

Newspaper Clips

September 8, 2010

Indian Express, ND p-3
08-Sep-10

Alter process of quota admission, HC tells JNU

EXPRESS NEWS SERVICE
NEW DELHI, SEPTEMBER 7

THE Delhi High Court on Tuesday asked the administration of the Jawaharlal Nehru University to change the way it admits students under quota, ordering that two petitioners before it be admitted after calculating the eligibility criteria differently.

Two students from the OBC category, Apurva and Usham Rojio Singh, had approached the High Court after they failed to secure admission this academic year. Both argued they could not get admission because of the way JNU had designed its admission procedure.

The court has asked the university to scrap the cut-off marks as it is being defined at present. JNU will have to prepare a separate OBC list and fill the 27 per cent reserved seats with students who pass the entrance test.

While the HC order will affect only the petitioners, students are planning to use it to renew their agitation against the university's model of admitting OBC students. The All India Students' Association will hold a march on campus on Wednesday, asking the administration for a re-look at the way OBC students were admitted this year.

"A lot more students have been kept out by the way JNU has admitted students this year. We want the university to remedy that," said Sucheta De, JNU secretary of the AISA.

Newsline had reported Monday that JNU had succeeded in filling only 15.9 per cent of its 27 per cent OBC reservation quota this year.

Like last year, when the university succeeded in filling only 14.2 per cent of the total 18 per cent OBC reservation, the shortfall was caused not because eligible candidates were not available.

JNU to negotiate with SG on student polls

NEW DELHI: A general body meeting at the Jawaharlal Nehru University late on Monday resolved to negotiate with the Solicitor General (SG) of India to allow the university to conduct the students' union elections. The resolution, supported by most student organisations, talks of obtaining maximum relaxations till the case in the Supreme Court is settled. The task of negotiating with the SG rests with the Joint Struggle Committee of the University, which is fighting the case on behalf of the students. "We have not got an appointment with the SG yet. The points we will be debating on have not been decided yet. Whatever we do, we will do it without changing the fundamental nature of the JNUSU constitution," said Sandeep Singh, former JNUSU president. A resolution was also passed on holding elections to the Academic Council, Boards of Studies and the Gender Sensitisation Committee Against Sexual Harassment. ENS

Indian Express ND 08/09/2010 P7

Law colleges will need BCI approval every year

MANEESH CHIBBER
NEW DELHI, SEPTEMBER 7

UPSET with the falling standard of legal education in the country as well as irregularities in running of many law colleges, the Bar Council of India (BCI) is learnt to have decided to put an end to the prevailing system of grant of permanent approval to law colleges. Instead, all the 850-odd law institutes in the country would now have to seek fresh approval for running legal education courses on an annual basis.

A decision to this effect was taken on September 4 at a meeting of the BCI's Legal Education Committee headed by former

Supreme Court Judge A P Mishra.

Under the Advocates Act, a person must have studied law in a BCI-ap-

proved institute in order to become eligible to practise law.

“We have decided to get strict with institutes that don't have the necessary faculty. We can't have simple law graduates teaching law to prospective law graduates”

proved institute in order to become eligible to practise law.

Sources told *The Indian Express* that, in an unprecedented act, the committee also turned down over half of the 90-odd requests from law colleges, including those who have recently been established, for grant

of approval. This, sources said, was done as these institutes did not meet the mandatory standard for faculty.

“We have decided to get strict with institutes that don't have the necessary faculty. We can't have simple law graduates teaching law to prospective law graduates,” said a member of the committee.

colleges, the committee came across instances of persons who had a PhD in Hindi teaching economics.

As part of its decision to make the system of grant of approval more transparent, the BCI has also decided to ask all law institutes — old as well as new — to apply for the same by filling a detailed form on the website of the BCI. The format of the application includes uploading a 45-minute video of a lecture at the applicant-institute, details of faculty, infrastructure, number of students, etc.

“Once we finalise the format, we will fix a deadline before which the law institutes would have to apply. It will be a very detailed format,” said the member.

Indian Express ND 08/09/2010 P11

Soon, Google to bring Web services to TV, for free

REUTERS
BERLIN, SEPTEMBER 7

GOOGLE Inc will launch its service to bring the Web to TV screens in the US this autumn and worldwide next year, its chief executive said, as it extends its reach from the desktop to the living room.

CEO Eric Schmidt said the service, which will allow full Internet browsing via the television, would be free, and Google would work with a variety of programme makers and electronics manufacturers to bring it to consumers.

“We will work with content providers, but it is very unlikely that we will get into actual content

production,” Schmidt told journalists after a keynote speech to the IFA consumer electronics trade fair in Berlin. Sony said last week it had agreed to have Google TV on its television sets, and Samsung has said it was looking into using the service.

The announcement comes less than a week after rival Apple unveiled its latest Apple TV product and will intensify a battle for consumers' attention and potentially for the \$180 billion global TV advertising market.

Schmidt also said Google would announce partnerships later this year with makers of tablet computers that would use Google's

Chrome operating system, due to be launched soon, rather than its Android phone software, which has been used for mobile devices until now.

The Mountain View, California-based company plans to make Chrome, which competes with Microsoft's Internet Explorer and Mozilla's Firefox, the centre of an operating system that would offer an alternative to Microsoft Windows.

The world's No.1 search engine is hunting for new revenue opportunities as growth in its core Internet business slows and as new technologies such as smartphones and social networking services transform the way consumers access the Web.

Schmidt declined to comment on Google's plans for a social network of its own, and while he said there were plans to expand in music, he would not elaborate.

Reuters reported last week that Google was in talks with music labels for a music download store and a digital song locker.

Asked about criticism over Google's Street View in Germany, Schmidt said he had anticipated it and that he had talks with some members of the German government during his stay in Berlin.

“What's unusual is that we've given you (the Germans) the possibility to opt out before (the launch); we have never done that

anywhere else.” Google's Street View cars are well known for crisscrossing the globe and taking panoramic pictures of the city streets, which the company displays in its online Maps product.

Critics say the tool invites abuse. They argue thieves can search for targets, security firms could use the data for sales pitches, job seekers might find their homes scrutinised by employers, and banks could inspect the homes of loan applicants. Google ran into trouble in Germany in May after authorities found out that Street View vehicles were collecting private data sent over unencrypted WiFi networks.



Journalists listen to Google CEO Eric Schmidt at Berlin.

REUTERS

Business Line ND 08/09/2010 P-7

IBM reposes faith in 'centre of competence'

Taps experts from other industries for its Business Analytics division

Swetha Kannan
Bangalore, Sept. 7

A new kind of workforce is emerging in the IT industry which is opening its arms to eminence and experience from other industries, says IT major IBM, which has set up a 'centre of competence' for its business intelligence division.

The centre brings together a disparate population — of bankers, insurers, people from the retail and pharmaceuticals industries, chartered accountants, Ph.Ds, and mathematicians — to work on business analytics, which the company believes is the next big wave after ERP (enterprise resource planning).

The centre of competence (CoC) in Bangalore has been in operation for almost a year now and consists of experienced professionals (10-12 years experience) from various fields. While IBM trains them on the technology part,



Mr Simon Thomas

what they bring to the table are tremendous learning assets, says Mr Simon Thomas, Business Analytics Optimisation, Service Line and CoC Leader, Global Delivery, IBM.

The company is betting big on these professionals' industry knowledge to help network better with clients in the respective fields. For instance, a banker can relate to a banker better than a pure-play IT professional, says Mr Thomas. "He can

talk apples to apples when talking to another banker. It is important to put the right person for the right job."

"Today, the IT industry is no longer about development, utilisation and how cheap or how fast things can be done. It's no longer defined by roles such as 'project managers' or 'group leaders' and how many people they lead. A new type of workforce is emerging in the industry — senior, experts and academicians from various sectors. These people are measured on eminence. We are hoping they will inspire our other people to get there," says Mr Thomas.

The professionals in the centre of excellence are encouraged to fly to all growth markets that IBM is focused on (Asean, Latin America, Africa) and meet with CEOs and business leaders, submit research papers and establish themselves as industry experts. The CoC's success

has prompted IBM to replicate this model across its other service areas such as SAP and Oracle, says Mr Thomas.

BIZ INTELLIGENCE ASSETS

In a service line such as analytics, which deals with various sectors, industry-specific knowledge is a big plus (Incidentally, KPO firm Genpact also runs a centre of excellence). Business analytics involves analysing tonnes of data collated from various sources to arrive at useful insights which help companies make intelligent business decisions. "IBM has been beefing up its business intelligence assets with the acquisitions of Cognos and Datastage to create a consolidated division and business line focussed on business analytics. While the last 15 years was about ERP, the next 15 years are going to be about business analytics," says Mr Thomas.

Business Line ND 08/09/2010 P-7

Wipro may pass higher US visa cost on to clients

Press Trust of India
New Delhi, Sept 7

Software exporter Wipro on Tuesday said it may increase the billing rates of clients to mitigate the extra cost arising due to the hike in visa fee by the US government.

"We will speak to our customers and seek price adjustments for the extra cost...we will work with them to see how to mitigate it (cost due to

increased visa fee)," Wipro CFO, Mr Suresh Senapaty, told reporters at the sidelines of a CII event.

Mr Senapaty added that the US Border Security Bill, which led to a hike in visa fees, will have a moderate impact in the current fiscal on the IT firm. However, he warned that "next year there will be impact." Notwithstanding the increased cost,

he said that Wipro will continue to invest in the US.

"Our medium and long-term plan is to have more and more local hiring. So at some stage we should be able to mitigate the high visa cost," he said.

The Indian IT industry had slammed the US government's proposal to sharply increase visa fee to raise funds for its border security needs.

The Border Security Bill, increased the Visa fee to be about \$4,500 a visa from \$2,500 currently.

The Bill aims to raise about \$600 million by increasing fee for H-1B and L-1 visas.

Earlier, IT industry body Nasscom had projected that the impact of the Border Security Bill on Indian IT firms could be as high as \$200-250 million a year.

Mobile network as banking channel

Telecom-driven banking models are relatively more useful in financial inclusion

SP Kethkar

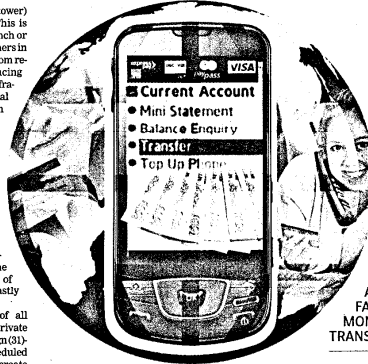
RADIO station, television or microwave towers were the only infrastructure landmarks in many Indian cities till the mid-90s, and shopkeepers played a peripheral role in telecom, by lending their phones for public use. That is hardly the situation now. Wireless has brought about a telecom revolution and changed many things, over the past 15 years.

There have been at least two, highly visible changes. First, telcos have redefined the urban and rural skylines across the country, raising towers for their network infrastructure. Nearly 350,000 telecom towers have taken up strategic positions in the cities, towns and along the trunk routes and highways. And another 2,00,000 would be added by 2015, to meet the demand of 850 million-plus mobile users by then. Second, telcos have roped in a large part of the country's shopping establishments as their sales infrastructure. Over a million retailers have joined the telecom sales network.

Technically, a telecom tower services up to a few thousand

users (average 2,000 per tower) falling within its range. This is very similar to a bank branch or an ATM catering for customers in a locality. In contrast, telecom retailers are consumer-facing fronts of telcos' sales infrastructure. They play a vital role for telcos—very much like the agents/BGs (business correspondents) in banking—to extend the distribution reach. Besides these two parallels in telecom and banking, similarities are seen in their industry structure, like the low-margin-high-volume nature of their consumer business and Know Your Customer norms of respective regulators. But the overall 'consumer reach' of the two sectors has been vastly different.

Despite the existence of all types of banks—PSU (27), private (15 old and 7 new) and foreign (3)—for several years, the scheduled commercial banks could create only an urban-skewed network of 83,614 service points (64,608 branches and 19,006 off-site ATMs), by March 2009. On the contrary, though each tower requires



an investment of about Rs 2 crore, telcos have been far more aggressive with their network expansion and have reached many remote areas

in a little over 15 years. This has led to a situation of a vast segment of the population—especially in rural/remote areas—gaining access to mobile phones

but not to formal banking.

Taking note of the need for geographical expansion of banking to achieve inclusive growth, RBI has brought out, in August 2010, a discussion paper on the "Entry of

IN INDIA, 600 MILLION PREPAID USERS SPEND AN AVERAGE OF Rs 6,000 CRORE A MONTH, WITH ARPU OF Rs 100. A MAJOR PART OF THOSE TALK-TIME RECHARGES ARE DELIVERED VIA 'MOBILE-TO-MOBILE MESSAGING'. THUS, THE TELECOM SECTOR ALREADY HANDLES A FAIRLY LARGE VOLUME OF MONEY-TRANSFER TRANSACTIONS

new banks in the private sector". The paper lists five main issues: (a) minimum capital requirements and promoter contribution; (b) cap on promoter and oth-

er shareholding; (c) cap on foreign shareholding; (d) eligibility of industrial houses and NBFCs; and (e) business model. It then reviews international and Indian practices on these aspects and discusses possible approaches. Much of the discussion, however, revolves around the 'regulatory aspects' and the paper does not evaluate the idea of "Telcos as banks for reaching the un-banked."

Though RBI issued the first operating guidelines for mobile banking in October 2008 and relaxed those in December 2009—to facilitate payment and money transfer transactions up to Rs 50,000 per day—m-banking/payments have not really picked up. This is mainly because the guidelines offer "mobiles" as an additional channel for consumers already covered by banking, and it does not really help in reaching the un-banked. To realise the full potential of mobiles in banking, regulation has to enable what is termed as "transformational banking" and allow m-transactions without the necessity of owning a bank account. Countries like the Philippines (Smart Money and G-Cash), Kenya (M-Pe-

sa) and South Africa (MTN and Wizzit) have deployed such telecom-driven banking models and found them useful for expanding financial inclusion.

Even in India, 800 million prepaid users collectively spend an average Rs 6,000 crore a month (the average revenue per user is Rs 100). A major part of those talk-time recharges are delivered via 'mobile-to-mobile messaging' along the chain of telco-distributor-retailer-consumer. Thus, the telecom sector already handles a fairly large volume of money-transfer transactions. Further, against the dominance of high-value transactions in payments through banking channels, the telecom sector has been efficiently handling recharges as small as Rs 10 through an array of retailers, even in remote locations. Therefore, as part of the attempt to improve financial inclusion by bringing in new banks, it would be worthwhile to license a few telcos and start 'banking on the telecom infrastructure'.

The author is an alumnus of IIM-Bombay, is chairman, CMAI Focus Group on Mobile Commerce. These are his personal views.

COLLABORATIVE SYSTEMS

Urban infrastructure and security platform

Developing an inter-connected and secure mechanism calls for a holistic and responsive networking approach

Suprabhat Chatterjee

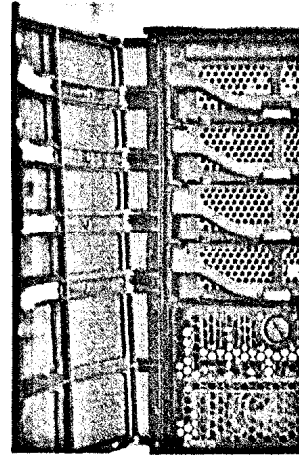
THE world around us is undergoing a major transition. Over the next five years, some 500 million people will be added to the world's cities. And by 2050, at least 100 new cities will be inhabited by more than a million residents. With such a staggering shift from rural to urban areas, developing the infrastructure of these new cities will need to be significant. Previous centuries saw industrial infrastructure such as rail, road and telephone lines paving the way for new cities. This century is about urbanisation based on information and using the network as its platform.

Today, urban infrastructure—including homes, offices, cars, public transport, hospitals, schools, energy and appliances—is fast getting connected to the Internet. However, for any city or community to grow, thrive and attract human and financial capital, it first needs to be secure. Increasingly, governments the world over are realising that in order to effectively protect people and property, they need physical security and safety programmes designed to address not only the traditional crime and workplace violence but also to protect a large population from sophisticated terrorist attacks and natural disasters.

To this end, governments are investing in wireless technologies, mobile hardware and network applications to make fundamental improvements in infrastructure to ensure public safety and deliver services and to transform the way they respond to citizen needs and expectations. One major change has been switching to an IP network as an open platform to build a more collaborative and integrated physical security system.

For example, law enforcement can monitor street activity from their station on outdoor cameras. While monitoring the live feed, if a watch commander back at the station notices a suspicious person, he can zoom in using a video surveillance manager system. Suppose he then witnesses a drug transfer; he can confidently alert the nearest officer. Such network access also helps the commander know the right number of resources to deploy, thereby avoiding sending six officers when one would suffice. Alternatively, police can view real-time video and access maps, mug shots and law enforcement databases from their vehicles or PDAs, increasing situational awareness.

Using the IP network as a platform can give first responders significant value through rapid access to relevant information and interoperability between other IP-centric systems. This allows intelligent decisions to be made more quickly. An obvious reason for users to adopt an IP-based approach to safety and security is that they do not need to purchase all the new equipment. Instead, users can mix and match any open standards-based equipment. IP-based video surveillance systems work with old and new analog and network cameras from any vendor. Users must note, though, that network security is also crucial, with stronger internal security policies and applications



TECHNOLOGY, ESPECIALLY THE NETWORK INFRASTRUCTURE, WILL PLAY A SIGNIFICANT ROLE IN BUILDING NEW URBAN CENTRES, MANAGING EXISTING CITIES, TOWNS AND RURAL COMMUNITIES AND DELIVERING TARGETED SERVICES TO CITIZENS

that enforce them. Proper emphasis on network security can prevent cyber attacks from damaging systems.

Hence, using the network as an open, scalable platform for integrating security allows governments and local administrations greater operational flexibility, protection capabilities, lower cost of ownership and reduced risk. But the key is to develop a holistic, responsive networking approach that connects citizens and businesses with their community and their government. The aim is to provide governments and constituents with the tools, environment and autonomy required to succeed.

Going forward, information, communication and collaboration have the power to empower us and enhance our ability to make use of resources when and where they are needed most. Using technology, especially the network infrastructure, will no doubt play a significant role in building new urban centres, managing existing cities, towns and rural communities and delivering services to citizens. In the end, it will be technology that will enable citizens, city officials and private institutions to share information and collaborate to create future cities that have scalable and sustainable public infrastructure that fuels growth without compromising the environment.

