



The Canadian Trade Commissioner Service

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India NewsWatch: Education Sector

India NewsWatch is a package of news articles compiled by the Canadian Trade Commissioner Service (TCS) to help Canadian businesses stay on top of new developments.

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EDUCATION

Vocational courses at school level

Times of India, September 3, 2012

The Haryana government is set to launch a project, under which students at the school level would be trained in vocational courses.

The project, to be run under National Vocational Education and Qualification Framework, would be inaugurated by union human resource development minister Kapil Sibal and chief minister Bhupinder Singh Hooda in Gurgaon on Monday.

Eight districts of the state have been selected for the project and five schools in each district are going to come under it. The districts where the project to be launched are Jhajjar, Gurgaon, Faridabad, Rohtak, Ambala, Palwal, Mewat and Yamunanagar. The project includes four vocational courses like IT, Retail, Security and Automobile along with basic education and the students could avail of the employment opportunities to their maximum after doing these courses at school level, it added.

TCS Insights: *The Haryana government has begun to implement the National Vocational Education and Qualification Framework (NVEQF) in schools. The implementation will enable students to choose vocational education at the school level which was not possible earlier in the current education system. This is one of the many steps taken by the Indian government to meet the target of training creating a 500 million strong skilled labour force by 2020. Canadian institutions may wish to explore the possibility of collaboration with these schools.*

University of Agricultural Sciences begins BTech in food technology

Times of India, September 12, 2012

University of Agricultural Sciences has started a four-year B.Tech programme in food technology from this academic year in North Karnataka. The varsity received over 100 applications, but only 30 students could be admitted.

The four-year course will train students in food processing and technology, engineering, and industrial microbiology, food science and nutrition, food trade and business management.

Nodal officer of B Tech in food technology of UAS Ashok Rokhade said that the food industry is booming in the country and jobs are aplenty in the field. They will be placed as technicians, lab analysts, quality executive, quality manager, R&D manager in the food industry.

The only other college which offers B.Tech in food technology is in Hassan, he added.

TCS Insights: *Canadian institutions with a specialization in food processing technology will note the interest in this area of expertise. With the recent visit of an Advanced Skills for Employment delegation to India in September 2012, Canada's capabilities in this area are starting to be noticed. Institutions interested in further details should contact the Canadian Trade Commissioner Service education team in India for more information on opportunities with respect to prospective partnerships and exchange programs. NB: An Indian BTech, or Bachelor of Technology, is equivalent to Canadian engineering degree.*

256% rise in Indian students going abroad in 10 years, study says

Times of India, September 9, 2012

Campuses in the West have for long been wooing young Indians, with education fairs, road shows and special admission campaigns nudging thousands to pick up brochures that give a peek into college life in Europe. While studying in Oxbridge still remains the highest academic aspiration among the youth here, between 2000 and 2009, the number of Indian students in foreign countries has grown by 256% or three-and-a-half times.

Going by the findings of a study conducted by the Indian Institute of Management-Bangalore, the profile of the internationally mobile Indian students is changing. Traditionally, north Indians flocked to Europe for higher education, but increasingly, students from Gujarat as well as the southern states are making a beeline for institutes in those countries, with one in every two Indians studying in the UK being a woman. And when it comes to scholarships and grants, most of them are bagged by students from southern India, shows the study, 'Indian student mobility to selected European countries: An Overview'.

The paper is part of a research project financed by the European Union (EU) and carried out by Rupa Chanda and Shahana Mukherjee at IIM-B, researchers at the European University Institute, Indian Council of Overseas Employment, and Maastricht University (Faculty of Law). One-year Master's programmes in business and management have been the most popular field, but many engineering and mathematics and computer science aspirants also head for Europe. "But healthcare, English and linguistics are not gaining popularity," notes the study.

According to the study, there has been a steady annual rise of 7% Indians travelling overseas for a degree. More than 53,000 Indians went abroad in 2000 and at the end of the decade, the count shot up to 1.9 lakh. While the US has been steady in the top slot of having most number of Indian students, education magnet UK has been a close second. However, the interest in the US seems to have slipped, albeit slightly, as other countries like Australia hard sell their universities. The US's loss also seems to be adding up to Europe's gain. Across the globe, the UK attracts the second largest contingent of international students and since 2009, about 17% Indian students have been visiting there annually; after all, Indians comprise the second largest group of international students in the UK.

