

# *Staying ahead* EdLive

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**pwc**



# Message from the Sector leader



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### *Dear friends,*

#### *Welcome to the June edition of EdLive!*

The announcement of shifting to a common entrance examination for admission to undergraduate engineering programmes in India continued to be in the limelight this month. The move still faces severe criticism from all sections of the society. Being an alumni of IIT Delhi myself, I have a personal view and bias, if it's not broken why fix it? Under the new system, which allocates increased weight age on Grade XII exams, there is a potential risk that the IIT reputation globally could get diluted as the quality of the student intake might suffer.

In other developments, vocational education will get a boost with the IBA approving vocational education loan scheme which would allow vocational students to avail loans without any collaterals, simple interest will be charged during the study period and up to the commencement of repayment. However, to be eligible, students must study in an institution recognized by the government and supported by the NSDC.

Another major development is the decision by AICTE to hold a Common Management Admission Test (CMAT) abroad to help non-resident Indian (NRI) children attempt for admission to management institutes in India. Press reports suggest that the exam will be launched initially in the Gulf countries which have a good strength of Indians and eventually will get extended to US and Europe. The decision, apart from increasing student diversity in India will also be helpful for NRI students who will now be able to return home to study.

Lastly, Research and Innovation, a much debated yet neglected area in the country,

is likely to get a boost with the AICTE deciding to build research parks, one in each state, to promote research across industries. Reports suggest that the council would provide Rs 1 crore as seed money, while industry would have to provide a matching grant for the parks, to be set up on premises of an Institution, at least in a 3,000 square foot area. AICTE wants such parks in every state and is encouraging the industry to form clusters for doing extensive research on their needs with the assistance of the selected institutions. While lofty in objectives, it remains to be seen how practical this scheme would be. There are several issues that are unclear: who will own these parks? Where will they be located, who would decide the location and on what basis? Rupees 1 crore is grossly insufficient. Who will fund the balance i.e. the cost of land and infrastructure? One hopes that the scheme is fully thought through to avoid becoming another well intentioned paper initiative.

## ***A Manifesto for higher education players***



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For several years, policy makers, as well as the media, have bemoaned the fact that the Gross Enrolment Ratio (GER) in India is much below international standards. Much has been said about the need to build additional capacity – set up new colleges and universities – and the need for funding for the investment required.

Recent trends, however, indicate that there has been substantial increase in capacity in the last decade – the total number of colleges grew by over 150% (from 12,800 to over 33,000) between 2000-01 and 2010-11. Enrolment too has grown from a little over 8 million in 2000-01 to an estimate of nearly 20 million today.

For players in the higher education space, this has resulted in a new set of problems – attracting students and filling up capacity can no longer be taken for granted. Engineering has, for long, been one of the most popular disciplines in India; yet, at a national level, approximately 30% of seats in engineering colleges go vacant each year. In recent years, other disciplines, such as pharmacy and nursing have also

faced oversupply in some regions. Higher education providers are now finding that they need to differentiate themselves from the crowd in order to continue to attract students.

Institutions that have demonstrated quality have not suffered any reduction in demand – IITs and IIMs still attract over 50 applications per available seat; In India, the “quality” of a higher education institution is judged most often by the “employability” of its students. Institutions that are able to guarantee a high-paying job for most of their students attract high demand; others often need to compete aggressively for students. Newer institutions that do not have a track record, are particularly vulnerable – some of the newer engineering and management colleges find almost 50% of their seats vacant. Most resort to advertising in an effort to stand out from the crowd; in recent years the education sector has been among the top three contributors of revenue to the print media, and some institutions have even begun advertising on television.

Outspending the competition on advertising is not the only strategy open to a higher education institution. Though employment is the goal of most students entering higher education, most graduates score low on employability. Studies among recruiters indicate that more than half of all technically qualified candidates (i.e. those with the requisite educational qualifications for a job) are unemployable without significant additional training. A recent NASSCOM study estimated that only 25% of engineers, and less than 15% of all graduates, are employable in the IT/ITES industry. Clearly there is an opportunity for higher education institutions to adapt their curricula in order to increase the employability of their graduates and their attractiveness to recruiters.