The writer is vice-president infrastructure and physical safety, Cisco-India and Saarc

Financial Express ND 08-Sep-10 p-20

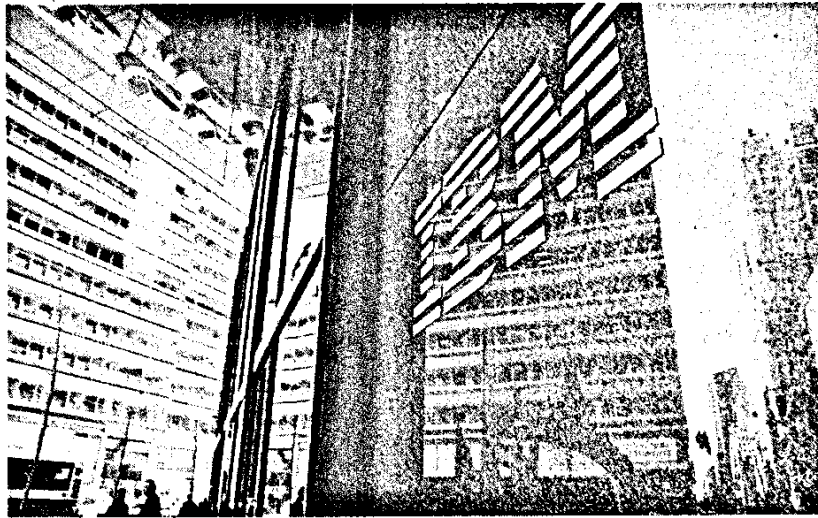
IT's still a bad scene in the US job market

Sep 7: For years the technology sector has been considered the most dynamic, promising and globally envied industry in the United States. It escaped the recession relatively unscathed, and profits this year have been soaring. But as the nation struggles to put people back to work, even high-tech companies have been slow to hire, a sign of just how difficult it will be to address persistently high joblessness. While the labor report released last week showing August figures provided mildly positive news on private-sector hiring, the unemployment rate was 9.6%.

The disappointing hiring trend raises questions about whether the tech industry can help power a recovery and sustain American job growth in the next decade and beyond. Its tentativeness has prompted economists to ask "If high tech isn't hiring, who will?"

TECH IT LIKE THIS

- Job growth in fields like computer systems design and Internet publishing has been slow in the last year
- Employment in areas like data processing and software publishing has actually fallen
- Additionally, computer scientists, systems analysts and computer programmers all had unemployment rates of around 6% in the second quarter of this year
- The chief hurdles to more robust technology hiring appear to be increasing automation and the addition of highly skilled labour overseas



IBM Building in Hawaii, US

BLOOMBERG PHOTO

"We are talking about people with very particular, advanced skills out there who are at this point just not needed anymore," says Bart van Ark, chief economist at the Conference Board, a business and economic research organisation. "Even in this sector, there is tremendous insecurity." Government labor reports released this year, including the most recent one, present a tableau of shrinking opportunities in high-skill fields.

Job growth in fields like computer systems design and Internet publishing has been slow in the last year. Employment in areas like data processing and software publishing has actually fallen. Additionally, computer scientists, systems analysts and computer programmers all had unemployment rates of

around 6% in the second quarter of this year.

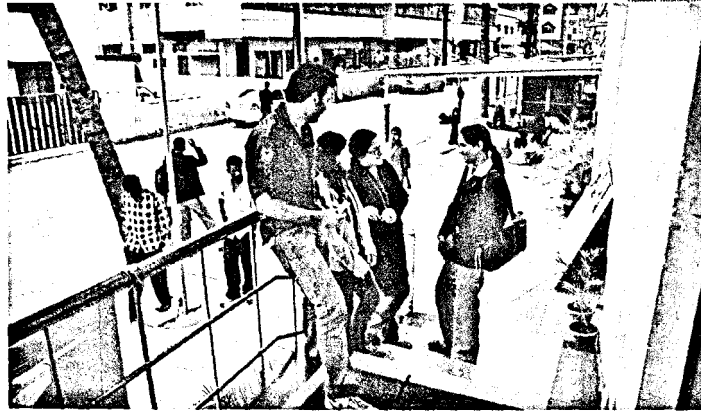
While that might sound like a blessing compared with the rampant joblessness in manufacturing, it is still significantly higher than the unemployment rates in other white-collar professions.

The chief hurdles to more robust technology hiring appear to be increasing automation and the addition of highly skilled labor overseas. The result is a mismatch of skill levels here at home: not enough workers with the cutting-edge skills coveted by tech firms, and too many people with abilities that can be duplicated offshore at lower cost. That's a familiar situation to many out-of-work software engineers, whose skills start depreciating almost as soon as they are laid off, given the dynamism of the industry.

"I'm sending out lots and lots of applications, to everywhere within a 50-mile radius," says Rosamaria Carbonell Mann, 49, a software engineer who was terminated in June when her employer closed its branch in Corvallis, Ore, and sent the work to China.

Corvallis was once a hotbed for tech start-ups. But Mann said that with layoffs from other tech companies in the area, including Hewlett-Packard, the city now has a glut of people like herself: unemployed engineers with multiple degrees. "I apply for everything I can find, but there are just not that many jobs out there," she said.

Nevertheless, many high-tech firms large and small say they are struggling to find highly skilled engineering talent in the US. *NYT*



More transparency: Though all educational institutions are required to have their accounts audited, there is scope for manipulation of numbers due to the absence of a standard format.

EDUCATION GUIDELINES

Private institutes to make accounts public

Institutes to declare details through ads, websites; HRD ministry, Icai preparing auditing, accounting norms

By PRASHANT K. NANDA & SANGEETA SINGH

NEW DELHI

Private higher educational institutions will have to disclose their income and expenditure in a standard format and make them public in line with corporate-style accounting and auditing norms being readied by the human resource development (HRD) ministry and the Institute of Chartered Accountants of India (Icai).

The guidelines are aimed at promoting openness and accountability in educational institutions, officials say.

"The effort is to have transparency in the income and expenditure of higher educational institutes. Things like from which heads they are earning and under which head they are spending," said a senior ministry official who did not want to be named.

"Parents, students and society should know clearly about all these things," the official added.

Though all educational institutions need to have their accounts audited, there is scope for manipulation of numbers because of the absence of a standard format, officials say. The numbers are also not required to be made public.

The ministry official said the new guidelines would make it mandatory for private sector institutions to make their accounts public.

"Like private sector publicly listed companies, they have to put their statements in the public domain," the official said.

Ministry officials say there are concerns that many private institutions engage in malpractices to fleece students.

"They may declare the course fee openly, yet several other expenditures like hostel, library (fees) become hidden ways to charge more," said a second ministry official. "As higher education in private sector flourishes, hidden charges becomes a headache for millions of students."

Prashant Bhalla, vice-president of the private sector Manav Rachna International University in Faridabad, Haryana, said a broad accounting parameter could be ideal. "We can put the accounts in public through newspapers, but we (the private sector) should not be painted as a group only indulging in wrong practices."

All state-funded higher educational institutes send their accounts to the government and are audited by the Comptroller and Auditor General of India (CAG) before being tabled in Parliament.

Non-government educational institutes will have the liberty to name their own auditor. "Since they don't get grants, their accounts will not go to Parliament," added the second official.

According to official statistics, India has 504 universities, 22,000 colleges and several thousand technical education institutions.

Of the total number of higher educational institutes, at least 60% are controlled by the private sector.

At least 13 million students are pursuing higher education

across India.

The move to enforce a uniform accounting system for private sector institutions is positive, said Shobha Mishra, head of the education wing at industry lobby Federation of Indian Chambers of Commerce and Industry, or Ficci.

"With increasing private participation in the higher education sector, attempts to bring transparency is not a bad idea," Mishra said. "I believe there should not be any distinction between public and private sector in education on this subject."

To boost education, the government is increasing its budgetary allocation. In the 2010-11 Budget, India earmarked ₹42,036 crore for education, an increase of around 15% from the previous fiscal. Higher education was allocated ₹11,000 crore, around 7% more than in 2009-10.

The HRD officials also said the 14 proposed innovation universities, which will have private sector participation and enjoy greater autonomy, will also need to adopt the new accounting standards and make public their income and expenditure through newspaper advertisements and website postings.

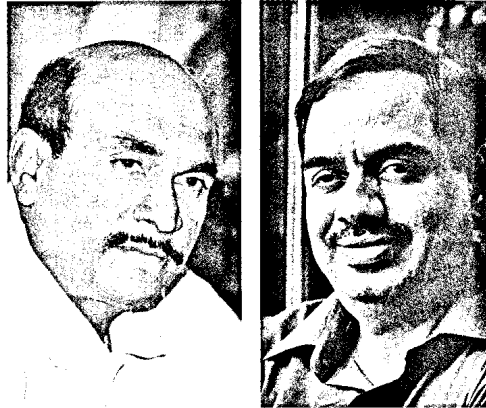
The chartered accountants' forum has agreed to prepare the common accounting format on a no-profit, no-loss basis.

Amarjit Chopra, president of Icai, confirmed that the institute was working on auditing standards for higher educational institutions.

"By the end of October, the institute will come up with such standards. A committee is being formed for it within the institute," Chopra said.

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Mint ND 08/09/2010 P5



Cautious note: Wipro chief financial officer and executive director Suresh Senapaty (left) and Infosys chief financial officer V. Balakrishnan.

ROAD AHEAD

IT firms uncertain about US business

BY SURABHI AGARWAL
surabhi.a@livemint.com

NEW DELHI

Despite the robust growth reported by the large information technology (IT) companies over the last few quarters, uncertainty persists about spending by clients over the coming year in the key US market as economic data from the country isn't positive.

India earned nearly two-thirds of its software and back-office exports of \$49.7 billion (₹232,000 crore) in fiscal 2010 from the US. This year, the industry expects to grow 15-18% on increased business flow from customers.

V. Balakrishnan, chief financial officer of India's second largest software firm **Infosys Technologies Ltd**, said there are worries about a double-dip recession. "Though clients are still spending money and there has been no cancelling of projects, we are watching the situation carefully," he said.

An IT analyst with a Mumbai-based brokerage, who did not want to be identified, said: "Our worry is whether the current demand momentum can be sustained or not as the US macro-economic data hasn't been that great."

He added that some clarity should emerge by December, when most US companies finalize spending plans.

Another analyst from a brokerage firm, who also requested anonymity, said that despite the rally in the benchmark Sensex index, the IT index has been more or less stable for some time now as everyone is waiting for clarity.

"We don't know how the next year will pan out as IT firms' clients will also go by the same macro-economic

data to decide their IT budgets for next year," he said.

The BSE IT index, which moved up by 55 points or 0.99% on Tuesday, has been almost flat for the last one month, with a 0.37% decline from the level on 6 August.

Suresh Senapaty, chief financial officer and executive director of the country's third largest software firm, **Wipro Ltd**, acknowledged concerns over next year's IT budgets.

However, he said that even if there was a double-dip recession, it was unlikely there will be a knee-jerk reaction to spending on IT.

"Companies are a lot more prepared this time around that even if a double-dip recession happens, there will not be a panic situation and decision making will not come to a complete halt like last time," said Senapaty, referring to the slump of two years ago.

HCL Technologies Ltd said IT spending may not drop.

"According to a recent survey by a leading investment bank, while overall IT budgets have dropped from 2.8% in the first quarter of the FY 2010, US CIOs (chief information officers) still expect budgets to grow by at least 1.9%," said Shami Khorana, president of HCL Americas.

The US market contributed \$1.6 billion (₹7616 crore) of HCL's revenue in FY 2010, or 59% of the total.

Spending in the US is largely driven by the financial services sector, which is seeing a lot of work around mergers and acquisitions integration and risk management. However, analysts say that such projects will be completed in the next couple of quarters and discretionary spending has to return to make up for the demand loss.

Mint ND 08/09/2010

P6

BIG OPPORTUNITY

Indian companies say Japan's IT market is opening up

By SURABHI AGARWAL
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NEW DELHI

The country's top information technology (IT) firms are in various stages of negotiations for new contracts with companies in Japan—a market that's mostly stayed away from outsourcing or offshoring work to India.

Indian IT firms get most of their revenue from the US and Europe but have been forced to look outside as the two economies show continuing signs of instability.

Executives at Indian IT firms say they are increasingly hearing conversations on outsourcing from Japan due to factors such as the country's ageing population and worsening economic situation.

None of the IT firms *Mint* spoke with agreed to disclose the names of the Japanese firms they are negotiating contracts with, but said many of the talks are with electronics firms for engineering and enterprise IT deals.

"We are seeing a change in mindset in Japan," said V. Balakrishnan, chief financial officer at **Infosys Technologies Ltd**, India's second largest software exporter.

Infosys has 400-500 employees in Japan and is hiring more

locals there, keeping in mind cultural and language-related challenges. Currently, the firm earns only 1-1.5% of its revenue from Japan. "We expect Japan to become one of our key markets in the future," he said.

Balakrishnan did not specify how many people Infosys will add in Japan or how much of an increase his firm sees in revenue from that country.

Japan's IT services market is the second largest in the world after the US and is worth \$108 billion (₹5.04 trillion), according to estimates by lobby group National Association of Software and Services Companies (Nasscom).

But the country, whose companies believed in keeping their IT operations in-house, contributes less than 2% to Indian outsourcing industry's overall revenue of \$1-1.5 billion.

Suresh C. Senapaty, chief finance officer and executive director of **Wipro Ltd**, India's third biggest IT firm, agrees with Balakrishnan that Japanese firms are opening up to outsourcing work to India.

"IT and BPO companies have been trying to penetrate that market for a long time now but we are seeing some positive traction which is a promising trend," he said.

Wipro earns around 3% of its



Lucrative deal: Top companies such as Infosys, Wipro and HCL are in negotiation with several Japanese firms for new contracts.

revenue from Japan.

Virender Aggarwal, executive vice-president for Asia Pacific, Middle East and Africa at **HCL Technologies Ltd**, said that in addition to enterprise and engineering services, Japanese firms are also opening up to India on work related to intellectual property. "Currently, the country contributes less than 2% of the global revenue for HCL Technologies, but it is one of the fastest for HCL in APAC," he said.

According to outsourcing consultancy firm **Everest Group**, globally IT firms have won 41 large contracts from Japan since January 2009. Everest, which tracks only publicly announced deals, said these include **Chugoku Bank Ltd's** \$105 million contract to **International Business Machines Corp.** (IBM) for eight years, **Mitsui & Co. Ltd's** \$100 million deal with **Verizon Communications Inc.** and **Nissan Motor Co. Ltd's** recent \$40 million contract to Mahindra Satyam for

three years, essentially an extension of an earlier contract.

Over the past two years, during the downturn, Indian IT companies have realized that they can't put all their eggs in the US and the Europe, said Praveen Bhadada, engagement manager at Zinnov Management Consulting, and that prompted Indian firms to invest in other lucrative markets such as Japan. "Those investments are now showing results," he said.

Tokyo-based firms such as Canon and Hitachi already outsource to India and 21 Japanese research firms have a direct presence in the country, he added.

Kumar Parakala, head of global sourcing at KPMG India, cautions that as Japan opens up to outsourcing, there will be tough competition from other Asian countries. "Indian companies will have to be adequately prepared to grab a pie of Japan's IT spending," he said.

CORPORATE SUCCESSION

What you need to do before taking your next job

By MICHAEL SCHRAGE

Surely you know the tale of the three executive envelopes? A retiring CEO presented his successor with three sealed and numbered envelopes. "Open these if you run up against a problem you don't think you can solve before going to the board. Trust me on this," he told her.

Not four months later, sales unexpectedly plummeted. Desperate, the new CEO went to her desk, pulled out the first envelope and opened it: "Blame your predecessor."

So, during the analyst's call, she tactfully but forcefully pointed to her predecessor as the source of the sales slump. The Street and media responded well to her bluntness. Sales picked up. The problem passed.

Almost a year later, sales again dipped when a key global product had to be recalled. The CEO quickly opened her second envelope: "Reorganize."

This was swiftly done. The company rebounded well.

Sales and profits climbed over the next year. A major acquisition succeeded. The share price blossomed. But an unanticipated personal crisis threatened to undermine the CEO's support from her board. She went to her office and tore open the third envelope: "Prepare three envelopes."

All snirking aside, where are

your three envelopes? What message would you prepare for your successor? Better yet, what missive awaits you when you move up? (You are moving up, aren't you?)

If, right now, you had to write a 300-word note to someone who was taking over your job tomorrow, what would it say? Would it reveal more about the job, your role, your colleagues and direct reports, the challenge...or you?

Now, let's up the stakes: Would you be comfortable with that note posted on your company's intranet? Or would the knowledge that your three envelopes would be posted publicly force a complete rewrite?

Now, let's scale the question: Those three envelopes would you read if you could? A colleague's? The person who has the job you think you want? How might three envelope transparency influence interactions and expectations in your workplace?

These questions are prompted by the unhappy reality that succession issues have become even more challenging as people have taken on more work and responsibility. Nearly everyone is doing more and being held accountable for more. Succession planning becomes even more important in this environment. What I observe, however, minimizes that reality. Job reviews and professional development investments

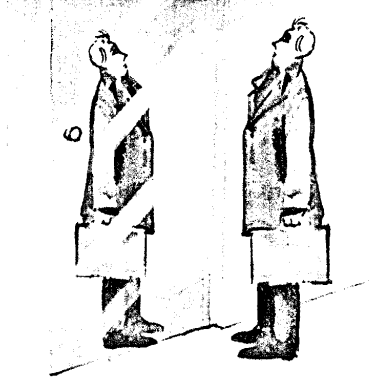


Illustration by Sam Berman

focus far more on individuals and their performances than on their roles and evolving responsibilities. Is that bad? Of course not.

But this emphasis on individuals creates added challenges and obligations upon leaders and managers to better articulate their own tacit knowledge that makes them effective in their roles. It's one thing to explore and explain how you've grown on the job and how you've expanded what the job means to the enterprise. It's quite another to

reframe that exploration and explanation to usefully guide a potential successor. For example, the on-boarding process for executive positions, whether internal or coming from the outside, is more important and, arguably, more difficult than ever before.

While greatly admiring many HR executives and executive recruiters, their insights and advice understandably complement, rather than supplant, the three envelope preparation a predecessor can provide. It's the difference be-

tween being able to read a map versus listening to an experienced tour guide versus knowing all the back roads from years of experience driving them. HR does maps, and recruiters can be excellent tour guides. But, frankly, getting situational awareness from the individual in the arena is invaluable.