Between 2000 and 2009, the count of Indian students in Europe has increased from 3,348 to 51,556, with the UK separately logging a rise from 3,962 to 36,105. But across Europe, Germany and France get most of

remaining Indian students. "Indian students are now also exploring other countries such as Sweden, Italy and Ireland, where education is considerably cheaper and part-time jobs are easier to secure," said the researchers.

TCS Insights: The US and UK have traditionally been the most preferred destinations for Indian students, however increasing awareness of Canadian education is making Canada an ever more attractive choice. Canadian institutions that desire to recruit in India have an array of promotional activities available to them. The Canadian Trade Commissioner Service education team for India is undertaking new innovations for promotion, including third party events and webinars for schools.

India's business schools get tough lesson in supply and demand

http://in.reuters.com , September 16, 2012

A boom in India's management education sector that saw the number of business schools triple to almost 4,000 over the last five years has ended as students find expensive courses are no guarantee of a well-paid job in a slowing economy.

India's seemingly unstoppable economic rise, an aspiring middle class' desire to stand out in a competitive job market, and a lucrative opportunity for investors fuelled a bubble in business education that is now starting to deflate.

About 140 schools offering Master of Business Administration (MBA) courses are expected to close this year, as 35 percent of their places were vacant in 2011-12, up from 15-20 percent in 2006-07, a report by ratings agency Crisil found.

"The boom which was there has gone," said Anshul Sharma, chairman of Asma Institute of Management, which he started in 2004 in Pune, about 150 km (95 miles) from Mumbai.

"Those who entered this industry with a motive to make money are leaving because there is not much money left. Every college is working to sustain itself," said Sharma.

There was a near four-fold rise to more than 352,000 MBA course spots in the five years to March 2012.

But the allure of so-called B-schools outside the top tier is fading as the economy grows at its slowest in nine years, with the financial sector especially sluggish, and amid questions about the quality of some schools.

Only 29 percent of graduates from Indian business schools - excluding those from the top 20 schools - get a job straight after completing their course, compared with 41 percent in 2008.

Aditya Dighe took out a 330,000 rupee loan to fund his MBA from a school in India's financial hub of Mumbai. Four months and 18 job interviews after graduating, the 26-year-old is still looking for a job that will pay enough to cover his expenses and monthly loan instalments of 10,000 rupees.

"The B-schools have promoted their brand only on placements and by boasting about salary packages. The course is theoretical and you don't learn the skills corporates want," he said.

BIG BUSINESS STRUGGLES

Private education is big business in India. KPMG pegs the industry at nearly \$50 billion and projects it to reach \$115 billion by 2018. But growth rates are not uniform across the primary, secondary and tertiary education sectors.

"A third of all management colleges are struggling," said Narayanan Ramaswamy, a partner at KPMG.

At the peak before the global financial crisis, new business schools were cropping up almost every day, some in remote towns where even quality secondary education is hard to come by.

There are two strands of MBA courses.

MBA degrees are offered by schools overseen by the All-India Council for Technical Education (AICTE), the regulatory body for higher education. These schools must be affiliated to a university, have a maximum of 120 students and fees are capped by state governments.

A second stream allows colleges to offer diplomas that are not accredited by AICTE. There are no standardised curriculums, class sizes are bigger and fees can be higher. An institution can offer both accredited and non-accredited MBA courses.

In a city such as Pune, something of an education hub, it costs about 40-50 million rupees over two years to set up a management school, which can be as basic as a modest building with classrooms, a small library and a computer room.

When demand was outrunning supply, students were willing to pay high fees for the autonomous courses that tend to be more industry-relevant, in order to get a leg up in the job market.

"People who had some land and money saw a great investment opportunity in the demand-supply gap and there was a rush to open schools," said Dhiraj Mathur, executive director at PricewaterhouseCoopers.

"They were not thinking about the faculty, location, employability and brand name. They thought setting up a school would take care of the rest."

Now, some new institutions are discontinuing their autonomous courses despite often better quality education, because with no guarantee of a job, students are opting for cheaper, AICTE-approved courses.

SPOILING THE SYSTEM

Schools with little or no track record fill seats by paying existing students up to 40,000 rupees for referring other students, Asma's Sharma said, whereas some hire agents, paying them upwards of 50,000 rupees for every student they get.