Doing so, involves working closely with recruiters in order to understand their concerns – the factors that govern why a candidate gets selected or rejected, and how this varies across different types of recruiters. This knowledge then needs to be applied, along with an understanding of the institution's student

profile, to modify both the curriculum and the pedagogy. Institutions may find it necessary to impart new skills, such as critical reasoning and written communication, in order to make their students more employable. Some institutions have gone as far as to design a program or course specifically for an employer, with the entire batch typically being recruited by that employer. Courses such as these, where employment is guaranteed, attract very high demand.

Working closely with a specific set of employers allows an institute to improve mindshare within that set, and to aid it in differentiating itself from the crowd. Further, a better understanding of industry and recruiter concerns enables an institution to identify niches not currently served by existing higher education or vocational training programs and to develop specific courses or programs targeted at them. Involving industry in designing and delivering programs, for instance by inviting practicing managers as visiting faculty, brings in a more practical flavour to courses.

Over the last decade, much of the capacity built up has been in mainstream disciplines, such as engineering and management studies; capacity development in some other disciplines has not been as rapid. The demand for trained schoolteachers, for instance, has grown steadily in the last few years, as have salaries in that segment; intake capacity of teacher training institutes has not grown as fast. The financial services industry recruits large numbers of sales people with an MBA as qualification; often, neither the job content nor the salary justify the time and money spent on a two-year MBA. Players entering the higher education space could do well to identify such gaps or competitive “white spaces” and build these into their business plans.

Higher education is no longer the gold rush it was a few years ago, when demand far exceeded supply and capacity was more important than quality. But with a young population and a growing economy, the opportunity for a focused player with a long-term vision is still large.

**Summary: The IIT Council meeting**

The 45<sup>th</sup> meeting of the IIT Council was held recently under the Chairmanship of Professor M M Sharma, Member, IIT Council, Chairman Board of Governors-IIT Madras and Chairman of the Standing Committee of IIT Council. He requested the Council Secretary to apprise about the developments related to the common entrance examination and its relation to the IIT entrance tests. The Chairman Joint Admission Board (JAB) was requested to brief about the recommendations of JAB meeting held on 23 June 2012.

The recommendations are summarised as follows:

- The JEE Advanced examination will be held after the JEE Main with a suitable time gap. Only the top 150,000 candidates (including all categories) in the JEE Main will be qualified to appear for the JEE Advanced.
- Admissions to IITs will be based only on the all India rank in the JEE Advanced subjects provided that such candidates are in the top 20 percentile of their boards in applicable categories.
- The examination will have an exclusive Joint Admission Board (JAB) and Joint Implementation Committee (JIC) with the same composition as at present. The JAB and JIC will also coordinate with the organising body responsible for conducting the JEE Main.

Based on the recommendations of JAB, the Council decided that the proposed plan for admission to IITs at the undergraduate level will be implemented for 2013.

The Council advised JAB to constitute a group for coordinating with COBSE (Council of Boards of School Education) to educate the students and public at large about the percentile versus percentage approach adopted by it. The Council requested JAB to submit a report within the next four months.

*(Source: www.pib.nic.in)*

**Manav Rachna University launched at Rajiv Gandhi Education City**

Bhupinder Singh Hooda, Chief Minister, Haryana laid the foundation for the much-awaited, ambitious project the 'Rajiv Gandhi Education City' in Sonapat. Spread across 2,000 acres, the campus will house some of the country's best educational institutions and universities.

Foundation was also laid for the North campus of the Manav Rachna Educational Institutions (MREI). As India's leading university, it will initially have faculties in medicine, engineering and technology and management studies.

There is also provision to set up an International University Centre in the education city. It will consist of hostels, residential accommodation for staff, a multiplex, shopping complex, medical centre, post office, police station, convention centre, seminar rooms, art gallery, auditorium, weekly market and food court.