I'd argue that one reason why so many people initially struggle and flounder when stepping up or across into new roles is that the formal brief for the role is disconnected from the tactical and strategic grit of what is actually demanded. Once upon a time, the discreet—or indiscreet—lunch was the preferred mechanism for getting up to speed. But the intensity, complexity, and volatility of today's workplace expectations demands more focused communications.

That's why I recommend that organizations who take performance reviews and succession planning seriously look to the three envelopes for design inspiration. Ask your direct reports to draft a memo for their successor. Push them to articulate how they would advise someone to cope with, or confront, both the anticipated challenges and the unanticipated crises. This is one of those no-lose exercises where both you and they will be surprised by what you discover.

Despite my best efforts, I couldn't get one firm to wikify

or webify its people's three envelopes advisories even though almost everyone agreed that sharing this information would likely improve visibility and coordination within the organization. I'm a great believer that even tiny investments in transparency can reap disproportionate rewards in morale and effectiveness. Investments that even marginally improve the quality and reduce the risks of succession are well worth it.

Of course, this exercise is best appreciated when you actually do it yourself. I had to leave a project I was facilitating and rather enjoyed conveying what I thought were the most important things my successor would need to know. One pathologically political aspect of the project was a real sticking point for me (and, I believed, if the project accommodated those politics, then the entire venture would prove pointless). So, in the spirit of the three envelopes, I concluded my missive by saying that if it looked as if the politics would win, resign.

I never heard back. Michael Schrage, a research fellow at MIT Sloan School's Center for Digital Business, is the author of Serious Play and the forthcoming Getting Beyond Ideas.

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Inquiry zeroes in on Google-ITA deal

By AMIR EFRATI & THOMAS CATAN

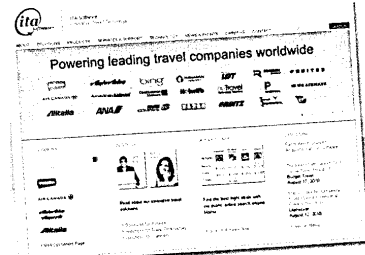
The Justice Department is trying to determine whether Google Inc. would gain too much sway over the online travel industry by acquiring ITA Software Inc., which powers the Web's most popular airline-ticket search and booking sites, said people familiar with the department's review.

The merger investigation is at an early stage, but according to people familiar with the situation, Justice antitrust authorities are focusing on two potential areas of concern: whether rivals would continue to have access to ITA's data and whether Google would unfairly steer Web searchers to its own travel services.

Several lawyers in the online travel industry said they are expressing concerns to government lawyers in hopes of spurring them to challenge Google's deal to buy ITA. They said Google would instantly become the new gateway for finding airfares and could promote its travel search engine over other sites' search engines, among other things.

Late last month, Google said the Justice Department is embarking on an extended review of its proposed \$700 million acquisition of ITA but the Internet search giant didn't specify the department's concrete concerns.

ITA software is used by flight-comparison sites including Kayak.com, SideStep.com and Howwire.com, among others, as well as Bing, the In-



Competition issues: ITA software is used by flight-comparison sites including Kayak.com, SideStep.com and Howwire.com, among others.

WSJ ON TECHNOLOGY

Internet-search engine owned by Microsoft Corp. ITA also powers the ticket-search and booking sites of numerous airlines, including American and Continental, giving it insight into how airlines price their seats.

Government lawyers are asking executives in the \$80 billion online travel market if Google could unfairly disadvantage potential new rivals by cutting off their access to ITA's software, people familiar with the questioning said.

The lawyers also are inquiring about whether Google would direct users of its search engine to the travel-search service it plans to build around ITA's technology—to the detriment of soon-to-be rivals that currently get traffic from Google's search engine, these people said.

ken to representatives of numerous companies. Among them are Microsoft, Orbitz Worldwide Inc., Kayak and Expedia Inc.—which owns Howwire.com, TripAdvisor.com and Expedia.com—according to officials at those companies or people familiar with the matter.

Microsoft, Expedia and Kayak have expressed concerns to the Justice Department about the deal, arguing that combining the top Web-search company with the top airfare-search firm would give Google an unfair competitive advantage, people involved in the discussions said.

Other competitors have been more supportive. "Innovation in online travel has been stuck," said Atanas Christov, chief executive of Vayant Travel Technologies LLC, which competes with ITA to provide search technology to airlines and travel websites.

Mr. Christov said he told the Justice Department last month that he favored the ITA deal if ITA's technology is made available to more companies, including his own.

Today's airfare searches can take up to a half a minute—a relatively long time in the online world—and users don't get many ways to customize them, Mr. Christov said. For example, he said, business travelers would have trouble searching for a trip from New York to San Francisco with a five-hour layover in Chicago so they could attend a meeting.

With Google's computing power, the ITA technology

could "create itineraries nobody else has and price it...in milliseconds," Mr. Christov said.

but could sell ads alongside its travel search results. Selling tickets would put Google into direct competition with online travel booking companies such as Expedia and Orbitz. Orbitz uses ITA software.

Google says ITA has several competitors that provide flight search technology, including software from Amadeus Holding Ltd., Travelport LP and Expedia. That means ITA's customers have other options.

A spokesman for Orbitz said the company told Justice Department lawyers there were alternatives to ITA if its technology became unavailable.

An Amadeus spokesman said the company was "watching" this development with interest and believed the European Commission also would scrutinize the deal.

Google says ITA's European revenues aren't large enough to warrant regulatory review there.

Travelport couldn't be reached for comment.

Google has said its aim with ITA is to create new search tools. Two former ITA employees said in interviews that Google could help users find itineraries and prices to travel across different modes of transportation, from the cab that takes them to the airport to the hotel at their destination.

Many antitrust experts believe that the Justice Department is unlikely to try to block the transaction, in part because Google and ITA aren't direct competitors. But government lawyers are seeking to fully understand its business plan before taking a view on the transaction, said people familiar with the matter.

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The future of Internet search

New search paradigms are evolving, which might lead to better, more meaningful responses to our Web queries

Imagine that Googling an address gave you a list of the closest buildings, ranked by distance. Not exactly what you were looking for, most likely. But that's pretty close to what we still accept for most Internet searches. You don't get what you actually want; you get a list of pages that might lead you to it.

That's starting to change. Even as the online world has turned its focus from searching to social networking, search is getting interesting again.

Consider the development of online search in the broadest terms. First came Yahoo, with its carefully cultivated (by human editors) catalogue of interesting Web pages. Then along came Google, with co-founder Larry Page's innovative ranking of Web pages not just by their content, but also by the quantity and quality of other pages that link to them.

Social networking brings a new insight. People are likely to buy what their friends recommend, which is why marketers should spend time on social networks and join the conversation, rather than interrupt it with traditional advertising.

But what happens when, influenced by their friends, people actually go to buy something or take some action? That long list of blue links to pages that may or may not contain what they want looks pretty old.

Now, however, something is happening to fix this, and it's not just a prettier background. It's structure—the same sort of context the old Yahoo catalogue supplied, but this time automatically generated and deeper—and across more than just a few categories such as sports and travel.

For example, what people want (and are now getting) in product search is not a list of pages, but a set of products displayed in some meaningful way. They want a map of the product space, not a list. The

challenge, of course is that each kind of product has a different structure and a different set of attributes.

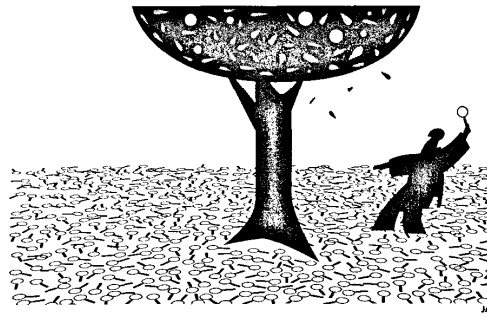
Consider wines: You can sort them by price, year or region of origin, by red, white or rosé, or by sparkling or still. For clothes, you want sizes and colours—and some filters depending on your personal characteristics—and of course a "buy now" button.

Some areas such as travel are even more complex. To "map" travel properly, the software needs to understand things such as time zones, flight duration, layovers and the like, along with concepts such as coach or first class, deluxe and standard rooms, double versus single. That is why there is a whole separate vertical market for travel, but one that first Bing, and now Google (with the acquisition of ITA Software), may be claiming.

For a long time Google didn't need to do much to remain the leader in Internet search, focusing primarily on the "access" part of its self-proclaimed mission "to organize the world's information and make it universally accessible and useful". But runner-up Microsoft bought Medstory in 2007 and then Powerset in 2008. (I was an investor in both of them, so I have been watching these developments with interest, but I have no inside information on either company since the acquisitions.)

Medstory has a deep understanding of healthcare, including the relationships between diseases and treatments, drugs and symptoms, and side effects. Powerset, a tool for creating and defining such relationships in any sphere of interest, is broader but less deep.

This all happened a couple of years ago—just before Yahoo gave up on search entirely and handed that part of its business over to Microsoft. Also around that time, Bill Gates uttered one of the smartest things he has



ever said: "The future of search is verbs." But he said it at a private dinner and it never spread.

To me, the meaning was clear: When people search, they aren't just looking for nouns or information; they are looking for action. They want to book a flight, reserve a table, buy a product, cure a hangover, take a class, fix a leak, resolve an argument, or occasionally find a person, for which Facebook is very handy. They mostly want to find something in order to do something.

As a result, Bing launched a few forays into vertical integration. And in the last few months Google has begun to react. First, it bought ITA Software, which provides the underlying data to several travel-booking sites (Horwite and Orbitz) and to Kayak, as well as to Bing. Most resellers, a little nervous about Bing's tool that sends users to book directly with airlines and hotels, are more concerned about what Google might be up to.

Then, last month, Google acquired Metaweb and its user-generated database Freebase. While Powerset was a tool for understanding natural language and for structuring it "under the covers" (where programmers could see it), Metaweb lets part-

ners and end-users create data structures or add information to structures created by others. For example, Metaweb/Freebase has an extensive structured database of movies, actors who appear in them, and their directors. You can ask (and get the answer) to "movies directed by Roman Polanski" and get only those movies—not those in which he only appeared. Try doing that with Google. You soon will be able to.

Other categories include business (with entities such as employers, industries and employees), biology, space flight, and many more, and include representations—such as graphs, timelines and tables—of how they are connected.

Most things don't exist in isolation. They have complex relationships to other things, and by representing that information using verbs—for example, "the company that Google acquired" versus "the company that Google competes with"—we can represent the world more accurately. And that means better, more meaningful responses when we search.

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Comments are welcome at theirview@livemint.com

Mint ND
08/09/2010 P32

IISERs plan mobile science labs, Navodaya Vidyalayas

BY PRASHANT K. NANDA
prashant.n@livemint.com

NEW DELHI

In an effort to draw more school students to pure science, the Indian Institutes of Science Education and Research (IISERs) will launch mobile science laboratories in their respective regions and open Navodaya Vidyalayas—government-run residential schools—within their campuses.

The institutes will also collaborate with the Council for Scientific and Industrial Research to give its students access to the laboratories of India's largest public-funded research agency, a spokesperson for the ministry of human resource development (HRD) said on Tuesday after a meeting with representatives of the five IISERs.

The elite IISERs were established a few years ago by the Union government through the HRD ministry to stem the decline in science education. These are located in Pune, Mohali, Kolkata, Bhopal and Thiruvananthapuram.

IISERs also agreed to allow admissions to students passing the International Baccalaureate (IB) board. In India, 72 schools follow the IB board, of which 68 offer two-year diploma courses. IISERs will consider these diplomas on a par with class XII certificates of other school boards.

Only the top 1% of students from Indian schools and those who have cleared the joint entrance exams of the Indian Institutes of Technology can apply to IISERs.

Hindu, ND 08-Sep-10 p-3

JNU students want talks with Solicitor-General

Staff Reporter

NEW DELHI: The Jawaharlal Nehru University student's general body meeting has voted to initiate a dialogue with the Solicitor-General immediately to vacate the stay on JNU Students' Union elections and hold the polls within this semester.

JNUSU elections have not been held for over two years following refusal of the interim JNUSU body to adhere to the Lyngdoh Committee recommendations. A Supreme Court stay order further froze the process. The matter is currently *sub judice*.

The dialogue will aim at getting the maximum possible relaxations from the Lyngdoh Committee recommendations and attempt to uphold the JNUSU constitution. This is to be an interim measure until the Court case is disposed of. Once the negotiations are done, the outcome will be placed for endorsement in front of the university general body meeting.

This resolution, which was

To vacate the stay on Students' Union elections and hold them soon

supported by the Students' Federation of India, All-India Students' Association, National Students' Union of India, Akhil Bharatiya Vidyarthi Parishad, United Dalit Students' Front and All-India Backward Students' Front, was passed by 836 votes with 88 opposing it.

The Democratic Students' Union, Progressive Students' Union and the All-India Democratic Students' Organisation were against the resolution as they are opposed to the Lyngdoh Committee recommendations in totality and are not happy with the idea of only some relaxations.

The UGBM also passed a resolution for holding the election of student representatives to the Academic Council and Board of Studies and the GSCASH by a margin of 10 votes. While 462 stu-

dents voted in favour, 452 voted against it. The SFI is of the opinion that the foremost priority should be to resume the JNUSU elections and has suggested that the elections to the AC and Board of Studies can be held after the JNUSU elections. It has also labelled the eligibility criteria for the elections as "undemocratic." The United Dalit Students' Front and the All-India Backward Students' Front have also expressed reservations against the criteria.

However, the AISA announced its support for the elections to the AC and Board of Studies on the grounds that JNUSU elections were subject to negotiations which could take time. But elections to the AC and Board of Studies were not subject to negotiations and would enable students to have some representation. Regarding the eligibility criteria, the AISA said elected students could work to change the criteria and that without student representation none of the desired changes could be brought about.

Coping with online threats

The Information Technology Act needs to make a paradigm shift, in tune with new developments in the field, in order to protect national interests.

Aparna Viswanathan

In one of the most shocking and sophisticated cyber attacks to date, hackers reportedly stole at least £675,000 from 3,000 online bank accounts in the United Kingdom recently, using a "Trojan" virus that is to be considered one of the most sophisticated types of malware programs created. In an attack that is reportedly in progress, the computer virus, known as Zeus v.3, swiped the online banking identity of victims as they accessed their accounts, and robbed accounts with a balance of at least £800 while the victims viewed fake statements online. The Zeus v.3 virus renders the two-step authentication procedure of banks consisting of one-time passcodes and ID tokens useless because the malware, once downloaded from an advertisement on a website or an email, lies dormant on the victim's system and records the account number and password each time the victim logs on to his or her banking website. Reportedly, more than 100,000 personal computers in Britain have been infected with various forms of the Trojan virus. The recent acquisition of McAfee by Intel highlights that security is now a fundamental component of online computing. India, as an international IT hub, needs to focus on the issue of cyber security and combating the dramatic rise of virus attacks and other cyber crimes.

According to the latest Monthly Security Bulletin for June 2010 published by the Indian Computer Emergency Response Team (CERT-IN), the cyber security agency of the Department of Technology, Ministry of Communications and Information Technology, 690 Indian websites were defaced during the month, and CERT-IN tracked 39,600 computers that were BOT-infected. In May 2010, websites numbering 831 were defaced, and CERT-IN tracked 2,116,482 BOT-infected computers in India (as per its bulletins for May and June 2010, <http://www.cert-in.org.in>). BOTNETS is a parasitic program that hijacks a network and makes other computers act on its instructions. The computers that are thus controlled are known as "zombies" and are key tools in cyber warfare. In other words, as of May 2010, over two million computers in India have been taken over by an external controller and are available to carry out attacks, including acts of cyber-terrorism.

As per CERT-IN monthly bulletins,

- India, as an international IT hub, needs to focus on combating the dramatic rise of virus attacks and other cyber crimes
- While the IT Act legislates against crimes such as identity theft and phishing, it does not contemplate the tools of modern cyber crime

during the first six months of 2010 a total of 768 security incidents were reported to CERT-IN by national and international agencies. Of these, 259 related to phishing, which is the criminally fraudulent process of masquerading as a trustworthy entity in an electronic communication in order to acquire sensitive information such as usernames, passwords and credit card details. Approximately 141 incidents involved a virus or worm under the malicious code category (malware such as Zeus v.3). The rest involved unauthorised scanning, spam and so on.

While these figures provide evidence the menace of cyber crime, a report titled "Shadows in the Cloud: Investigating Cyber Espionage 2.0" published by two Canadian researchers at the Munk School of Global Affairs at the University of Toronto, in April 2010, has revealed a sustained campaign of cyber attacks waged against India. The report, by John Markoff and David Barboza, exposes how an India-focussed spy-ring based in Chengdu, People's Republic of China, made extensive use of Internet services such as Twitter, Google Groups, Blogspot, blog.com, Baidu Blogs and Yahoo! Mail to automate the control of computers in India once they were infected. The revelation of the Shadows report is that a vast majority of the compromised computers are in India (see "Shadows in the Cloud: Investigating Cyber Espionage 2.0" Joint Report: Information Warfare Monitor, Shadowserver Foundation, April 6, 2010, Page 30.) The report analyses how attackers leveraged multiple redundant cloud computing systems, social networking platforms and free web-hosting services in order to maintain persistent control while operating the core servers located in China.

The Canadian investigators found that the Internet spies had stolen classified documents from the Indian government and reports from Indian military analysts and corporations, as well as documents from agencies of the United Nations and governments. The documents stolen were marked "Secret," "Restricted" and "Confidential." These

included encrypted diplomatic correspondence. Two of the documents were marked "Secret," six as "Restricted" and five as "Confidential." According to the 'Shadows' report, the documents contained sensitive information taken from a member of the National Security Council Secretariat concerning assessments of the security situation in Assam, Manipur, Nagaland and Tripura, as well as concerning Naxalites and Maoists. The documents contained confidential information taken from Indian embassies regarding India's international relations with, and assessments of, activities in West Africa, Russia/Commonwealth of Independent States and West Asia, as well as visa applications, passport office circulars and diplomatic correspondence.

Outdated Act

However, despite evidence of increasing cyber crime in India, the Information Technology Act, 2000, even as amended in February 2009, remains an outdated and insufficient tool to effectively protect the nation from a cyber onslaught. The offences introduced in the 2009 amendments involve sending offensive messages through a communication service; dishonestly receiving stolen computer resources; identity theft; impersonation – phishing, and violation of privacy.