Sharma cannot afford to pay hefty commissions and is struggling to fill the 120 seats at his institute. Last year he enrolled only 45 students, and needs about 80 to break even.

"Today, students do not ask what and how they will be taught. They only ask about placements and salary packages, and what discounts we offer on the fees," he added.

"This is spoiling the education system but if we don't try and accommodate them we will not be able to survive."

Elite institutes still attract students despite high fees as they have strong reputations, and their graduates are favoured by recruiters.

As a result, competition is fierce for the relatively few places in the state-run Indian Institute of Management (IIM) in Ahmedabad, and the Indian School of Business (ISB), started by two former McKinsey employees in Hyderabad.

Fees at IIM in Ahmedabad are 1.55 million rupees for the two-year MBA programme. ISB, an autonomous college associated with international schools like Kellogg, Wharton and London Business School, charges 2.2 million rupees.

Online job portal MyHiringClub.com found the average starting salary for graduates of India's top B-schools was about \$32,400, about 1.8 million rupees, more than four times the average of \$7,550 for other MBA graduates.

Lavina Thadani, a 23-year-old MBA graduate from Pune, settled for a low-paying job in the capital markets team at a media house after a three-month search yielded little else.

"I expected more after spending so much on my MBA," said Thadani who took a 300,000-rupee loan to get her degree but earns only about 200,000 rupees a year. "If I had known earlier I would have never done my MBA," she said

TCS Insights: The lack of quality Indian institutions offering an MBA education is a concern for Indian

students who pay a huge amount of money for these courses but do not receive a significant Return on Investment (ROI). Canadian business schools promoting in India will want to emphasize the advantages and ROI of their programs, as well as promote the potential for immigration through the Canadian Experience Class program for international graduates.

UGC draft on twinning okayed by Law Ministry

The Pioneer, August 25, 2012

The Law Ministry has approved the UGC draft regulations on twinning arrangement paving the way for educational courses to be offered by foreign universities in India and vice-versa from forthcoming academic session.

The draft is now with the HRD Ministry awaiting final approval and then notification to allow the top 500 universities across the world to start courses will follow. The regulations include process to initiate even undergraduate courses in Indian universities.

“The UGC has been given the mandate for final word in this regard. The foreign universities will be governed by the UGC,” said a top HRD Ministry official.

According to UGC,

“twinning” is an arrangement by an Indian University or institution with a foreign institution or university to offer academic programmes either jointly or independently in India or abroad.

The HRD Ministry had asked the UGC to identify possibilities within the existing laws of regulating and allowing the foreign educational institutions to India. With uncertainty over the Foreign Educational Institutions (Regulation of Entry and Operations) Bill, 2010, in Rajya

Sabha, the HRD Ministry has now allowed foreign institutions to enter under different arrangements.

So far, private universities in India are in collaboration with institutions from abroad bypassing the Indian Government. Following rampant violations, the Centre had asked the UGC to regulate foreign institutions entering India. At the same time a cap that arrangement has to be only from top 500 universities world over has been mooted.

About 600 foreign education providers are presently operating in the country through various arrangements completely ignorant of the rules and law of the country facilitated by Indian institutions.

HRD Minister Kapil Sibal during his visit to United States in June 2012 announced entry of eight select institutions as part of educational partnership under First Obama-Singh 21st Century Knowledge Initiative. Further, admissions for academic programmes offered through twinning programme will be sans the reservation policy of Government of India.

TCS Insights: *The regulation, which only allows the top 500 universities (as listed in the Times Higher Education World University Ranking and the Shanghai Jiaotong ranking) to offer twinning programs, has been approved by the Indian Law Ministry. If approved by the Ministry of Human Resource Development (MHRD), the fate of about 600 foreign universities that partner with Indian universities will need to be determined. This regulation has received strong opposition from international education providers, including Canada, the US, UK, New Zealand, and Australia. The Canadian Trade Commissioner Service in India is awaiting confirmation of next steps and is advocating, along with our friendly competitors, on this issue with MHRD and the University Grants Commission (UGC).*

For more information on Education Sector consult
Education Sector Profile - India
 (see <http://www.tradecommissioner.gc.ca/India>)

Want to know more? Contact the Education Sector Team in India at
india.education@international.gc.ca

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