*(Source: Business Standard)*

**India and USA select eight institutional partnership projects for the Obama-Singh 21<sup>st</sup> Century Knowledge Initiative awards**

Considered as a milestone in the educational partnership between India and the US, a joint working group of both the countries have selected eight institutional partnership projects for the first Obama-Singh 21<sup>st</sup> Century Knowledge Initiative awards. The announcement was jointly made in Washington by Kapil Sibal, Union Minister for Human Resource Development and Hillary Clinton, US Secretary of State. The initiative aims to strengthen collaboration and build partnerships between institutions of both the countries for higher education. Each project will receive an award of approximately US\$250,000 to be utilised over the three year grant period, to encourage mutual understanding, educational reform and economic growth, as well as develop junior faculty at Indian and American institutions.

To implement this initiative, the governments of both the countries have established a bi-national Obama-Singh Initiative Joint Working Group (JWG) to provide the final approval for all grants awarded through this Initiative. The JWG will allocate US\$10 million over five years, awarding eight to 10 university partnership grants annually. Grants to universities will be approximately US\$ 250,000 for activities to take place over a maximum of 36 months.

*(Source: www.pib.nic.in)*

### **IBA approves vocational education loan scheme**

To improve manpower efficiency and boost the economy, the Indian Banks' Association (IBA) approved a vocational education loan scheme to provide an impetus to the country's skill mission. The model loan scheme for vocational education and training will not require any collateral security from students and there will be no age bar for availing the loan.

According to the loan scheme, the interest rate to be charged will be linked to the base rate of banks as decided by individual banks or at reduced rates (if an interest subsidy is provided by the central or state government). Simple interest will be charged during the study period and up to the commencement of repayment. It is expected to be functional from July 2012.

For courses up to a year, the repayment can be made between two to five years after the moratorium period and for courses above one year, it can be repaid in three to seven years. To be eligible, students need to study in an institution recognised by the government either at the centre or in the state and at institutes supported by the National Skill Development Corp (NSDC).

(Source: Mint)

### **IIT Delhi to set up its extension campus in Haryana**

Bhupinder Singh Hooda, Chief Minister, Haryana, recently announced that IIT Delhi will set up its extension campus at the Rajiv Gandhi Education City in Sonapat. He said that his government will provide 50 acres of land at the educational city to set up the campus. "Around 36,000 to 40,000 students will study in these institutions. After it is fully developed, the city will provide education to more than one lakh students," stated Hooda. Among the institutes whose

foundation stones were laid include Ashoka University, Asian Educational Society Skyline Business School, Bharti Vidyapeeth University, Pune and SRM Rajiv Gandhi Education City.

(Source: The Economic Times)

### **AICTE plans entrance test abroad**

The All India Council for Technical Education (AICTE) plans to hold a common management admission test (CMAT) abroad to help non-resident Indians (NRIs) gain admission to Indian management institutes. Dr SS Mantha, Chairman, AICTE said that since the first CMAT in February 2012, many prospective students abroad have been enquiring about it. "We have 3,800 management schools across the country. We will target the Gulf countries which have a good strength of Indians. Eventually, we will focus on the US and Europe," said Mantha.

Currently, the AICTE is working on logistics. "I am not sure if we will be able to make this arrangement when we conduct the next CMAT in September. But by next February, we will be able to conduct the exam abroad," stated Mantha. He is hopeful that the CMAT will become an alternative option to GMAT. Eventually, every AICTE-affiliated institute will have to switch over to the CMAT. There are also plans to increase the number of centres in India and ensure that candidates get centres close to their preferred locations. He added, "I will also persuade state universities also to consider the CMAT for admission to their institutes. This will further broaden the reach of CMAT."

(Source: The Hindustan Times)

### **As 81 technical institutes shut shop, 315 more to be opened**

Even as 138 professional colleges across the country requested to close shop because of poor admissions, the AICTE approved opening of 315 new colleges. At a meeting held recently, a final decision on opening the 315 colleges and closing 81 colleges across the country was taken. "Why shouldn't new colleges be opened? This is a growing sector. For a country like India, expansion of education is essential. We cannot stop opening new colleges because the demand is growing continuously," said Dr SS Mantha, Chairman, AICTE. He affirmed that the council had received 669 applications for opening new colleges. This included 307 polytechnics and the rest were degree colleges in different disciplines including pharmacy.