While, laudably, the amended Act legislates against the growing menace of identity theft, phishing and violation of privacy, it does not even contemplate the tools of modern cyber crime. For example, the 2009 amendments to the Act introduced two provisions concerning offences listed in Section 43. One of these ('i') concerns destroying, deleting or altering any information residing in a computer resource or diminishing its value or utility or affecting it injuriously by any means. Another ('j') concerns stealing, concealing, destroying or altering or causing any person to steal, conceal, destroy or alter any computer source code used for a computer resource with an intention to cause damage.

However, modern means of cyber warfare such as BOTNETS or key-loggers are not intended to destroy, delete or alter information residing in a computer resource or to steal computer source code. Instead, BOTNETS takes over a computer so that it can be used by an external controller. Modern cyber crime is not focussed on stealing source code or information in a computer but using the computer itself as the instrument to commit a crime.

Another major tool of cyber warfare is key-loggers, which is a software program or device designed to monitor and log all keystrokes. The key-logger software/device scans computers and their processes and data the moment a person strikes a key on the keyboard. This information is carried over to an external controller. Key-loggers are intended not to steal source code or information but to record the data input into a computer, to be used for financial fraud.

The IT Act defines "computer network" in Section 2(j) as the "interconnection of one or more computers or computer systems or communications device through the use of satellite, microwave, terrestrial line, wire, wireless or other communication media, and terminals or a complex consisting of two or more interconnected computers or communication device whether or not the interconnection is continuously maintained." The 2009 amendments added the specific reference to "wire and wireless."

Section 43 of the IT Act prohibits the introduction of a virus into a computer, computer system or computer network. However, it is unclear whether the posting of a virus on a website would attract this provision as the IT Act is still framed in the language of computer resources, based on the thinking of the 1970s and 1980s. Since the turn of the century, the Internet has become the space to be regulated, not computers. The IT Act does not even mention the Internet.

The IT Act needs to make a paradigm shift from earlier concerns regarding hacking of computers to steal source code and information to not only the modern Internet age but Web 2.0 where the weapons of cyber crime are intended to elicit information such as online banking passwords, PINs and other confidential information from consumers as and when users access their online accounts, and a Chinese cyber war against India that is already under way.

Hindu, ND 08-Sep-10 p-13

'Education Bills may be tabled during next Parliament session'

Special Correspondent

CHENNAI: The UPA government is likely to table final draft of two important Bills pertaining to education — one on the entry of foreign universities and the other on curbing capitation fee — during the winter session of Parliament beginning next month, Union Minister of State for Planning and Parliamentary Affairs V. Narayanasamy said here on Tuesday.

Addressing a press conference, Mr. Narayanasamy said the proposed Bills were now before a Parliamentary standing committee for final touches before being tabled in the Parliament.

The government was also keen on introducing the Women's Reservation Bill in the Lok Sabha, Mr. Narayanasamy said. Prime Minister Manmohan Singh was expected to convene an all-party meeting to facilitate smooth passage of the Bill, which seeks 33 per cent reservation for women in the Lok Sabha and State legislatures.

Mr. Narayanasamy said there was no timeframe to pass a Bill once it was adopted by the Rajya Sabha.

The recently concluded monsoon session of Parliament passed 22 Bills, includ-

ing the landmark Civil Nuclear Liability Bill, besides effecting amendments to the Criminal Law and the Representation of People's Act to allow voting rights to Non-Resident Indians, Mr. Narayanasamy said.

Mr. Narayanasamy, however, blamed the BJP and its allies for disrupting Parliament proceedings and dodging debate on contentious issues.

"The BJP acted more like an opponent than the Opposition."

The Opposition tactics in stalling Parliament proceedings were violative of the fundamental spirit of democracy and resulted in a loss of an estimated 45 work hours of the House, besides causing colossal wastage of public money, Mr. Narayanasamy said. He appealed to BJP leaders Arun Jaitley and Sushma Swaraj not to disrupt Parliament proceedings and engage within the framework of Parliamentary debate to iron out differences with the government.

The Union government, which had made handsome allocations to Tamil Nadu, was also committed to the cause of rehabilitating war-affected Sri Lankan Tamils, Mr. Narayanasamy said.

Hindu, ND 08-Sep-10 p-14

Set up varsity safety panels: UGC committee

For proper handling of radioactive, and other hazardous materials

Aarti Dhar

NEW DELHI: With a view to ensuring that the guidelines of the Atomic Energy Regulatory Board (AERB) and the Hazardous Wastes (Management and Handling) Rules are strictly implemented, a UGC expert committee has suggested the setting up of university committees to review safety in handling radioactive and other hazardous materials used by the institutions.

The University Safety Committee (USC) will ensure that the AERB Regulations and Hazardous Wastes (Management and Handling) Rules are strictly implemented, according to the panel that was constituted following the mishandling of Cobalt-60 isotope by Delhi University in April this year that led to the death of one person and injuries to 10 others.

The expert committee, which has presented its interim report to the University

• VCs must send duly signed reports

• Cobalt-60 isotope mishandled by Delhi University

Grants Commission, has recommended the formation of an apex committee at the UGC level that would monitor safety committees at the university level. This committee will have experts from the fields of radiation safety, radioactive waste management and hazardous material management. The universities will have to send their annual reports on safety to the apex committee.

The UGC will also encourage the universities to promote refresher courses for staff members and students. The syllabus for new entrants must include such safety courses also, it has said. Depending on the usage of radio isotopes, hazardous chemicals and materials, the laboratories should prepare standard operating proce-

dures (SOPs) which will have to be displayed prominently in English and vernacular languages in laboratories.

The UGC has been asked to ensure that reports in the prescribed format are obtained from every university and institution and are duly signed by the Vice-Chancellor or the head of the institution.

The expert committee has said that though it sought information on storage and handling of radioactive and hazardous substances used by students from 500 universities and institutions, only 21 bothered to respond. When its team visited three of the universities, much of the information they gave in the prescribed pro forma was inadequate. At one site, no information was provided about a laboratory irradiator

that had not been used for more than 20 years. When the committee inspected this particular facility, it was inaccessible.

The medical use of radioactive substances and X-rays for diagnosis and treatment is extensive and fairly well established. However, in universities and other institutions of higher education and research, awareness of and adherence to regulations seems to be lacking, as has been observed in the recent casual disposal of Cobalt-60 isotope, says the report.

Chaired by Professor G.K. Rath, head of the Department of Radiation Oncology at the All-India Institute of Medical Sciences, the committee inspected the laboratories using radioactive and other hazardous materials in the Pune University, the University of Hyderabad and Osmania University, where it detected serious lacunae in storage and handling.

Hindu, ND 08-Sep-10 p-1

Cultural diversity: Workshops can help ease differences

In the present volatile business environment, organisations are exposed to a number of challenges. One such issue that has gained considerable importance today is working in a multicultural environment. The world has shrunk in the sense that workplaces have become a hub for different cultures. Studies prove that culturally

effective cross cultural communication has become a vital concern in the workplace.

As managers or employees in global organisations, we interact with a diversified workforce, where effective communication with them paves the way to maximise our potential in cross cultural relationships. We can well handle this tricky issue by just learning some tips and practising them. These tips will help to improve cross cultural communication skills and build greater relationships.

VIEWPOINT

diverse organisations have garnered better productivity, innovation and business opportunities.

But on the flip side, communicating with people from different cultures is a challenging task as the habits, customs and languages differ vastly. Hence, the need for ef-

No bias: We need to develop and maintain a positive attitude towards people from varied cultures. All of us are bounded by certain prejudices and illusions about other cultures. These wrong notions should not interfere



with our communications in the workplace. Assess the individual through his abilities, skills, talents and contributions to the organisation. Stay positive and work with them as a team to realise the organisation's goals. Sometimes communicating with other cultures may lead to uncomfortable and embarrassing situations. Tackle these is-

suces with a positive and friendly attitude. Awareness: Organisations should create an environment to create an awareness and understanding about different cultures among employees. Training programmes help a lot to learn and understand other people's cultures, their communication styles and behav-

iors. Practical illustrations and workshops pave the way for better understanding of different cultures.

Employees also need to put in a little effort to learn and acquaint themselves with practical skills to deal people from different cultures. A considerable amount of homework, research will help to build successful relation-

ships. Learning and understanding about diversified cultures enables to enhance our professional expertise and knowledge.

Pay attention: Show respect to other cultures and try to create more fruitful relationships. We need to pay special attention to the way we speak, body language, tone and the etiquette. During conversations, always listen to what others say and then summarise the content.

When you don't understand them don't hesitate to ask for clarifications. Organisations face problems in communications due to language differences. They should take steps to introduce one main language as the medium to communicate and see that employees learn this lan-

guage for better and effective communication.

Even though English is the common language to communicate in many organisations, one needs to be attentive in their speech. Always speak clearly and avoid long expressions. Rely on the universally accepted gesture, a smile. Interact with others with a friendly smile on your face that goes a long way in making things happen. Organisations need to frame rules to deal with language and com-

munication problems in the workplace. Ensure that people of all cultures follow these rules to improve their communication. While dealing with a diverse workforce one needs to be sensitive to different cultures. Getting to know the basic cultural nuances, greetings, gestures and some of the taboo practices will stand anyone in good standing in a multicultural work environment.

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Business Standard ND 08/09/2010 P-14

4 IITs SLIP IN RANKINGS FOR TOP WORLD UNIVERSITIES

KALPANA PATHAK
Mumbai, 7 September

Four out of seven Indian Institutes of Technology (IITs) have slipped in the QS World University Rankings this year against last year. QS ranks 500 institutions across the world.

IIT-Bombay, which has been ranked the top most among 10 Indian institutions, fell 24 places to 187 this year. It was ranked 163 last year.

IIT-Delhi, too, slipped 21 notches to secure 202 position against 181 last year, while IIT-Guwahati fell from 401 to 501 this year.

"We see these rankings as a feedback of how others see our institution. While these rankings do not really impact our behaviour as an institute, we will have to look into the factors which led IIT-Bombay fall from the 163 position to 187," said Professor Devang Khakhar, Director, IIT-Bombay.

IIT-Madras, on the other hand, climbed 22 positions to reach 262 against 284 last year.

GAINERS AND LOSERS

- India has 8 universities in the Top 500 institutions, down from 10 in 2009
- China has 10 universities in the Top 500 and a further six in Hong Kong
- IIT-Bombay emerges the top Indian institution, though it drops 24 places
- Cambridge University beats Harvard to secure first position for the first time
- Massachusetts Institute of Technology (MIT) jumps to position 5 from 9

IIT-Roorkee too climbed 50 notches to reach 401 against 451 last year.

While IIT-Kharagpur secured the 311 position after figuring at 335 last year, IIT-Kanpur fell 12 places to 249 position against 237 last year.

"The number of Indian institutions in our rankings has fallen, as has their position. IIT-Delhi has fallen out of the top

200. By contrast, China now has 10 universities among the top 500 and a further six from Hong Kong. The IITs are a vibrant part of Indian academic and business life, but the country's conventional universities are weak for a nation of India's importance," said Martin Ince, convener of the Academic Advisory Board for the QS World University Rankings.

Other than the IITs, University of Delhi and University of Calcutta have fallen 80 and 100 notches to stand at 371 and 501 positions, respectively.

University of Mumbai and University of Pune, however, have managed to retain their earlier slots at 451 and 551, respectively.

Internationally, Cambridge University has pipped Harvard University to secure the first rank. Harvard University has topped the table since 2004. "The University of Cambridge was voted the best university for research quality, as selected by over 15,000 academics around the world. Although Harvard was the most popular among

the 5,007 employers polled globally, Cambridge edged ahead overall," said QS press office in a media statement.

While Yale University stood on the third position, University College of London secured the fourth position and Massachusetts Institute of Technology climbed from ninth position last year to fifth this year.

"Given the uncertain economic outlook, it is reassuring for students that the Top 200 universities are also, by and large, the most popular universities with employers, suggesting that a world-class degree remains the best path to a great job," said Ben Sowter, head of research at QS.

QS rankings seek to measure research quality, employability of graduates, teaching commitment and international commitment – all key missions for world-class universities.

QS rankings use a combination of global surveys and audited data including citation counts from Scopus, the world's largest database of academic publishing.

Business Standard ND
08/09/2010 P-3

Wipro sees moderate impact from US visa rise

BS REPORTER
New Delhi, 7 September

Wipro Ltd, the country's third largest information technology (IT) services exporter, expects higher US visa costs to have a moderate impact on its operating margins in the current financial year. It may pass the increased cost on to its clients by increasing the billing rates.

"We consider this a normal increase in the cost of running a business in the US. We will speak to our customers and seek price adjustments for the extra cost and will work with them to see how to mitigate it," said Chief Financial Officer Suresh Senapaty, on the sidelines of a CII event here today. Recent US border security legislation will double the H-1B and L-1 visa application fee from the present level of about \$2,300 to about \$4,300 per application. It is seen as targeting the Indian IT services industry. "The bill will have a moderate impact in the current fiscal, but next year there will be an impact. Our medium and long-term plan is to have more and more local hiring. So, at some stage we should be able to mitigate the high visa cost. We are in talks with clients in the US, seeking price adjustments to include the higher visa costs," added Senapaty, without quantifying the impact of the fee change on operating margins.

Business Standard ND 08/09/2010 P-6

PARLIAMENT PANEL FOR CLEARER ROLES OF INDEPENDENT DIRECTORS

Says proposed changes are in the best interests of employees

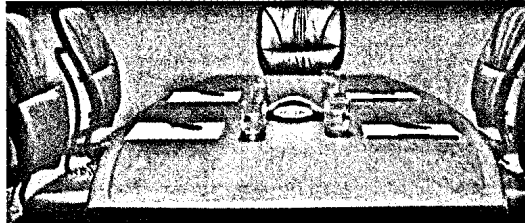
BS REPORTER
New Delhi, 7 September

The Parliamentary Standing Committee on Finance, which has reviewed the Companies Bill 2009, has called for clearly-defined roles and responsibilities of independent directors, along with a standardised process of appointment.

The observation came in response to the Ministry of Corporate Affairs' submissions in the wake of the Satyam Computer accounting scam, where its founder and chairman, Ramalinga Raju, admitted to falsifying accounts for years. This came despite the presence of several high-profile independent directors on the board of the company.

In its submissions, the ministry initially told the committee that since independent directors as a concept was being proposed, there was a need to set up a regulatory oversight mechanism, along with rules and regulations, so that a panel of names could be maintained.

The government said the Bill provides for the attributes, powers and du-



IN ITS SUBMISSIONS, THE MINISTRY HAD TOLD THE PANEL that since the concept of independent directors was being proposed, there was a need to set up a regulatory oversight mechanism, along with rules and regulations, so that a panel of names could be maintained

ties of the independent directors, in addition to the provision in respect of the Directors & Officers insurance policy. At present, only listed companies are required to comply with Sebi's listing norms, which, among other things, mandate the composition of the board.

The ministry later said the independent directors would be liable on-

ly in respect of such acts of omission or commission by the company or an executive that has occurred with his knowledge, and that is attributable to the board. Besides, the ministry said non-executive directors would not be entrusted with responsibilities relating to day-to-day management.

In its report, the committee said it

supported the proposed changes regarding the duties of a director to promote the objects of the company in the best interests of its employees, the community, and the environment.

"The appointment of independent directors should not be a case of mere technical compliance reduced to the letter of the law. It is important that independent directors play their designated role to nurture the financial health of the company and to protect the interests of various stakeholders, particularly the minority ones. The committee, therefore, believes provisions pertaining to Independent Directors should be distinguished from other directors in the Bill," the report said.

The parliamentary standing committee has also suggested a provision be made for rotating independent directors by restricting their tenure in a company to say, five years. It has also said the government should explore the feasibility of advisory boards for larger companies comprising qualified persons or professional experts.

The standing committee's recommendations are not binding on the government.

Business Standard ND 08/09/2010 P-6

China, India top list of international students in OECD countries

BS REPORTER
New Delhi, 7 September

The largest numbers of international students to countries in the 33-nation Organization for Economic Cooperation and Development (OECD) grouping are from China and India, with the highest number of Indian students choosing the US as their proffered destination for tertiary education.

India accounts for 6.8 per cent of all international students enrolled in OECD countries, while China's share is 17 per cent. In the US, almost half the students who come from India pursue tertiary education.

Almost 15.2 per cent of the international students enrolled in the US for tertiary education are from India. Similarly, 11.5 per cent of international students in



INDIANS ARE 7% OF THE GENERAL TOTAL; are 15% of those in US tertiary education and 11.5% in Australia

Australia come from India.

These are the findings of the OECD's annual Education at a Glance study, which found in 2008 there were 2.6 million foreign students enrolled in these countries. The study noted international students are most numerous in tertiary enrollments in Australia,

Austria, New Zealand, Switzerland and the UK.

"In a global economy, it is no longer improvement by national standards alone. The best performing education systems internationally provide the benchmark for success," said OECD Secretary-General Angel Gurría, launching the report in Paris.

During the economic downturn, young people with low levels of education were hard hit, with unemployment rates for those that had not completed high school rising by almost five percentage points in OECD countries between 2008 and 2009. For people with tertiary degrees, by contrast, the increase in unemployment levels during the same period was below two percentage points.

The report revealed the US gets the highest number of international students at 18.7 per cent, followed by the UK at 10 per cent and Germany at 7.3 per cent.

Referring to the growth of internationalisation of tertiary education, the report showed that in 1975, there were 0.8 million students enrolled outside their country of citizenship and the number rose to 2.9 million in 2005 and to 3.3 million in 2008.

SHOULD WOMEN ENJOY TAX REBATES?

No, the savings as a result of preferential taxation are marginal but a concession would acknowledge the significant contribution of women to economic growth

DEBATE

India is one of the few countries where taxes have been used as an affirmative action policy for women — in India, women are explicitly advantaged by some aspects of the tax system and reforms. The question, however, that remains unanswered is whether a differential tax treatment has been effective and if this really benefits women.

The income tax regime in India provides preferential tax treatment to women by providing them with a higher basic exemption limit of ₹1.9 lakh under the Income Tax Act, 1961 compared to a limit of ₹1.6 lakh for men. Although this leads to a reduced tax cost for women, the point that everybody seems to be missing is that the saving in tax cost is marginal.

To illustrate, let us take the case of Ankit and Bhuvan with similar qualifications who work as consultants for a given employer at an annual package of ₹8 lakh. Given the current slab rates under the Income Tax Act, 1961, Ankit pays an annual tax of ₹91,000 and Bhuvan pays ₹94,000. Thus, a higher basic exemption limit saves Ankit only ₹3,000 in taxes annually. This marginal saving may not make a significant impact on her savings or other decisions.

