IITs Look to Industry for R&D Funding

Institutes want to cut down dependence on government grants and look attractive to corporates for research tie-ups

SRIVIDYA IYER
MUMBAI

The Indian Institutes of Technology, India’s premier technology institutes, are eyeing higher corporate funding for their research projects. IITs want to decrease their dependence on government research grants and look attractive to corporates for research tie-up.

While IIT Bombay’s research fund grew by 80% to Rs 110 crore from Rs 100 crore last year, only Rs 25 crore came from the private industry. Although our research is funded predominantly by the government, the funds from the industry are growing much faster and we are focusing on that. We want to have a broader linkage by the industry,” says Professor Rangan Banerjee, Dean of R&D at IIT Bombay.

And they are doing this with support in setting up research laboratories, creating collaborative projects between faculty and students and getting research projects sponsored. IIT Kharagpur’s research fund has been hovering between Rs 130 and Rs 170 crore for the last five years, but the institute expects the number to grow. It has attracted Rs 125 crore funding from Damodar Valley Corporation to carry out advanced research in power technology. “We are making concerted efforts to make IIT Kharagpur a hub for innovation,” said Professor Chakrabarty, Dean of Sponsored Research and Industrial Consultancy (SRC) at the institute.

Professor Banerjee of IIT Bombay says the institute wants to sustain a 60% growth in R&D fund year-on-year after having doubled forecast. IIT Madras too is expecting to increase its research fund to Rs 200 crore by this year from Rs 150 crore in the last financial year. The institute has already clocked in Rs 175 crore this year. These institutes are also promoting research at the college level. IIT Delhi invites students to spend the summer doing research on a subject of their choice. Apart from using alumni donations, the college also funds student and faculty projects with a seed money of Rs 1 crore.

“Industries are increasingly willing to support research at the level of institutions,” said Prof. SN Singh, Dean, Industrial Research and Development at IIT Delhi. The institute is involved in a major project in the field of nanotechnology with a Rs 25-crore grant from the information technology ministry.

Such collaborations with the government and the industry is shaping a new approach towards research. According to Singh, encouraging faculty and students to get involved in research will give them more exposure. The variety and scope of the projects are also interesting. For instance, the government of India has set up a tea engineering research center at IIT Kharagpur for revamping tea making technologies.

“We want to promote interdisciplinary research at IIT. If we are able to tackle our problems and try to solve them, it will bring out immense learning,” said Chakrabarty.

Patent filing too is beginning to gain as much importance as research itself. IIT Bombay, for instance, looks for patent-worthy ideas from thesis and dissertations submitted by graduate students. The spurt of activity happening on the licensing side is giving fillips for the IITs to push research further. IIT Bombay received around Rs 64 crores of licensing revenue this financial year.

This is a great impetus for the colleges to initiate the faculty and the students to showcase their innovation. At IIT Delhi, the faculty members are encouraged to promote their projects that they think is worth patenting on the last Friday of every month. Last year this activity resulted in filing of 20 patents in fields such as biotechnology, computer science and chemistry.

In comparison with the universities abroad, the R&D work done in India may not fare well but there have been significant improvements. The IITs are changing for good. There is significant growth in the funds. But they still don’t get enough PhD students although the PhD scholarships are okay. But things are definitely improving,” said Prof. S Sadagopan, founder and director, International Institute of Information Technology, Bangalore.

Sadagopan, who used to teach at Rutgers University said the university’s annual budget of $4 billion amounts to $16,000 crores. “We used to be way smaller. Five years ago, per department funding in India used to be 1% when compared to the funds universities abroad receive. Now it is a respectable 20-30%,” he said.
IISc Allays Fears over Huawei Tie-up

PMO raised security concerns over the involvement of the Chinese co in project.

JOJI THOMAS PHILIP
NEW DELHI

The Indian Institute of Science (IISc) has assured the communications ministry that its upcoming telecom lab in Bangalore does not pose any security threat despite its tie-up with China’s telecom gear-maker Huawei Technologies. The lab is being built solely to address the concerns raised by intelligence and security agencies over the Chinese vendor.

The telecom department in the ministry will soon notify the Prime Minister’s Office, which had raised concerns about IISc’s collaboration with Huawei, especially regarding cyber security.