(Source: The Hindustan Times)

### **AICTE to build one research park in each state**

The All India Council for Technical Education (AICTE) announced that it will build research parks, one in each state, to promote research across industries. The council will provide 1 crore INR as seed money, while the industry will have to provide a matching grant for the parks, to be set up on premises of an institution (at least in a 3,000 square foot area).

(Source: www.indiaeducationreview.com)

### **Kapil Sibal inaugurates the 10,000 teacher training project of NMEICT**

The Union Minister for Human Resource Development (MHRD) recently inaugurated the 10,000 teacher training programme conducted by the IIT Bombay under the 'Talk to a Teacher' project of the National Mission on Education through Information and Communication Technology (NME-ICT) of MHRD. It is the first time, in the world, that a simultaneous training of 10,000 engineering college teachers is being conducted utilising broadband network and ICT tools. The training programme is conducted through 168 remote centres located across India. The lectures are delivered by professors from IIT Bombay and Madras. Through the software *A-VIEW*, audio-video connectivity is provided between all the centres and IIT Bombay. The course consists of lectures, live interactions and lab sessions. This method of synchronous education has been developed at IIT Bombay, under the leadership of Prof D B Phatak. This method of education allows the participants to go to a convenient centre and also allows the participation of a large number of lady teachers, who normally are unable to join contact programmes at distant locations, owing to family commitments.

The *A-VIEW* software development and this mega workshop are a part of the 'Talk to a Teacher', funded by the National Mission on Education through ICT, an initiative of the Department of Higher Education, MHRD. With this, the first major initiative to empower teachers and improve their quality through effective use of the connectivity provided to universities and colleges under NME-ICT has commenced.

(Source: [www.pib.nic.in](http://www.pib.nic.in))

### **Core and Educomp plan bids to build and operate government schools**

Core Education and Technologies, India's largest technology-enabled education solutions provider, will bid for government contracts to build, operate and manage (BOM) 500 schools this year, signalling interest from private companies to manage government schools. Its rivals including Educomp Solutions will also consider this new opportunity. "The government has invited expressions of interest for the first 500 schools to be built and operated under this model. "We believe only serious players with deep pockets will be participating in these bids," said Anshul Sonak, President, Core Education and Technologies. India plans to start 2,500 such schools under PPP. The initial 10-year contract can be renewed with mutual consent but the stipulated three acres land must be purchased by the bidder with help from the state government. However, consultants feel that making profit will be tough. "It will not be easy to make money on such contracts from early days. These are long-term projects and mostly, schools take almost seven to eight years to break even," said a consultant.

(Source: *The Financial Express*)

### **Huge response for AICTE's five-year integrated management course**

About 500 institutions have already applied to start the five-year (10 semesters) integrated Master's in Applied Management degree. "The AICTE is currently in the process of evaluation and will shortly grant the approvals to institutes for the programme, which is slated to begin in the current (2012-13)

academic session," said Dr SS Mantha, Chairman, AICTE. According to Mantha, quality and industry interface were two guiding factors for devising the integrated programme.

"Through the five-year programme, a student, after 12<sup>th</sup> is directly admitted to a Master's programme in management with exit options. The content is also reengineered to focus on domain knowledge and management value addition. Once the student completes three years, he or she gets a Bachelor's in Management degree. The student can opt out of the course, work in the industry and then return to get into the fourth year as he or she retains admission in the university," explained Dr SS Mantha. After completing the fourth year, the student gets a Bachelor's in Applied Management degree. He or she can drop out again to gain industry experience, return to the programme and complete the final year, after which, he or she will be awarded a Master's in Applied Management degree. "For students, it is a winning combination as he or she gets a combination of BBA, industry experience and an MBA degree. It also eliminates the issue of scouting around for admissions after the Bachelor's degree," said the AICTE chief. The focus of the curriculum will be to prepare students for the global market through intensive teaching and training for overall development to meet the challenges of workplace environment.

Admission to this course will be based on score of the common admission test. However, the admissions for 2012-13 sessions will be effected on the merit lists of students passing standard 12<sup>th</sup> in various streams.