It may be true that a differential taxation regime is warranted in the formative years of an economy to encourage women to take up employment, but such a rationale is of less significance to

day because women have the requisite qualifications and skills to rise to the highest echelons of a company.

In today's equitable times, the criteria for women joining the workforce are driven by far more competitive factors and lifestyle requirements. Tax is a consequence of such a decision and earnings from income. The factors of substantive relevance may include the urge to achieve a specific standard of living and the availability of other on-the-job benefits such as flexible working hours, child-care centres in offices, liberty to work from home and so on. Thus, differential taxation as a policy initiative to encourage women to enter the workforce may not be as relevant today as it was a few years ago.

It is interesting to note that currently in India, around 11 per cent of 240 large companies — Indian-owned as well as multinational, private and state-owned companies — have women CEOs across industries based on their qualifications and skill set.

One wonders whether the debate around the "gender parity" thus achieved is really critical. The fact that women are establishing a strong business presence across industries based on



GEETA JANI
Tax Partner,
Ernst & Young

Preferential taxation to encourage women to work is less relevant today as they have the requisite qualifications and skills to rise to the highest echelons of a company

their capabilities indicates that a differential taxation regime is not required for promoting employment among women. Horizontal equity in personal taxation makes more sense today compared to ear-

lier times and parity in taxation between men and women in the Direct Taxes Code Bill is an initiative in the right direction.

There is still room for more women in India's workforce. Given this, there is a need to structure incentives in a manner that they meet a woman's requirements. The incentives that may significantly influence a woman's working decision have to do more with attaining a work-life balance. It is time to invest in realistic reforms like higher education benefits and a conducive work environment that can enable women to take charge of their lives.

In view of this, the government could consider including women-centric incentives like a deduction on medical expenses related to maternity from income, tax benefits of educating the girl child, sponsorship for further education for married women and so on. There is no confusion regarding the capability or willingness of women to work in today's work environment. It is only the availability of relevant and facilitating opportunities that will enable her to convert those opportunities into a reality.

Views expressed are personal.

The financial year 2000-01 saw the introduction of a small but important section in the Income Tax Act, 1961. Section 88C provided for a tax rebate of ₹5,000 for women taxpayers in India. The rebate was small but the statement behind it was significant. The then finance minister said the rebate was being given "as a token of appreciation and recognition of women as productive contributors to the economy".

The rebate continued in the following tax years. In 2005-06, it was omitted, only to be replaced by an increase in the tax exemption threshold limit for women taxpayers, a benefit that remains in our tax statutes to date. These rebates and exemptions, along with the various other initiatives taken by the government for its women citizens, send a clear message to India and the rest of the world: we are behind our working women, and we will do everything we can, financially and in other ways, to ensure a conducive and encouraging work environment for them.

The Direct Taxes Code of 2009 carried on with this tradition — the proposed tax exemption limit continued to re-



NEERU AHUJA
Partner,
Deloitte Haskins and Sells

Preferential taxation treatment is not so much about the monetary benefits as it is about the support and encouragement to working women of a growing economy

main higher for women assesses. Although the amount was not significant, the message was indeed inspiring. As the country was hopefully moving towards a simplified tax system, it was heartening

to have the government rooting for its women citizens.

And then the Direct Taxes Code Bill, 2010 was introduced in Parliament in August. Quietly and unobtrusively, all mention of any preferential treatment for women taxpayers was wiped out.

What led to such a momentous change? Were women not to be appreciated or recognised any more? Was the government sending a new message to us: no more tax concessions for the ladies; we have done our bit and you are on your own now? Was this removal justified? Other countries like the UK, the US and notably China do not treat their women taxpayers differently. Should India do the same? And the biggest question of all is: do we really need this preferential treatment in the first place?

As expected, the exclusion led to vociferous opposition from various parties and equally strong support from other quarters. Lost in this cacophony of differing viewpoints is the simple fact that the so-called "preferential treatment" was not so much about the monetary benefits or tax savings — a trifling ₹3,000 a year in the highest tax bracket or a meagre ₹200 a month — as it is about a much bigger issue. It was

about the loss of support, encouragement and backing of a government for its working women. The Indian woman may not need the token amount of concession, but she certainly needs the comfort and reassurance of a supportive regime.

It is for the first time in our history that such a huge population of women is part of the workforce and a significant contributor to the 9 or 9 per cent growth — and this number shows every sign of growing exponentially. It is clear that India needs its women to sustain the high growth rate.

At a crossroads. On the one hand, we have a woman president, a separate ministry for women welfare and we celebrate the "girl child". On the other hand, a token tax benefit to women is callously thrown out without any discussion.

There is still time before the tax code is finalised for better sense to prevail. More than the financial gains that this measure would bring to women, it would be an affirmation of the intention of the lawmakers to continue to stand by this very important and critical section of the economy's workforce. And tomorrow, India may set the global trend for other countries, teaching them how to empower their working women.

Priyambada Sen, Senior Manager, assisted with this article

CARBON CREDIT PRICES SHOOT UP AFTER PROBE CONSTRICTS SUPPLY

Market pricing becomes uncertain after UN investigation into data laundering

RAJESH BHAYANI
Mumbai, 7 September

Prices of carbon credit certificates on the European climate exchange have risen after the regulator disallowed credits from greenhouse gas HFC-23 from a number of projects. Credits from such projects account for around 10 per cent of total carbon emission certificates (CERs).

Prices of CERs have gone up by 17 per cent. A similar increase has been seen in European certificates.

In July, the United Nations Framework Convention on Climate Change (UNFCCC) launched an investigation on allegations that some companies had raised production of HFC-23, a by-product of the coolant HCFC-22, to earn CERs.



Indian companies holding CERs in the UN registry have started encashing them

A majority of these companies were in India and China. The Clean Development

Mechanism Executive Board said on August 19 that it was putting on hold issuance of cer-

bon offsets from five projects in China that were to destroy HFC-23 and accounted for 10 per cent of the CER supply, a report from Platts said.

Traders said the delay in the release of CERs from these projects would limit the overall supply. Such restrictions may be put on some projects of Indian companies too.

Indian companies like SRF, Gujarat Fluorochemicals, Chemplast Sanmar and Navin Fluorine International Ltd are among those facing a UNFCCC investigation.

These restrictions could substantially reduce the flow of CERs into the market. Due to these fears, the prices of carbon credit certificates have gone up 17 per cent, or €2, since August. CERs are being traded on the European Climate Exchange for €14.

Indian companies holding

CERs in the UN registry have started encashing these.

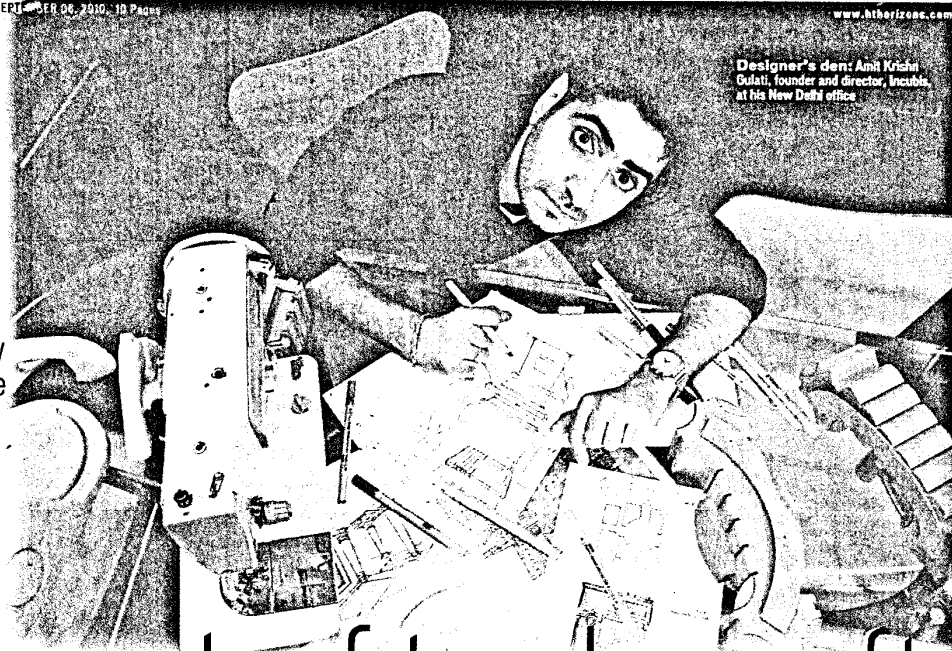
Anmol Jaggi, director, Gensol Consultants Pvt Ltd, said, "We have done a deal on behalf of several Indian companies and sold CERs to be generated in the next 10 years in an unusual forward deal.

CERs of 2.1 million tonnes have been sold for ₹168 crore. The deal is structured in a way that the seller will get 10 euros per tonne of CER and if prices remain higher than that, a significant part of the increased price will be paid to the sellers."

There has been an uncertainty on carbon credits as the Kyoto Protocol comes to an end in 2012 and the situation after that is unclear.

The deal protects the downside, as it will be valid even if there is no protocol or compulsion to reduce carbon after 2012.

Product designers innovate, enhance the utility of products and provide business solutions. They don't just make cute-looking exhibition-variety items, writes **Rahat Bano**



Designer's den: Amit Krishna Gulati, founder and director, Incubity, at his New Delhi office

The art of tech craft

They have designed the 'Eggskeleton' — a futuristic-looking headgear designed to reduce musculo-skeletal disorders and provide a clean "micro-environment" inside (the product) for coal miners who manually dig out fossil fuel... they've conjured up a sleek computer monitor with a skin design depicting Devanagiri letters and the

mouse-cum-scanner and text-recognition device... They truly are creativity personified.

Product designers aren't people who just make cute-looking exhibition-variety items. They are required to innovate, enhance the utility of a product, and provide business solutions.

"Product design concerns itself with the design of objects and systems that

affect the way we live, work and play," explains Praveen Nahar, associate senior faculty, faculty of industrial design, and activity chairperson, Design Consultancy Services, National Institute of Design (NID), Ahmedabad. "It deals with form, function, colour, graphics, packaging, safety and maintenance etc."

Product design is a combination of technology, art and craft. Amit Krishna Gulati, founder and director, Incubity, New Delhi, says, "A product designer deals with, one, aesthetics, two, understanding people and their needs, and

three, understanding current and emerging technology. He occupies a unique space at the intersection of these three. He is not an expert in any of them. He has to make the right connections."

Product designers mainly work with or for manufacturing companies. Their work options range from their own design studios (or freelancing as an individual), design departments of manufacturing industries, small and medium scale industries, working on lifestyle products and promoting their own brand, non-governmental

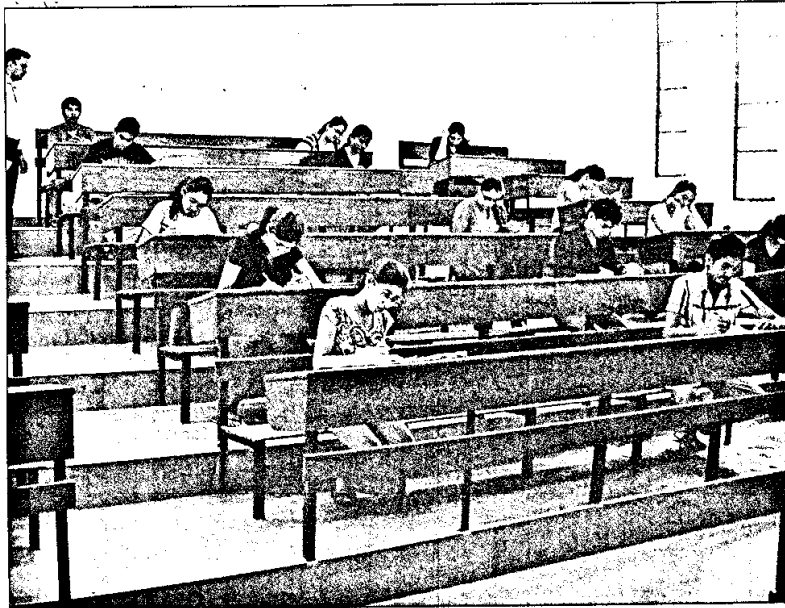
organisations and other crafts sectors. Their sphere of activity extends to software as well, which is a "virtual product" with buttons, etc, says Gulati, an NID alumnus.

While this makes the canvas look very wide, there are some limitations.

"India is a growing economy and has a lot of potential for product design. Our designers have got a lot of opportunity to work nationally and internationally in the last eight to 10 years," says Nahar. However, design is a developing field in India, which poses challenges to

domestic players to prove and establish themselves. "One of the challenges for product design in India is complimentary support system from the R&D point of view, involving engineering support, model-making, CAD etc," says Nahar. "Also with respect to society and the environment, we need to look at the diverse Indian population with diverse cultures, languages, geography and products to cater to them. Environmental sustainability is another challenge."

Vivek Amberkar, owner of design consultancy Vivek



Will aptitude count for IAS?

An IAS prelims aptitude test would be a welcome move, but some questions need to be answered

Rahat Bano
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Change is coming to the civil services examinations. From 2011, aspiring civil servants may be checked for aptitude, instead of subject knowledge, at the preliminary stage, according to a cabinet minister's statement. As many would agree, this is a welcome move, but one which throws up some posers.

"The government has approved the proposal for Civil Services Aptitude Test (CSAT) in place of Civil Services (Preliminary) Examination. In CSAT, one of optional subjects that a candidate could have chosen out of 23 optionals is being replaced with a common paper on aptitude," the minister of personnel, public grievances and pensions, Prithviraj Chavan, said in response to a question in the Rajya Sabha recently. The government is soon

going to notify the general public about the new scheme of the examination with details of the syllabus.

The competitive exam has so far included a paper each on general studies (GS) and on an optional subject chosen from a list of 23.

Does the GS paper stay on? "Silence means status quo," ventured Sriram Srirangam, faculty member, Sri Ram's IAS, Delhi.

But Ved Prakash Gupta, director, Rau's IAS Study Circle, wonders if GS is intact. The minister has not said anything about the GS paper, noted Gupta. "Does this mean the GS will remain the same? There's a doubt over that."

Second, how will the authorities evaluate test-takers' moral and ethical traits through a quantitative test? "It's difficult to frame questions to evaluate ethical aspects in a written test. It could be done better at the interview stage," said Gupta.

Srirangam echoed the same query but said there are experts in the country who can do it and "it's not an impossible challenge".

Coaching industry professionals say the aptitude test is a much-needed change.

"It should have happened earlier," said Ved Prakash Gupta, director, Rau's IAS Study Circle. "The idea behind this is that if you are applying for a job, then all candidates should appear for the same paper. That makes sense."

Srirangam said aspirants could be groomed to be civil servants "right from the preparation stage. They can select administrators (more accurately)."

Also, this may remove many candidates' misgivings about the secretive evaluation and moderation process for students picking different subjects. "All this equalisation and neutralisation thing which is kept under wraps may go," said Srirangam.

Hindustan Times ND 08/09/2010 P-2

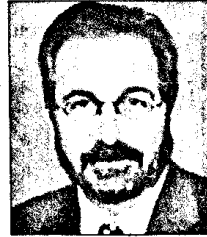
Brown University reaches out to Indians

Last month, officials of the Ivy League university visited India to forge relationships with colleges here. Mathew Guttman, VP, international affairs, talks about the India connection

HT Horizons Correspondent

What expansion plans do you have for India? How many Indian students are expected to undergo exchange programmes to Brown next fall? What are the universities you are partnering with as of now?

Brown has had faculty collaborations and student exchanges with India for many years and is at present building on these excellent ties. From Delhi, where Brown has had a student exchange with St Stephen's since 1991, to Chennai, where Brown Medical School specialists on infectious disease have worked



with YR Gaitonde Centre for AIDS Research and Education and HIV+ patients since 1997, and beyond, Brown will partner with universities, research centres, and private indus-

try to study and help resolve contemporary social challenges. We will soon sign an agreement with IIT Bombay for student exchanges to begin in 2011.

We have a summer internship programme in India. Up to ten students now go to India in the summer to work with companies and acquire hands-on work experience. Such companies include Reliance, Infosys, Jubilant, Hindustan Times, Arshiya International, Godrej Industries etc

Which are the programmes that draw international students?

Economics, biology, international relations, and engineering draw international interest.

How many Indian students are there at the university? What's the total number of international students?

There are approximately 60 undergraduates and 50 graduate students from India. There are around 600 international undergraduates and 2,000 graduate students. The numbers of applicants from India have grown sharply in the last five years. In 2005, there were less than 100; this year there were almost

260. Brown is delighted to welcome 18 new students from India in its first year, freshman class of 2014.

This is the highest number of Indian students in any class - and we hope the trend will continue and more top Indian students will apply and come to us.

What about the financial aid given to international students every year?

Approximately 30 per cent of international students receive financial aid. Brown tries to give financial aid to all those students who need it, regardless of their course of studies.

Hindustan Times ND 08/09/2010 P-4

success mantra dr sarvepalli radhakrishnan

Journey from a hut to the president's residence

Born into a poor family in Tamil Nadu, Dr Sarvepalli Radhakrishnan rose to become a professor at Oxford University and later, the president of India, by the strength of his erudition

Sarvepalli Radhakrishnan was born on September 5, 1888, into a poor Telugu Brahmin family at Tamil Nadu's Tiruttani, a town in the then-Madras Presidency.

A brilliant student, he was awarded scholarships throughout his academic life. Dr Radhakrishnan joined the Voorhee's College in Vellore though he later moved to the Madras Christian College at the age of 17. There, he studied philosophy. However, this was not by choice. Being poor, he didn't have enough money to buy books. So, when his cousin, who had graduated in philosophy from the same college, passed on his books, the choice was made for Dr Radhakrishnan.

He, however, surpassed all expectations and his thesis, on Vedanta philosophy, published when he was just 20, was hailed as one of the best.

Later in life, he served as the vice chancellor of the Andhra University after which he took over Benaras Hindu University in a similar position. He also served as the Spalding Professor of Eastern Religions and Ethics at Oxford University.

It was his ambition that led him to success in his various endeavours. He had once said, "The greatest gift of life is the dream of a higher life."