ET had first reported in June that Huawei Technologies, a major supplier to Indian mobile phone firms and the object of the Indian government’s suspicion, had been enlisted to provide know-how and equipment for a facility that will be a clearing house for all imported telecom gear. The report added that the Chinese vendor had signed a memorandum of understanding with IISc under which Huawei would provide “documentation, expertise, methods and standards for studying telecom equipment”.

Huawei is the world’s second-largest telecom gear maker after Ericsson, with 2010 revenues of $28 billion (₹1.27 lakh crore). The government has been suspicious that it and another Chinese company, ZTE, could use the telecom equipment they supply to snoop on India and even launch cyber attacks.

IISc, in its reply, has clarified that “the lab was fully funded by the telecoms department and not a single paisa had been received from any company for this work”. “The issue of anyone else funding this activity was never discussed, or offered or raised by anyone,” it added. ET reviewed a copy of this communication.

“In order for IISc to perform certain studies in respect of telecom equipments, IISc shall be requiring detailed understanding about various features, standards and related documentation. Huawei agrees to share some information, knowledge, software, hardware and equipments with IISc for its studies,” said the MoU between both partners. It also says that both of them can visit each other’s facilities, including Huawei’s manufacturing plants and logistics centres.

The IISc centre was given funding by finance minister Pranab Mukherjee in the 2010-11 budget. It is being modelled after the China Information Technology Certification Centre that operates and maintains a national evaluation and certification scheme for China’s IT and telecom security.
Opposition stalls passage of IIIT Bill

Sujay Mehndia

NEW DELHI: Opposition parties led by the Bahujan Samaj Party (BSP) stalled the passage of the Indian Institute of Technology (IIT) Act, raising the issue of reservation for students of reserved categories in the faculty of the country’s top institutions.

The trouble arose soon after Human Resource Development Minister Kapil Sibal moved the Bill for passage in the House. As Deputy Chairman K. Rahman Khan was about to ask for a voice vote for passage of the Bill without discussion, Jesudas Seelam (Congress) stood up, raising the issue of reservation in the institutes of national importance.

Mr. Sibal said there was reservation in admission for students of reserved categories in institutes of national importance, but no such provision existed in the appointment of faculty. The BSP members were immediately on their feet protesting. This prompted the BSP, the Rashtriya Janata Dal (RJD) and the Lok Jan Shakti Party (LJP) along with the Left parties to seek proper discussion on the Bill. S.C. Mishra (BSP) accused the Congress and the BJP of reaching an understanding for passage of the Bill without debate. Amid acrimonious scenes, Mr. Khan adjourned the House for 15 minutes in the afternoon.

Mr. Mishra pointed out that out of 478 faculty members in IIT-Delhi, there was only one member belonging to the reserved category.

When the House re-assembled, Mr. Sibal again clarified that there was no provision for reservation in the faculty. At this, members from the BSP, the RJD and the LJP rushed to the well and raised slogans against the government. The BJP also expressed displeasure with Mr. Sibal’s reply.

The Chair then adjourned the House for 30 minutes. Senior Ministers, including Home Minister, P. Chidambaram, Mr. Sibal and Parliamentary Affairs Minister, Pawan Kumar Bansal, were visibly upset with Mr. Seelam whose question to the government prompted the BJP and others to stall the proceedings. The Bill, which has already been passed by the Lok Sabha, could not be taken up later, as the House was adjourned for the day after the Home Minister’s statement on the Delhi High Court blast.
Uproar in RS over technical institute Bill

PBD BUREAU/PTI
NEW DELHI, SEPT 7

GOVERNMENT suffered embarrassment in Rajya Sabha today when a Congress member's suggestion for reservation in institutions of excellence led to a fracas and its inability to get a Bill passed.

Trouble started when JD Seelam (Cong) demanded reservation for SC/ST and OBC students in Indian Institute of Information Technology, Design and Manufacturing, Kancheepuram, soon after HRD minister Kapil Sibal moved the Bill which seeks to upgrade it to institute of national importance.

As Deputy Chairman K Rahman Khan was about to ask for a voice vote for passage of the bill without discussion, Jesudasu Seelam (Cong) stood up, raising the issue of reservation in institutes of national importance.