(Source: [www.mbauniverse.com](http://www.mbauniverse.com))



## **Panel recommends legislation such as UGC to improve distance education**

Aiming for higher enrolment in distance education in India, a panel has recommended to the HRD Ministry that an independent legislation be passed, on the lines of UGC.

“I have recently submitted a report on the performance of the distance education system in the country. We have recommended an independent legislation such as the UGC based on an independent statute,” noted Prof N R Madhava Menon, Legal Educator and Founder-Director of the National Law School of India University (NLSIU). He said that the distance education, if properly organised, can almost double or treble higher education enrolment and added that the sector was now a part of Indira Gandhi National Open University (IGNOU). “There will be private players in the distance education sector. But they must ensure standards. So these norms have to be set by the Distance Education Council. If those norms are set well and monitored properly, distance education can go even to technical education,” stated Menon.

*(Source: The Times of India)*

## **Centre gives deemed universities CET freedom**

The MHRD announced that all deemed universities across the country will be given the option of admitting students to graduate courses based on the centre’s proposed common entrance test (CET) or their own entrance examinations. The deemed universities have been asked to give anywhere between 40% and 100% weight to board marks for admission to graduate courses. The decision was announced after a meeting convened by Kapil Sibal and attended by around 100 universities. Ministry sources informed that the decision will allow deemed universities to select candidates based only on board marks. They have also been given the option of allocating up to 60% from their own entrance examinations or from the JEE Main, the proposed common admission test for deemed universities. The remaining 40% or more will be based on board marks.

The Ministry has also decided to form a council consisting of academic experts, representatives of deemed universities and ministry officials that will meet every month to discuss issues that will have an impact on deemed universities.

*(Source: Times of India)*



## **Italy has a new bilingual education site**

In an attempt to open up Italian universities to local and international students, Italy's Education Ministry recently introduced its first bilingual website listing all the available university courses in the country. With this the students will be able to browse—in Italian and in English—the classes offered by Italian colleges, academies, conservatories and technical schools, and compare tuition fees, potential scholarships and services. Officials hope that the site will help students choose their degrees in a more targeted way and lower the rate of dropouts in the first year, which is about 23% in Italy.

The visibility given to universities can trigger greater competition among schools and consequently improve their services. Foreign students in Italy are a rare breed, estimated at 3.3%, about a third of the average of 8.7% among the free-market democracies that are part of the Organisation for Economic Cooperation and Development. But the introduction of classes taught in English is aimed at local students as well. Through the website, foreign students can register to take the admission test for Italian medical schools. Due to an agreement with Cambridge, the test will be administered in English next September and students will be able to take it in several countries.

(Source: [www.nytimes.com](http://www.nytimes.com))

## **Second year rankings of the most and least expensive colleges by US Department of Education**

The US Department of Education has released its list of the most and least expensive colleges with the nation's private schools coming out on top. The majority of the most expensive colleges were located in the Northeast and mid-Atlantic regions, according to *The Chronicle of Higher Education*. Overall, the state of Pennsylvania had some of the most expensive public schools in terms of tuition and fees, despite efforts by the current governor to curtail them. In fact, the Penn State University and the University of Pittsburgh took first and second place (costing US\$15,250 and US\$14,936, respectively) in terms of highest tuition and fees for the academic year 2010-11, reported *The Pittsburgh Post-Gazette*. However, the schools defended themselves by stating that the state ranks one of the lowest in terms of receiving higher education funding. "A 19.6% cut in state funding last year on top of a decade of lean state support has left the Penn State increasingly reliant on students and their families to fund more for education," said Bill Mahon, Spokesman, Penn State. In fact, John Fedele, a spokesman for the University of Pittsburgh, said Pennsylvania ranked in the bottom five in terms of higher education support.

Arne Duncan, Secretary of Education, stated, "We are seeing some alarming trends. Deep budget cuts are unfortunately helping to drive up the cost of college. The Chronicle of Higher Education noted that according to the Department of Education the average sticker price at public four-year colleges rose 15% over the prior year. In some states, average sticker price jumped as high as 40%. Community colleges, however, have managed to keep rising costs in check. According to the department, the net price of community colleges has increased less than 1%.

(Source: [www.citytowninfo.com](http://www.citytowninfo.com))

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