Teacher's Day

Dr Radhakrishnan was elected as the first Vice President of India in 1952 and was elected as the second President of India (1962-1967). When he became president, some of his students requested him to allow them to celebrate his birthday. He replied, "Instead of celebrating my birthday, it would be my proud privilege if September 5 is observed as

Teachers' Day." His birthday has since been marked as a day to commemorate the contribution of teachers to our lives. It also reminds us of the great ideals of this true humanitarian.

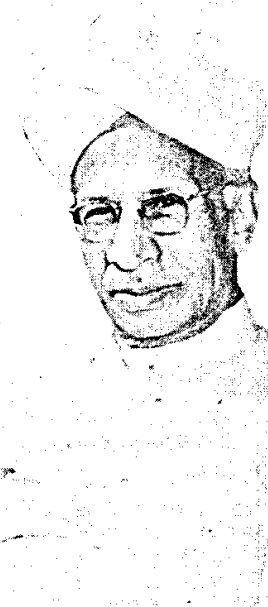
Lessons from life

He propagated non-violence and affirmed the virtues of love over hatred. "All our world organisations will prove ineffective if the truth that love is stronger than hate does not inspire them," he said. As the president of India, he rested his faith in human nature rather than in economic or political reforms to ensure peace in the society.

He loved all individuals and believed in the power of education, a power that can be wielded to trounce evil. "Human nature is fundamentally good, and the spread of enlightenment will abolish all wrong," he said. His belief lay in the fact that education opens new doors of happiness and success. "Life of joy and happiness is possible only on the basis of knowledge and science,"

he used to say.

He said that reading a book gives us true enjoyment and they (books) are the means by which we can build bridges between cultures. Dr Radhakrishnan's definition of education transcended professional qualification. He valued greatness of spirit over technical efficiency of students.



B-schools set new trends

Four B-schools that started out as obscure, unaffiliated institutes are now trendsetters with unique methodologies

Vimal Chander Joshi
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In a recent research study carried out at IIM Ahmedabad's Ravi J Matthal Centre for Educational Innovation, four B-schools were named trendsetters in business education. They are Indian School of Business (ISB), Hyderabad; Great Lakes Institute of Management (GLIM), Chennai; School of Inspired Leadership (SOIL), Gurgaon; and Indus World School of Business (IWSB), Greater Noida.

Sanjeev Bhalla, who was a student of IIM Ahmedabad's 2009-10 postgraduate programme for executives (PGPX) batch, carried out the study under the guidance of two professors. He found one common feature in the above B-schools - none had the mandatory approval from All India Council of Technical Education (AICTE). Walking out of the club, GLIM recently got the much-needed



approval and is currently the only B-school that offers a one-year management programme. There is one other similarity between these emerging B-schools pertaining to the duration of programme. All of them, barring IWSB, run one-year programmes. This is unlike other

B-schools, all of which offer two-year postgraduate management diplomas. Conventionally, one-year programmes are run for working executives who are looking for 'compacted' management education. Some of the institutes go on to cut out summer internship from the cur-

riculum.

"As all students have already worked in the industry for a minimum of two years, they don't need to undergo internship. The normal 72-week programme spread over two years is taught in the period of 50 weeks," says Prof TN Swaminathan, director, external relations, GLIM.

The selection process for all these B-schools is different from other Indian B-schools. While ISB and Great Lakes use GMAT as the selection criterion, SOIL takes a leadership assessment test, while IWSB has a comprehensive approach to accepting students.

"We eliminate applicants through exams such as CAT/XAT and later, we test their problem-solving skills by making them play Tower of Hanoi (a mathematical puzzle using three rods and discs of different sizes) before interviewing them," says Satya Narayanan R, co-founder, IWSB.

Hindustan Times ND p-13
08/09/2010

Retirement age of IIT directors raised

CONCERN Many feel the move will make Directors less 'autonomous'

Charu Sudan Kasturi
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THE AGE DEBATE

NEW DELHI: A hike in the retirement age of Directors of the Indian Institutes of Technology has drawn concerns from academicians and transparency activists that the prospect of another term as heads could hamstring their emphasis on autonomy.

The human resource development ministry has approved a proposal allowing the IIT to change their statutes to hike the retirement age of Directors from 65 to 70, top Institute sources have told *HT*. The hike will mean that all current Directors of the IITs will be eligible for another term at the top job once their current tenure ends.

Confirming the move, ministry sources argued that the raise was aimed at bringing the retirement age of Directors at par with that of Vice Chancellors of central universities, which is already 70. The hike in retirement age of IIT Directors was proposed by the IIT Council — the highest decision making body of the Institutes — in January 2009.

But the HRD ministry approval has triggered a debate over whether the prospect of another term may make IIT Directors less "autonomous" in their relationship with the government. It has also reignited questions over whether there is a shortage of younger people qualified for the post.

"This is not a good move. It presumes that there is a shortage of younger people good enough to head the IITs," argued Dr E. Muralidharan, an IIT Madras alumnus who had

■ The HRD ministry has hiked the retirement age of Directors from 65 to 70.

■ The hike will mean that all current Directors of the IITs will be eligible for another term.

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■ The move has also raised questions whether there is a shortage of younger people qualified for the post.

legally challenged the reappointment of that Institute's Directors M.S. Ananth for a second term.

Ananth is one of three Directors — the heads of IITs in Guwahati and Kanpur are others — who are already in their second terms as Directors. "Why should the same people get to head the Institute again and again," Muralidharan questioned.

A senior IIT professor called the move retrograde. "If I know that my time is up at the end of my term, I wouldn't have anything to lose in standing up to the government. That will not be the case any more."

But an IIT Director rejected the suggestion that the lure of another term could impede the autonomy of the Institute heads. "I would lose all respect of my colleagues at IIT if I compromised — at all — on the interests of the Institute. Why would any Director risk that," he argued.

Hindustan Times ND 08/09/2010 p-10

Up to our cheap tricks

Mondy Thapar

Like the invisible hand that must have given Adam Smith one tight revelatory slap on a sunny 18th century afternoon, knowledge came to me like a ton of recycled bricks on a grey September day. While taking a turn at a crossing near Connaught Place, I saw some workers furiously digging a footpath. If in that brief moment I caught any fury in their digging, it was on a relative scale, as 'furious digging' normally suggests pneumatic drills and hard hats, not five gravediggers on overtime.

But in that accordion-collapsed string of moments, I not only figured out how India is such a chugging economy because of its incredibly competitive rates (read: dirt cheap labour) but also why there's that tungsten-firmness to our resolve to dispose of any innovation that could make labour more productive as well as a little more pleasurable. The workers near Connaught Place were using shovels and work was proceeding in that rush hour at, well, a shovel pace. As for the dignity of their labour..

A few minutes later at a stairwell in my office, I saw it again. Workers, wearing blue and black uniforms ("We're sanitation workers not rag-pickers," the uniform-wearers seemed to say), were picking on, picking up and pushing into black plastic bags used tissues, crushed paper cups, crusty thermocol plates and lots of oozy stuff with their bare hands. Again, providing them with gloves and overalls would have been additional inputs that would seep into labour costs — and keeping labour costs down ('Lucky China doesn't have a democracy!') is what makes India such an economic juggernaut.

In the evening, the full circle of India's economic model was on full display. I tried to put in a multi-pin

plug into the bedside plugpoint so that I would be able to read Nicholas Phillipson's wonderful new biography of Adam Smith and charge my mobile phone at the same time. Only a week ago, an electrician had come to fix the wirings in the house and fix a new multi-pin plug, all for the princely sum of ₹300, labour charges included. The multi-pin plug came apart like a Jarasandh a week later.

This article has taken me three hours to write not because I'm *that* dimwitted, but because the cable connecting my laptop to the office serv-

THE SECRET TO INDIA'S ECONOMIC SUCCESS: SKIMPING ON LABOUR COSTS AND FACILITIES TO WORKERS TO PROVIDE THE CHEAPEST POSSIBLE SERVICES FOR A MISERLY, QUALITY-AGNOSTIC MAJORITY

er and the mail service through which this article ultimately reached this page gets disconnected at the slightest of movements. IT engineers — pride of our economy — had told me I'll have to bear the cost of fixing the port that causes the problem. So I pray and sit *very* still while writing.

As we bring terror into the hearts of workers in Obamaland and other 'pampered' labour forces across the still-underworked and overpaid world, I have found the secret to India's economic success: skimping on labour costs and facilities to workers so as to provide the cheapest services for a miserly, quality-agnostic majority.

And here's the funny thing: instead of moping about as we get the rawest deal, we're proud of being dirt-cheap labour producing, as you can tell now that you've reached the end of this 'article', stuff of dire quality.

Hindustan Times ND p-9
08/09/2010

IT dept goofs up, shuts sites

MISTAKE Instead of just 1 website, authorities block entire IP address

ht **EXCLUSIVE**

PAYING THE PRICE

Satya Prakash
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NEW DELHI: Some lewd remarks made against Maharashtra Home Minister R.R. Patil published on a website has led to blocking of hundreds of websites in India since August 9 causing inconvenience to lakhs of people.

This happened apparently due to wrong interpretation of a Mumbai court for blocking the offending website <http://donotdial100.webs.com> by the Department of Information Technology (DIT). Instead of blocking particular website, the DIT blocked the I.P. address - 216.52.115.50 that hosted the offending website, resulting into blocking of hundreds of other websites hosted by webs.com as well.

Though the order mentions technical details of the offending website including the I.P. address, it talks of blocking only <http://donotdial100.webs.com> and not the domain server of webs.com.

Several website owners and Jerry Weinberger Director, Service and Retention webs.com have written to the Mumbai Police Cyber Division and to the DIT for rectifying it but nothing has been done.

Director General, Computer Emergency Response Team (CERT) in the DIT Gulshan Rai said: "This is a judicial order and I have requested the Mumbai Police and the website users to approach the court and get an appropriate order."

Cyber Police Station of the Mumbai Police had registered a case against an unknown person, who allegedly published some "derogatory and lewd" contents on the erring site against Patil.

■ Lewd remarks against Maharashtra home minister R.R. Patil made on <http://donotdial100.webs.com>.
■ Court orders blocking of the website.

■ Instead of blocking just the website Department of Technology and Mumbai Police blocked the IP address: 216.52.115.50 leading to blocking of hundreds of websites hosted by webs.com.

■ Despite several requests by website owners to rectify the mistake, nothing has been done so far.

At the request of the Mumbai Police, V.V. Bambarde, Additional Chief Metropolitan Magistrate (ACMM), Esplande, Mumbai, on August 7 directed the CERT to block the website.

Noting that the remarks were not only lewd but also likely to create "unnecessary misunderstanding and embarrassing situation between the police Chief and Home Minister of Maharashtra", the ACMM had asked the department to block it with immediate effect.

But since the order also mentioned the I.P. address, the department also chose to block webs.com, an international hosting service provider for individuals, groups and organisations that are interested in building a website.

Asit S. Sarkar, whose website has been blocked, said the DIT and Mumbai Police had different interpretations of the order leading to the stalemate.

Asked if the Mumbai Police have moved a superior court for modifying the ACMM's order, ACP (Cyber Division, Crime Branch, CID, Mumbai) Sanjay S. Jadhav told HT: "We are taking necessary steps. It will be rectified soon."

Hindustan Times ND 08/09/2010 P-5

Public hearing of Education Act gives hope to villagers

Chetan Chauhan

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NEW DELHI: As a bunch of enthusiastic villagers gathered at a courtyard in Badarpur Khada on Tuesday evening under a dimly lit shade, not many could believe that the residents of this 250-year-old village still live in the dark ages, literally.

Just 35 km north-east of the Supreme Court, this village still doesn't have electricity connection. What's more, the children of the village don't have a school to go or a dispensary to access healthcare facilities.

"I hope things will change soon," said Supreme Court judge Mukundam K. Sharma, who spent an hour listening to the the villagers' grievances at a public hearing on implementation of Right To Education Act (RTE). This was the first public hearing on implementation of the RTE, in which a sitting Supreme Court judge had participated.

Kailash Satyarathi of Bachpan Bachao Andolan (BBA) said 150 public hearings are being conducted across the country to find whether the RTE Act is actually implemented or not. "We are told that the law is only on papers," he said, while explaining that the aim to take the Supreme Court judges to



■ Supreme Court judge M.K. Sharma with Badarpur Khadar villagers in east Delhi on Tuesday.

VIRENDRA SINGH GOSAIN/HT PHOTO

people was to make them see the ground situation.

Once the public hearings will get over by the end of September, the BBA will be filing a petition on non-implementation of RTE in the apex court. "The meeting showed that the law has not even reached Delhi. The govern-

ment's tall claims about RTE success are a hogwash," Satyarathi said.

The nearest primary school at Badarpur Khadar is 4 km away and that too in Uttar Pradesh.

"When we take our children for admission, the school asks for residence proof to certify that we are inhabitants of Uttar Pradesh," said Asgar Ali, a villager. So many children prefer to look after the cattle instead of going to school. "*Char meel ja kar padhna namumkin hai* (It is impossible to travel so much every day," he said.

**We are told that
the RTE Act is only
on papers**

KAILASH SATYARATHI, BBA

08/09/2010 P-1

Retirement age of IIT directors raised

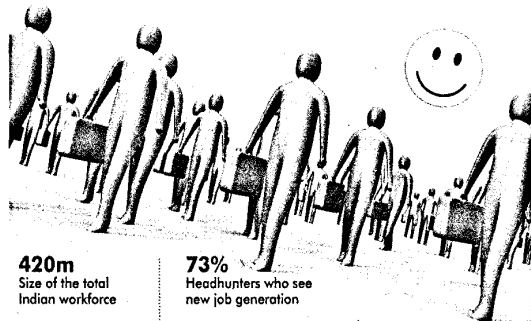
NEW DELHI: The HRD ministry has hiked the retirement age of IIT directors from 65 to 70, drawing concerns that the move could discourage autonomy in institutes. **P13**

Financial Chronicle ND 08/09/2010

P-1

Organised sector to add 1m jobs in 2010

India leads China, Taiwan in recruitment plans



420m
Size of the total Indian workforce

35m
Workers in India's organised sector

73%
Headhunters who see new job generation

38%
India's net job outlook for the next quarter

30%
Employers who will give 15% to 20% increment

SREERUPA MITRA
Bangalore

THE job market is getting more promising by the day. At least that is the view of people who hire for others, the headhunters.

The second half of this calendar year is definitely positive.

As many as 73 per cent of companies that hire people for other companies anticipate new employment generation. And 55 per cent expect replacement hiring. This is according to a study conducted by online job portal naukri.com. Other human resources consultants like Ma Foi say the whole of 2010 will create 1 million

new jobs in the organised sector.

This is a sea-change from last year when in a similar survey conducted in July 2009 by naukri.com only 45 per cent of recruiters expected

In US, even the tech sector isn't hiring IHTT

creation of new jobs in the second half of that year. Sumeet Singh, senior vice-president of marketing of Info Edge, said, "Employers began recruiting at a steady pace in the first half of this year and confidence levels were high. The survey indicates sustainable new job oppor-

tunities in the rest of the year. Job seekers can look forward to a favourable hiring environment."

According to E Balaji, director and president of Ma Foi Randstad, only 35 million of the 420 million strong Indian workforce are in organised employment. "Considering the current scenario and government's strategy of inclusive growth, prospects are bright for the addition of more people in both the pools, temporary and permanent staffing. India is slated to add 1 million new jobs in the organised sector in the whole of 2010," he said.

turn to P10

Hiring at a robust pace

From P1

A Ma Foi Randstad survey of employment trends shows that growth of new jobs in the second quarter was significantly better than in the preceding quarter. Healthcare added the largest number of jobs, followed by the hospitality sector. "We are witnessing quick growth in real estate and construction in relation to the previous quarters," Balaji said.

Recruiting consultant Manpower India in an outlook said employers were planning to hire at a robust pace by December, and public administration, education

and services were expected to see strong recruitment.

As per the outlook, India is the most optimistic in terms of recruitment intentions in the fourth quarter after China and Taiwan. Manpower India's MD, Sanjay Pandit, said India's net employment outlook, an indicator of employers' hiring intentions, stood at 38 per cent on a seasonally-adjusted basis for the next three months, an improvement of 8 percentage points over the fourth quarter of last year.

The net employment outlook is the percentage of employers anticipating an increase in hiring activity mi-

nus the percentage expecting to see a decrease in employment at their location.

In terms of salary incentives, according to the naukri.com survey, about 30 per cent of employers said the range of increments was between 15 and 20 per cent, while 25 per cent of employers indicated increments within 5-10 per cent. Only 10 per cent employers said increments were over 20 per cent. Now that job market is bouncing back, increments are also expected to be back on the track in all sectors.

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Times of India ND 08/09/2010 P-25

'Leaders can be created in classroom'

Economist Michael Jensen believes that leaders are not born, they are made in classrooms based on basic principles like integrity and authenticity. The 71-year-old Jesse Isidor Strauss Professor of Business Administration, Emeritus, Harvard Business School, will be presenting the Jensen Leadership Seminar for the first time in India this year as a joint endeavour of IC Centre for Governance and MW Corp. Jensen, who sees Warren Buffett, Bill George and Mahatma Gandhi as incredible leaders, is in India as part of the process that will churn out thought leadership across business, social and political classes. In an interview with Namrata Singh, Jensen talked about how the leadership

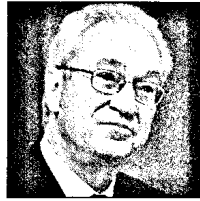
course is different from the run-of-the-mill kinds. Excerpts:

Do you believe that leaders can be created in a classroom?

Yes absolutely. There is evidence it can be created in some people who go through substantial crucible events in their lives. When the large losses are met with authenticity, it changes their lives. We provide our students the equivalent of a crucible event which they can experience but without the pain. We are absolutely convinced — we do have statistical evidence — that we do produce leaders.

Why did you choose to hold the seminar at this juncture?

There is no significance. Mukul Kasliwal (chairman of



ONE-ON-ONE

Prof Michael Jensen
| HARVARD ECONOMIST

MW Corp) invited us. My team has a fascination for India. My own interest in India comes because of the deep regard I have for this country which has produced fine scholars in the world. It is very important to

“ There is evidence it (leadership) can be created in some people who go through substantial crucible events in their lives. When the large losses are met with authenticity, it changes their lives”

get scholars around the world interested in this material, because I think this can change the world. There are a lot of things for which we could use great leaders in the US, India, China and certain trouble spots. I personally am committed to

driving this into the business world. If it doesn't get launched before Werner (Erhard) and I die, it'll probably disappear.

How will this influence thought leadership in India?

