coordinated with cell phones, satellite phones and Internet calls.

Indian stand

The Ministry of Home Affairs says "any communication through the telecom networks should be accessible to the law enforcement agencies and all telecom service providers, including third parties, have to comply with this."

Where they are based Google

BlackBerry is based in Canada. Google has unit in India, but Gmail is run by Google Inc., an American company. MSN Hotmail is an American company. Skype is based in Luxembourg. It has no operations in India.

What is Skype?

Skype is a software application that allows users to make voice calls over the Internet. Calls to other users within the Skype service are free, while other calls can be made for a fee using a debit-based user account system. Skype has also become popular for its additional features which include instant messaging, file transfer, and video conferencing. The network is operated by a company called Skype Limited, headquartered in Luxembourg and partly owned by eBay.



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BlackBerry and national security



MOHAN MURTI

EUROSCAPE

► In Europe, the right to privacy in electronic communications is subject to national security concerns. India should adopt a similar approach.

About a 150 years ago, Samuel Morse sent the first public message over a 60-km telegraph line between Washington and Baltimore, and through that simple act he ushered in the age of telecommunications.

Privacy has been a concern since those early days of electronic communications. The International Telecommunications Union (ITU) treaties provide the basic legal template in this regard, which have been incorporated in the laws of many countries. These treaties lay down the principles regarding privacy in telecommunications.

Nevertheless, basic texts of the ITU also are endowed with the legal basis for lawful interception. The procedural implementation of those two disparate requirements in Europe – secrecy and intervention – is a matter that is constantly debated.

LAWFUL INTERCEPTION

Although the Europeans are believed to be more concerned about privacy, their laws concerning data retention can be characterised as exacting and severe in relation to those elsewhere.

The vast majority of countries within Europe with cell networks already have laws in place that require cell providers to enable lawful intercept of calls and messages.



Different governments have different issues in relation to BlackBerry-maker RIM.

In general, the law is known as Lawful Interception (LI). In the US there is Communications Assistance for Law Enforcement Act (CALEA).

Research In Motion (RIM) was an anomaly in the past because it provided no lawful intercept capability to European Union countries. Now RIM devices in Europe and the US are already subject to lawful intercepts.

DATA RETENTION

Within Europe, one of the major parameters in electronic surveillance is data retention. Retention refers to 'the storage of telephony and Internet traffic' by companies that provide these services. This data specifically includes call detail records, or details of the incoming and the outgoing calls, sent and received emails, visited web sites of the customers of ISPs, and the location of the customers of telecommunications companies.

The maintenance of such data gives governments the ability to collect, analyse and

monitor the life of hundreds of millions of individuals, thereby allowing mass surveillance of almost the entire population.

DEALING WITH BLACKBERRY

These are times when national security takes precedence over corporate security concerns. In such a scenario, RIM must either deliver what is required by India, or find other markets where it can escape with the standard slogan about BlackBerry being 'interception proof'.

A number of European governments have threatened to ban the use of BlackBerry in their country, citing threat to security. In Europe, many countries had to force RIM to provide access to information that crosses their service networks. Others decided to directly ban BlackBerry usage for high officials, because of servers located in the UK and the US.

Russian Secret Services reached an agreement with RIM and now can snoop BlackBerry

email and web traffic in Russia. In France, the government banned BlackBerry for use by officials and also replaced the device for voice encryption use.

The US National Security Agency initially prohibited President Obama from using BlackBerry for his official work. Only recently, they managed to secure it with a custom encryption layer done specifically by NSA, and allowed Obama to use a custom-secured BlackBerry.

France blacklisted RIM for government use because of espionage-related risks. In Germany, RIM was banned for government use because of risk related to surveillance by foreign governments. So it can be understood that different governments have different issues in relation to RIM.

INDIAN CONTEXT

We are at a critical point in national security and time is always of the essence. When the nation's security is at risk due to RIM's system of en-

crypting data and retaining them in third country servers, India's Home Ministry should not grant to RIM any latitude whatsoever. BlackBerry services in India must be discontinued, till national security concerns are completely resolved and restored.

The Union Government can issue a notification under Section 70 of the Information Technology Act 2000 and declare RIM systems relating to India and their networks extended to India as a "protected system".

The Government ought to direct RIM to discontinue its services in India until it relocates its server in India, decrypts customer data and content and subjects its systems and networks to scrutiny by the government agencies concerned.

As for the users, the days of unqualified privacy are gone forever.

(The author is former Europe Director of CII. He lives in Cologne, Germany. bjfeedback@thehindu.co.in)