We create the capacity in individuals to lead. This course is about creating leaders, men and women, who have the desire to lead. We do very little putting in. We talk very less about running a business. We caution them that leadership can be very hazardous, it can be trying. People have this notion that it is full of glory that's when you're successful and don't get killed. You are not always successful.

Economic Times, ND 08-Sep-10 p-12

Should sops continue for IT sector?

We can't afford to be uncompetitive

THE Direct Taxes Code (DTC) Bill tabled in Parliament represents a mixed bag for the IT-BPO sector. The origin of DTC was to provide simplified tax rules that replace decades of amendments and related case laws, but the Bill seems to be a much diluted version.

The DTC has provided a partial reprieve for the special economic zone (SEZ) scheme by extending the profit-linked tax exemption for units that commence operations to March 2014. However, the clause on grandfathering of these exemptions, imposition of a 20% minimum alternate tax (MAT), limiting new SEZs till 2012 could curb the growth of this sector. Hopefully, the standing committee, while examining this Bill, will bring in a 'sunset' clause rather than the current provisions on grandfathering to encourage more investments and help retain India's attractiveness. MAT will also be a deterrent for small and medium enterprises as their cash flow will be impacted.

Currently, operational SEZs are largely located in Tier-1 cities and if it is the government's intention to decongest these cities, it needs a separate focus for Tier-2 and -3 cities. The exemptions will have to be available for a longer lead time and stronger 'pull' factors are needed for their development. Also, the intent of the DTC is to have 'investment linked' benefits. While this works well for the capital-intensive sector, where as IT-BPO sector is human capital development and employment. For India to reap advantages of its demographic dividend, it needs policies that provide equitable benefits for employment creation.

Today, competition is intense among developed and developing countries to attract IT investments. Countries have announced policies that range from tax incentives, training support, reduction of infrastructure costs, as well as an opportunity to participate in local IT projects. While we may not mirror all these sops, we cannot afford to become uncompetitive. Also, the IT sector has set itself an ambitious targets for the year 2020, one that will create a transformational impact on India and global businesses. This calls for continuing an effective and globally competitive policy framework.

It is time to end the largesse

WHEN you earn profits, you pay taxes. When you do not earn any profit, you do not pay any tax. In case the business suffers loss in a particular year, the new code is overgenerous to propose indefinite carry forward of such loss against the existing limit of eight years. True, the government has been giving tax sops to various sectors to achieve disparate objectives but over the years such constituencies have acquired so much bargaining power that the government of the day finds it very difficult to withdraw them even when the desired objectives have been achieved.

Considering its potential for earning foreign exchange, the government gave liberal tax sops, both direct and indirect to the IT sector. Section 10A benefits were available right from 1981, STPI from 1994. However, tax concessions cannot continue in perpetuity. But, whenever the government tried to curtail the benefits to this sector, there was a hue and cry in the name of the need for continuing with the sops for some more time (usually 10 years) for this 'fledgling' industry.

In the meantime, the tax sacrifice for this sector has ballooned. The Budget papers for 2010-11 indicate that only direct taxes foregone for the STPI units alone would be ₹14,651 crore for the year 2009-10. When the country is sitting on foreign exchange reserves of over \$280 billion, is there any logic in continuing with tax sops for earning foreign exchange? The effort of the government seems to be to restrict tax concessions to the minimum and allow them only to those industries that have long gestation periods and require huge investment. IT no longer fits the bill.

The truth (Satyam?) is that tax sops are distorting and inequitable in nature and spawn serious litigations and scams. For an industry that is estimated at more than \$70 billion and that has been receiving largesse from the government for decades, it is time to move on so that the revenue thus saved can be used by the government for meeting more pressing needs, alleviation of abject poverty of millions not being the least of them.

FACE - OFF



SOM MITTAL
President
Nasscom



D P SENGUPTA
Former Chief
Commissioner, Income Tax

Economic Times, ND 08-Sep-10 p-10

To lead the way in cleantech, follow Edison's formula

Mark W Johnson

COMPANIES that want to lead the way in cleantech could do worse than look to the example of Thomas Edison. The Wizard of Menlo Park knew the light bulb by itself would have remained merely a curiosity. So, while inventors around the world worked only on the bulb, he conceived an entire network of generators, meters, transmission lines, and substations. Most important, he showed how all those elements could be combined into a profitable business. And he won favourable regulatory treatment to help make it possible.

For cleantech startups as well as established companies, Edison's approach is a blueprint for industry creation, with its four interdependent components: an enabling technology, an innovative business model, a careful market-adoption strategy, and favourable government policy.

One company following that path is Better Place with its approach to creating a mass market for electric cars, a challenge nobody had figured out.

Better Place's founder, Shai Agassi, like Edison, thought about the more fundamental question — how to make electric cars as convenient and affordable as those powered by gasoline? A new system was required: an extensive network of charge spots, automated switching stations that rapidly replace depleted batteries, and software to regulate the power grid and direct drivers to charge spots and switching sta-

tions before the battery dies.

For the second piece of the solution, Agassi really needed to be creative as the electric car needed to compete not just for new-car buyers but for the far-larger market of used-car buyers. Though electric cars were far more expensive, electricity was cheap compared with gasoline. Agassi realised that if he turned a profit on the fuel, he could radically subsidise the cars.

Like Edison, Better Place is trying to demonstrate the commercial viability of its system in carefully circumscribed markets. The initial test will take place in Israel later this year. In Japan, the company is currently demonstrating the feasibility of battery switch-

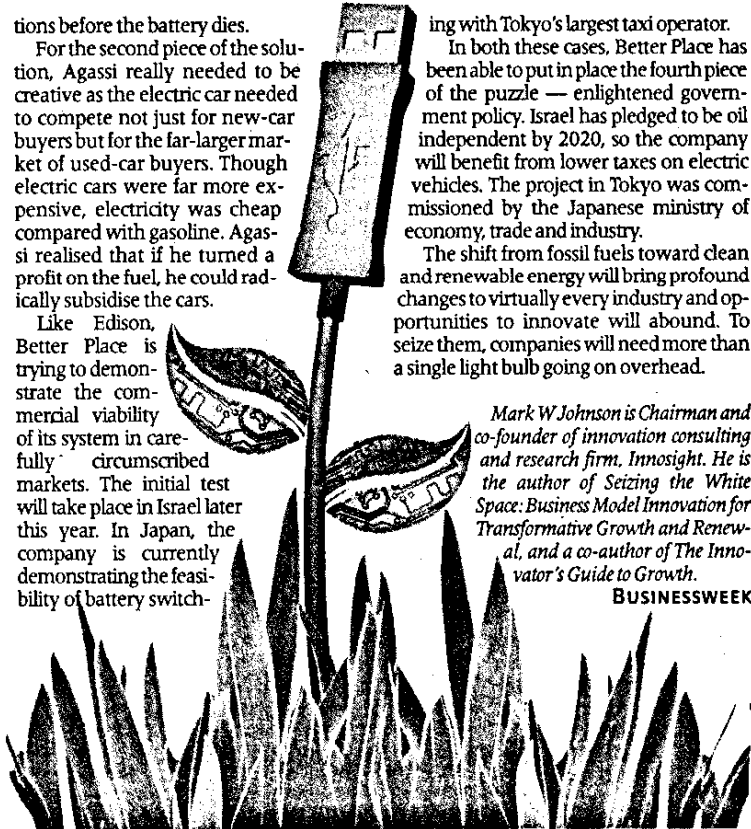
ing with Tokyo's largest taxi operator.

In both these cases, Better Place has been able to put in place the fourth piece of the puzzle — enlightened government policy. Israel has pledged to be oil independent by 2020, so the company will benefit from lower taxes on electric vehicles. The project in Tokyo was commissioned by the Japanese ministry of economy, trade and industry.

The shift from fossil fuels toward clean and renewable energy will bring profound changes to virtually every industry and opportunities to innovate will abound. To seize them, companies will need more than a single light bulb going on overhead.

Mark W Johnson is Chairman and co-founder of innovation consulting and research firm, Inmosight. He is the author of Seizing the White Space: Business Model Innovation for Transformative Growth and Renewal, and a co-author of The Innovator's Guide to Growth.

BUSINESSWEEK



OPPORTUNITY IN CRISIS

Tough times breed good leaders

PROBABLY, the world outside India is still passing through one of the toughest times of our lifetime. Trillions of dollars are getting eroded, the wealthiest of nations are going bankrupt and the leaders whom we thought to be the greatest of our times are proving that there is indeed only a single step from the sublime to the ridiculous.

Tough times breed good leaders. This is quite contrary to the boom time, where every other corporate manager appears like a leader, despite real competencies, because people are caught up in the momentum of high growth and easy success. History has demonstrated time and again that effective leaders — who can mobilise people, tackle tough problems and can spot opportunities in crises — are most apparent in times of great stress, change and uncertainty.

As former Mayor of New York city Rudolph Giuliani said, "It is of times of crisis that good leaders emerge". The greatest testimony to this is Giuliani himself, who was once a lame duck philandering husband but

went on to be the embodiment of an indomitable spirit in a time of great crisis.

Another good example is Barun Kumar "Bicky" Chakraborty, who as a student arrived in Sweden and started tinkering around with his entrepreneurship dreams. He was soon caught up in a slowing economy. But Bicky decided to get going as the going got tougher. He mobilised some resources to start a pub, because he realised that during recession time professionals did not like to be seen at upmarket restaurants.

"I opened pubs when the economy was slow and gloomy. I cashed in on the gloom", he says. Today, he has 30 pubs, owns Sweden's most popular chain of budget hotels and pubs and is one of the

richest men in Scandinavia.

According to consulting firm McKinsey, almost 40% of the leading US industrial companies toppled from the first quartile of their sectors during the 2000-01 recession. A third of leading US banks met the same fate. Ironically, during the same time, 15% of companies that were not industry leaders prior to the recession, vaulted into that position. Bad times are good times for people who have the resolve to emerge leaders.

Leadership Takeaway: The Chinese character for "crisis" consists of two symbols. One means "danger," the other "opportunity." Every bad time hides an opportunity in it. It would be visible only to those people who really want it to see it. Use the current recession to your advantage to hone your leadership skills and to elevate your team to the next level.

SANGEETH VARGHESE

The author is a leadership expert from the LSE and the founder of LeadCap Ventures, a global market research and consulting firm. He can be contacted at sangeethv@leadcap.net



Power With a push from Medvedev's modernisation plan, the government pledges \$3.6 bn for cutting-edge research in new generation nuclear technologies

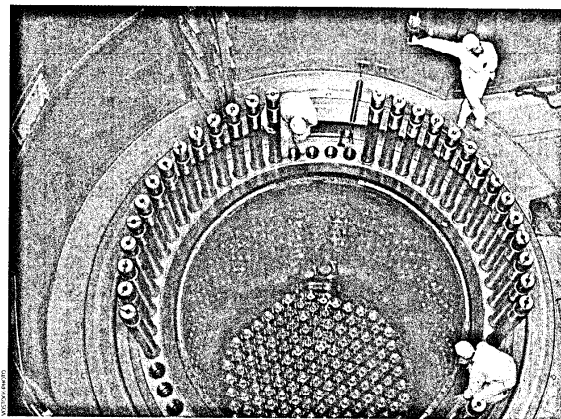
Playing for high stakes: The race to build fast, reactors heats up

Beating recession, Russia has surged ahead in race to build fast breeder nuclear reactors, which could go commercial by 2020.

ANATOLY MEDETSKY THE MOSCOW FILES The idea of building more efficient and environmentally-friendly nuclear reactors, which Rudolf Baklushin helped launch in the Soviet Union decades ago, has had its ups and downs. As a deputy chief engineer, he oversaw the construction and the opening of the first Soviet fast breeder reactor in 1973, which produces more fuel than it burns and yields less dangerous waste. "I volunteered because it prom-

ised new, interesting work and new prospects for the industry," said Baklushin, who is now a nuclear scientist at an institute near Moscow. But costs of building such reactors were high, and when geologists discovered new, extensive deposits of uranium, developing this technology was no longer a priority. But despite being at least half a century old, the idea has acquired a new sense of urgency recently since President Dmitry Medvedev made it a part of his modernisation agenda. If further tests of the technology succeed, Russia will seize its lead in this area and start to commercially produce the reactors by 2020.

"I would say Russia is certainly the leader in fast reactor technology," said Michael Driscoll, professor emeritus of nuclear engineering at Massachusetts Institute of Technology. "Second, I would say is France." Some of the 26 reactors that Rosatom, the state nuclear corporation, plans to build before 2030 will use the new technology, Rosatom spokesman Sergei Novikov said. With Medvedev backing the project, the government has allocated 110.4 billion rubles (\$3.6 billion) for research in this and other nuclear energy areas until 2020 under the New Generation Nuclear Technologies program adopted in February.



Workers in white uniforms carrying out maintenance work at the Belyoyarsk nuclear power plant in the Sverdlovsk region.

Russia has already tested the next generation of nuclear reactors at two sites.

The world may run out of uranium resources completely by the turn of the next century if there's no replacement for the current technology, said Andrei Mikshin, an industry analyst. The fast breeder reactor achieves what industry insiders call a closed fuel cycle, the ability to use byproducts from one nuclear reactor as fuel for another, allowing for a spectacular expansion of fuel reserves. It usually uses mixed

oxide fuel made up of about 20% plutonium and 80% plain, un-enriched uranium that transmutes into more plutonium as it burns. Typical fission reactors use uranium-235, a fuel that constitutes less than 1% of uranium ore, which must be enriched in order to be used in existing reactors. Traditionally, uranium-238, which constitutes much of the uranium ore, has been unusable, but the fast breeder reactor would allow for its conversion to plutonium, thus making it reusable as a fuel. In pursuing the technology's development, Russia may hope to market the design internationally before everyone else does, said Francis Sliogay,

a professor of physics at Georgetown University. They may see that there's an inevitable market for the fast reactor and they want to get ahead of where the other competitors are," he said. International sales of such reactors, however, would come under the regulations of the Nuclear Nonproliferation Treaty because of the weapons-grade plutonium that they generate, said Mikhail Kovalchuk, director of the Kurchatov Institute, the country's leading nuclear research establishment. And France, one of the potential buyers, has already mastered the technology of the closed fuel cycle, according to the institute. The country is committed

to build a small reactor unit — in addition to its existing one — come 2020, Kovalchuk and Driscoll said. India will start putting a series of fast breeder reactors into operation next year, while China is developing the technology at a very rapid pace, Kovalchuk said. Japan and South Korea have a longer way to go, and they move slower, he said.

Lower Costs

Fast breeder reactors were initially at least one and a half times as expensive to construct as the conventional equipment. But the costs have been reduced, as the design gets simpler, said Baklushin, a researcher at the state-run Al-

exander Leipunsky Physics and Energy Institute. He estimated their cost at \$1,600 per kilowatt of capacity at most. India offered the same amount of money to Russia to build pressurised water reactors, or PWRs, at Kudankulam, India, where work is ongoing. The reactors, also known by their Russian acronym VVER, have developed an increasingly complicated design over time, which has pushed up costs, Baklushin said. It was a VVER reactor that Russia launched recently in Bushehr, Iran. The government has plans to build them also in countries such as Turkey, the Czech Republic, Vietnam, Bangladesh and Argentina. Russia has already tested the next generation of nuclear reactors at two sites. Baklushin's demonstration reactor called BN-380, located near the city of Aktau on the Caspian Sea in Kazakhstan, shut down in 1999, but Russia has been operating its successor, BN-600, at the Belyoyarsk Power Plant near Yekaterinburg since 1980. Rosatom is now building an improved, and more powerful BN-400 at Belyoyarsk to continue studies.

A More Distant Future

Russia is researching thermonuclear fusion as well — a technology that does not require a mineral fuel like uranium and may replace fast breeder reactors. The country is sharing the research with the European Union, the US, Japan, China, India and South Korea, with the goal to jointly build a test reactor in France. Despite delays and swelling budget, Russia will continue to participate in the International Thermonuclear Experimental Reactor, or ITER, Medvedev said in his state-of-the-nation address in November. "It is this technology that is the future."



Sergei Kirienko, Director General of Rosatom says the number of nuclear power plants globally will double by 2030.

Ohio bans offshoring of IT projects by govt depts

Local hiring in America to go up

WARNING CALL

Indian IT global delivery centres in US serving foreign locations from US

- Tier 1** Atlanta, Boston, Chicago, Hartford, Woodland Hills, Washington, Raleigh, San Francisco, Omaha
- Tier 2** Amherst, Austin, Rhode Island, Warren, Woonsocket, Stamford, Reno, Quincy, Kansas City, Danbury
- Tier 3** Clearwater, Columbus, Irving, Princeton, Sierra Vista, San Mateo, Tamarc, Elkins

If US curbs offshoring, GDCs will be the first to get impacted

TCS
Cincinnati (GDC), Phoenix, AZ, Los Angeles, Burbank, CA, Santa Clara, Atlanta, GA, Chicago, IL (Naperville), Boston, MA, Detroit, MI, Edison, NJ, New York, NY (World Financial Center), Charlotte, NC, Dallas, TX, Houston, TX, Redmond, WA

INFOSYS
Atlanta, Bellevue, Bentonville, Bridgewater, Charlotte, Detroit, Fremont, Hartford, Houston, Plano, TX, Quincy, MA, Reston, VA



November elections are approaching in the US. The Democrats are reportedly behind in the polls & are trying to make headlines that will improve their position



RODNEY NELSESTUEN
SR. RESEARCH DIRECTOR, TOWERGROUP

MINDTREE
Warren, NJ (GDC), Bellevue, WA, Irving, TX, San Jose, CA

WIPRO
Atlanta (GDC), Reston, Boston, MA, New York, NY, Mountain View, CA, Harris County, Texas, Columbus, Troy

\$39.8 billion Global govt spending on IT likely by 2013

\$60 billion India's total IT-BPO exports

61% Share of US in India's IT-BPO exports

N Shivapriya & Harsimran Julka MUMBAI / NEW DELHI

THE US state of Ohio has banned outsourcing of government IT and back-office projects to offshore locations such as India, raising fears of similar moves by other American states struggling to cope with high unemployment rates. "There are pervasive service delivery problems with offshore providers, including dissatisfaction with the quality of their services and with the fact that services are being provided offshore," Ohio governor Ted Strickland said in an executive order passed last month.

The move is yet another blow to the Indian IT industry, which is facing higher visa costs and rising protests against outsourcing in other US states. Offshoring work to India is a \$90-billion industry, and the Indian tech industry has benefited immensely from American firms wanting to take advantage of its low wages and top-quality skills. The industry employs about three million people across India and has largely been responsible for the sea change in the West's perception about the country. Last month, the US Congress passed a controversial legislation increasing visa fees for funding the country's Mexico Border Security program. States such as Virginia

are facing a massive backlash against outsourcing that could further affect the prospects of Indian IT firms. Last week, the West Virginia Public Workers Union filed a lawsuit against proposed outsourcing of IT jobs by the state's office of technology. Though Indian companies largely rely on private companies for the bulk of their business and orders from state governments are rare, that approach has slowly been changing. TCS is the only Indian company to operate in Ohio. It employs 300 people and gets \$19 million in tax credit for creating local jobs. India's second-biggest software exporter, Infosys, has already identified the government outsourcing market as the next big opportunity and established a focused subsidiary—Infosys Public Services, headed by Eric Paternoster—in June this year. Rival Wipro also has a nine-year, \$407-million outsourcing contract from Missouri for delivering healthcare services. Ohio's move adds to the perception that outsourcing is risky and that it involves serious loss of jobs. Indian companies have been at pains to point out that offshoring work actually improves the health and efficiency of American companies and government departments.

Local hiring in US to go up: P 22

41% TED S. STRICKLAND OHIO GOVERNOR
No public funds should be spent on services provided offshore... The purchase of offshore services with public funds undermines economic development and other job creation and retention objectives

From Page 1

THEY have also been making serious efforts to hire more Americans and keep much of the work stateside. But that does not seem to have helped.

The latest curb could, if replicated by other states, mean increased hiring of local staff in the US for delivering services, affecting the profitability of Indian companies.

Such measures would also make Indian firms less attractive for awarding multi-billion-dollar government outsourcing contracts, experts and officials tracking the sector said.

However, the US state governments are increasingly pushing for legislations aimed at creating more local jobs, as they cope with high unemployment rates of almost 10%.

The Ohio order asks all government and government agency procurement contracts to incorporate standard language where service providers will have to disclose the locations where the services will be performed, including those by subcontractors. In addition, they will have to disclose any staff in location and the principal location of all the contractors and sub-contractors.

Nasscom, on its part, said at a time when top American firms such as IBM and Accenture are gaining more business from the Indian government's IT spend, such measures by US states are discriminatory.

"The issue here is that when India doesn't discriminate between American and Indian firms when doling out billion-dollar e-governance contracts, US should also reciprocate. This is about services, but state governments in India do not discriminate too, when procuring products like IT hardware between Indian or American firms. It's setting a wrong trend, firstly with the visa issue and now this," said a Nasscom spokeswoman.

"The financial impact of this move is very marginal since most Indian companies have a very small exposure to the US government sector. But as a trend, the continued move against offshoring is very disturbing," said Ganesh Natamjan, former Nasscom chairman and vice-chairman of Zensar Technologies.

A US-based outsourcing expert who advises government departments on IT services buying

said while more states could give in to the pressure and force creation of local jobs, Indian vendors should use this as an opportunity to increase their footprint in the US.

"Many states are ready to give tax breaks worth millions of dollars if a TCS or Wipro makes commitment about hiring local staff. It may not be as cost-competitive as an offshore location like India, but such investments will definitely go a long way in dealing with the perception battle," he said. He requested anonymity because he consults some of the government departments on outsourcing.

US-based experts such as Rodney Nelsestuen, senior research director at TowerGroup, said job creation is the top priority for US politicians, forcing them to adopt such measures.

My take is that as the November elections approach in the US, and since the economy is getting the most attention of any issue the country faces, whatever can appear to create jobs will play well. It will be interesting to watch how governors who are Democrats (like Strickland in Ohio) will differ from Republican governors on this issue," Mr Nelsestuen said.

The Democrats are reportedly behind in the polls and are trying to make headlines that will improve their position. Thus, there may be more efforts like this, but as noted, they really don't stop offshore companies from expanding their business overall, given the tax breaks as an example here," he added.

However, the real trigger for governor Strickland's curb on offshoring is not the Indian outsourcing sector. Earlier this year, Texas-based Paragon Inc used the State of Ohio's tax related to set up a centre but actually offshored to a call centre in El Salvador, leading to a backlash.

"This incident was unacceptable and has caused me to redouble my commitment to ensure that public funds are not expended for offshore services," Mr Strickland said in an announcement last month.

"A small state like Ohio making an impact on a national level seems unlikely. This might change cost dynamics at best. More and more politicians are taking a protectionist stand but this may not impact the offshoring industry to a great extent," said outsourcing expert Siddharth Pai, partner and managing director, IT Advisory Services India.

Economic Times, ND 08-Sep-10 p-10

TALENT HUNT GROOMING A FACULTY

'Home-bred' PhDs power smaller IIMs

More Doctorates From IIMs, IITs Take To Academics As Pay Packets Rise

Avinash Nair
AHMEDABAD

HARSHAL Lowalekar is only 27 years old and has joined the faculty at the Indian Institute of Management-Indore. Harshal, a fresh doctoral student from IIM-Ahmedabad (IIMA), is just one example from a growing tribe of young and dynamic PhD students, who have recently passed out of the top IIMs and IITs and have chosen to power the pedagogy in some of the smaller IIMs in the country. The incentives seem to be an opportunity to associate with brand IIM and to be an integral part of the growth story of these budding institutes.

"A few years ago, the number of PhDs choosing to join academics was hardly 50%. There were significant numbers of students who used to opt for an opening in the industry. However, after the recession and implementation of the Sixth Pay Commission (which saw faculty salaries rise by 60%), academics has suddenly become more attractive. The numbers of students opting to take up teaching as a career has now risen to 80%," says Abraham Koshy, a senior faculty at IIMA.

The trend is very evident in the recent faculty recruitment at some of the smaller IIMs. While IIM-Indore has recruited around 20 fresh PhDs from the top three IIMs in the last one year, IIM-Shillong has opted to recruit fresh passouts from IITs (Indian Institutes of Technology). Similarly, others like IIM-Lucknow (IIML) and IIM-Kozhikode too have recruited PhDs from the IIM talent pool.

"In the last one year, we have recruited about 22 faculty. About three-four of them are from the US, while the rest are from the top IIMs. All of them are young and energetic," says N Ravichandran, director, IIM-Indore. Similar is the case of IIM-Shillong. "We have recruited fresh PhDs from IITD and one faculty is in the process of completing his PhD from IITK," says an official from the institute. This fresh crop of doctoral students passing out of the top IIMs and IITs are proving to be ideal panacea for some of these B-schools that are battling faculty crunch and are more inclined to tap "home-bred" talent.

When asked why fresh doctoral students were being tapped by the institute, Ravichandran quips, "Who else is available? Moreover, there is a talented crop of young fellows who pass out every year from the top IIMs."

The director's comment seems to be an extension of what Union HRD minister Kapil Sibal told the Lok Sabha last month. In his reply to the House, Sibal said that about 25% of faculty positions within the IIMs were lying vacant and the government had initiated various long-term measures to attract young peo-



Fresh crop helping B-schools tide over faculty crunch

ple to take up teaching as a career option.

While brand IIM is proving to be an obvious attraction for the doctoral students, the IIMs, in turn, have preferred to bank on their own progeny, as grooming home-bred talent becomes a lot easier for the institutes. "The IIM brand is an obvious attraction. But this attraction is more at a basic level. As far as IIM-Indore is concerned, there is a lot of opportunity



The IIM brand is an obvious attraction. As far as IIM-Indore is concerned, there is a lot of opportunity for inclusive growth. It is a very young institution, about 10 years old; and the opportunity to grow is tremendous

N RAVICHANDRAN
DIRECTOR, IIM-INDORE

for inclusive growth. It is a very young institution, about 10 years old, and the opportunity to grow and be a part of the success story is tremendous," adds Ravichandran while talking about the opportunities that IIM-Indore has to offer to the new recruits.

Similarly, IIML, which recently recruited a doctoral student from IIM-Bangalore as faculty, says, "We will prefer taking more of IIM students if we have a chance...."

Prof A Vinay Kumar, chairman of the Fel-

lowship Programme at IIML, says, "In the recent past, our graduating students took jobs in other IIMs including IIM-Kozhikode and IIM-Indore. Perhaps, the students prefer the IIM work environment to start their careers."

"There are a number of vacancies in these new IIMs. However, the rigour of getting into one of the newer IIMs will almost be the same as that of (getting into) some of the older IIMs like IIMA. I doubt if there is any lowering of guard as far recruiting quality faculty is concerned," says Prof Koshy of IIMA.

When asked how the fresh doctoral candidates were making up for their lack of academic experience, Vaibhav Bhamoriya, another fresh doctoral student from IIMA, who has been recruited by one of the smaller IIMs, says, "The time we have spent in the IIM system gives us confidence to handle MBA students. Moreover, as researchers, we come with sharp, analytical skills which are a tad above the students. Our knowledge about our individual subjects gives us the required edge in the class."

Harshal, who takes classes for PGP (post-graduate programme) students at IIM-Indore feels, "The training and rigour imparted during the doctoral programme has ensured that I am able to handle students, some of whom are much older and experienced than me."

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IT giants ramp up in India, slow down in US

SANGEETHA CHENGAPPA
BENGALURU

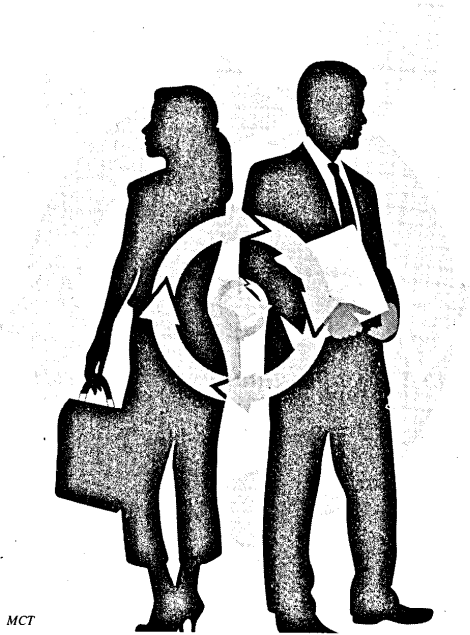
Sept. 7: A resurgence in outsourcing business volumes from the US market has put the \$60 billion Indian IT sector back on the growth trajectory, after a lull during the economic recession. With the job market looking up since April/May this year, headhunting has resumed in earnest, even as IT firms grapple with alarmingly high levels of attrition. Both anecdotal evidence and hiring numbers that have been made public suggest that MNCs are hiring much more than their domestic peers.

"Business started trickling in around February and got into full swing in the March/April period. With discretionary spending opening up from existing customers and with new customer wins, we currently have 3,000 open positions to fill in infrastructure outsourcing and applications development. Some 12-17 per cent of our total hires will be freshers, but we are hiring more laterals who have special skills, as a result of pent up demand," said R. Elango, Chief Human Resources Officer, Mphasis.

Refusing to divulge hiring numbers for the coming quarters, though, he said "We did not stop hiring during the dark days of the economic downturn, neither did

we resort to slashing salaries or firing our employees. We will continue to hire to fill in positions that are open due to employee attrition as well as to cater to renewed customer demand."

With multinational firms such as Capgemini, Accenture, HP and IBM increasing the proportion of off-shore services they provide



MCT

in order to ward off competition from Indian outsourcing players, the war for talent is beginning to get intense.

Paris-headquartered IT services firm Capgemini,

for instance, plans to add some 17,000 to its existing rolls of 27,000 employees by the end of the year. The company also plans to add

eight centres of excellence to the existing 12 in India, a company spokesperson said. Interestingly, Capgemini's India headcount constitutes 27 per cent of its global headcount, far exceeding its headcount even in Paris, which is approximately 19,800, making Capgemini India the company's largest employee base globally.

Last week, Sapient announced the expansion of its Bengaluru centre, doubling space at its existing facility. The company plans to ramp up headcount at the facility from 1,500 currently to 3,000 by March next.

Paris-headquartered IT services firm Capgemini plans to add some 17,000 to its existing rolls of 27,000 employees by the end of the year. The company also plans to add eight centres of excellence to the existing 12 in India, a company spokesperson said.

quarters of calendar year 2010", said Karandeep Singh, MD, Sapient India. In all, Sapient India has 5,000 employees spread over Bengaluru, Noida and Gurgaon.

Citrix Systems also announced the ramp up of its R&D team in Bengaluru and expansion of its sales team, with a new office in Mumbai. "We are doubling our R&D team from the present 500 employees to touch 1,000 employees over the next 12 months. Bengaluru happens to be our largest R&D centre outside of the US and every global product that we launch has some touchpoint in this city. Our engineers are involved in end-to-end work ranging from design to development, testing, debugging, shipment and documentation of products," said Rakesh Singh, managing director of Citrix's Bengaluru R&D centre.

Publication: The Times Of India Delhi, Date: Sep 8, 2010; Section: Times Nation; Page: 13

Humiliated BTech student tries to end life

Kanpur: Humiliated by seniors in the name of ragging, a student of a private engineering college attempted suicide late on Monday by drinking insecticide. It's the second such incident involving the college in the last three months.

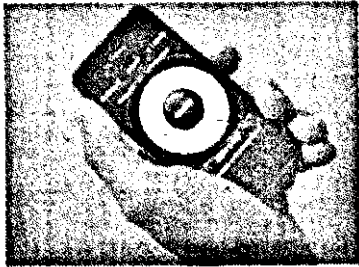
On a complaint by the father of Vishal Yadav (18), a

BTech first year student of Computer Engineering at the Pranveer Singh Institute of Technology (PSIT), an FIR was lodged against hostel warden R N Nigam and unidentified students. Nigam was later arrested and also reportedly suspended. "They have been charged with at-

tempt to murder and other relevant sections of UP Prohibition of Ragging in Educational Institutions' Act," said SP (Rural) Lal Bahadur. The SP said the police were investigating the incident and trying to record the statement of the student who is now said to be out of danger. **TNN**

Statesman, ND 08/09/2010 p-14

New application measures mobile phone radiation



A Tawkon employee demonstrates their software on an iPhone in the basement of their offices in Herzliya, on September 2.

HERZLIYA (Israel), 7 SEPT: Israeli start-up firm Tawkon has developed software to measure mobile telephone handset radiation aimed at helping users reduce exposure to emissions without giving up their phones.

Tawkon's (pronounced talk-on) application is already available for Research In Motion's BlackBerry handsets and will be launched for Google's Android-based phones and Nokia's Symbian later this year.

"We are the first solution that can be downloaded to a phone," Tawkon co-founder and CEO Gil Friedlander told Reuters. Until now radiation emissions

were measured with an external device.

In many countries handset manufacturers must disclose the maximum level of radiation emitted and similar legislation is starting to appear in the United States, Friedlander said.

The application monitors the phone user and if radiation levels reach a certain threshold called the "red zone" an alert is emitted along with suggestions to minimize exposure.

"There are simple things you can do such as changing the phone's position from horizontal to vertical," Friedlander said.

On many phones the antenna is on the bottom and often covered by the user's hand, causing the phone to emit more radiation. Connecting an ear piece or switching on speakerphone will reduce radiation exposure. In addition, Tawkon is connected to GPS and the software will show users where to move to reach a "green zone" and reduce exposure.

"We don't want people to stop using phones but to use them more responsibly," the Canadian-born Friedlander, 44, said. Tawkon initially targeted its software for the iPhone, but said Apple rejected it in March for sale in its App store. **reuters**

Once a dynamo, tech slow to hire



Rosamaria Carbonell Mann, a software engineer says there are just not that many jobs.

CATHERINE RAMPELL

NEW YORK

Sept. 7: For years the technology sector has been considered the most dynamic, promising and globally envied industry in the United States. It escaped the recession relatively unscathed, and profits this year have been soaring.

But as the nation struggles to put people back to work, even high-tech companies have been slow to hire, a sign of just how difficult it will be to address persistently high joblessness. While the labor report released last week showing August figures provided mildly positive news on private-sector hiring, the unemployment rate was 9.6 percent.

The disappointing hiring trend raises questions about whether the tech industry can help power a recovery and sustain American job growth in the next decade and beyond. Its tentativeness has prompted economists to ask "If high tech isn't hiring, who will?"

"We are talking about people with very particular, advanced skills out there who are at this point just not needed anymore," says Bart van Ark, chief economist at the Conference Board, a business and economic research organization. "Even in this sector, there is tremendous insecurity."

Government labor reports released this year, including the most recent one, present a tableau of shrinking opportunities in high-skill fields.

Job growth in fields like computer systems design and Internet publishing has been slow in the last year. Employment in areas like data processing and software publishing has actually fallen. Additionally, computer scientists, systems analysts and computer programmers all had unemployment rates of around 6 percent in the second quarter of this year.

While that might sound like a blessing compared with the rampant joblessness in manufacturing, it is still significantly higher than the unemployment rates in other white-collar professions. The chief hurdles to more robust tech-

nology hiring appear to be increasing automation and the addition of highly skilled labor overseas. The result is a mismatch of skill levels here at home: not enough workers with the cutting-edge skills coveted by tech firms, and too many people with abilities that can be duplicated offshore at lower cost.

That's a familiar situation to many out-of-work software engineers, whose skills start depreciating almost as soon as they are laid off, given the dynamism of the industry.

"I'm sending out lots and lots of applications, to everywhere within a 50-mile radius," says Rosamaria Carbonell Mann, 49, a software engineer who was terminated in June when her employer closed its branch in Corvallis, Ore., and sent the work to China.

Corvallis was once a hotbed for tech start-ups. But Ms. Mann said that with layoffs from other tech companies in the area, including Hewlett-Packard, the city now has a glut of people like herself: unemployed engineers with multiple degrees. "I apply for everything I can find, but there are just not that many jobs out there," she said.

Nevertheless, many high-tech companies large and small say they are struggling to find highly skilled engineering talent in the United States.

"We are firing up our college recruiting program, enduring all manner of humiliation to try to fill these jobs," said Glenn Kelman, chief executive of Redfin, an online brokerage agency for buying and selling homes that is based in Seattle and San Francisco. Meanwhile, an earlier generation of engineers is scouring for jobs, and having to compete with a more globalized pool of talent. There are no definitive statistics on how many jobs are being moved overseas.

"Certainly a lot of these IT services firms plus the core software firms like Oracle are globalizing their work, or, as they put it, 'rebalancing' their work forces," says Ronil Hira, an assistant professor of public policy at the Rochester Institute of Technology.

—NYT