This prompted members of BSP, RJD and LJP along with the Left parties to seek proper discussion on the bill.

Seelam was joined by BSP members, who raised the issue of reservation in institutes of national importance, including the IITs, saying that the reserved categories had negligible representation in the faculty of such institutes.

SC Mishra (BSP) accused Congress and BJP of reaching an understanding for passage of the Bill without debate.

The trouble got aggravated after HRD Minister Kapil Sibal said that while there is reservation in admissions in the institutions of national importance, there was no such provision in the case of faculty.

Amidst acrimonious scenes, K Khan adjourned the House for 15 minutes in the afternoon.

Soon after, Union Ministers P Chidambaram, Kapil Sibal, Pawan Bansal and party leader Janardan Dwivedi were seen trying to reason out with Seelam.

The leaders were visibly upset with Seelam whose question prompted BSP and others to stall the proceedings. Seeing Seelam in a huddle with Congress leaders, members from BSP and BJP told him that he should not be afraid and stick to his stand.

When the House reassembled and Sibal clarified that there was no provision of reservation in the faculty, members from the BSP, RJD and LJP rushed into the well and shouted slogans against the Government.

At this stage, BJP also expressed displeasure with Sibal's reply. The Chair then adjourned the House for 30 minutes.

The bill, which has already been passed by the Lok Sabha, could not be taken up later, as the House was adjourned for the day after Home Minister's statement on Delhi blast.

BSP STALLS IIT BILL IN UPPER HOUSE OVER FACULTY QUOTA

HT Correspondent
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NEW DELHI: A bill, passed by Lok Sabha, was presented by human resource development minister Kapil Sibal in the Rajya Sabha on Wednesday but it failed to get through.

Reason: When the minister introduced the bill to declare the Indian Institute of Information Technology, Design and Manufacturing, Kancheepuram, an institution of national importance — BSP members accused the government of being anti-quota.

Agitated members from the BSP, RJD and other parties rushed to the well when Sibal — while assuring that the bill would provide quotas in admission — said reservations do not apply to faculty. The House was adjourned for half an hour.

Earlier, objections began when Congress MP from Andhra Pradesh Jesudas Seelam first raised the quota issue, after which the BSP took the cue. BSP leader Satish Chandra Mishra said there were just 1 SC and 1 OBC faculty members in IIT Delhi out of a 478 teachers.

LJP chief Ram Vilas Paswan, too, expressed concern. Mishra accused the BJP of joining hands with the government on the matter, and added that the two would not be allowed to push through legislation.

Sibal intervened and said he accepted the "genuine concern" of the MPs. Distinguishing between the law and its implementation, he said, "The moment this institute becomes an institution of national importance, it joins those categories of institutions which require reservation for SCs, STs as well as OBCs."
No Sign of Job Slowdown at IIMs

Early numbers suggest hiring from B-Schools this year likely to be better than last

Off the Blocks
Pre-placement offers at IIMs: some say this year will be better than last

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MAHIMA PURI
NEW DELHI

Telecom companies are downsizing, so are some stock brokerages, and IT firms are watchful. There are more than a few jitters in the job market, but none of that is taking away the lure of B-Schools. Early data flowing in from at least five IIMs suggests that companies, especially MNCs, will hire more from campuses this year than the last.

IIM-Calcutta has already received 45 pre-placement offers, or PPOs, and 17 pre-placement interviews, or PPIs, for students in the 2012 batch. International banks such as RBS, Morgan Stanley and Standard Chartered have made many of the early PPOs.

Consulting firms like McKinsey & Co, BCG, Bain & Co, FMCG major Hindustan Unilever (HUL) and software giant Microsoft are also in the fray. The institute had received 92 PPOs last year.

"Our estimates indicate the numbers this time are slightly higher," says the institute’s chairman-placements, Amit Dhiman. He added that IIM-C has already received multiple offers from major international financial hubs such as New York (Wall Street), London, Singapore and Hong Kong, despite concerns of a financial slowdown.

IIM-Indore (IIM-I) and IIM-Kozhikode (IIM-K) have already raced past their respective PPO figures for the previous year (see chart). "The numbers are rising sharply over the last two weeks. Most of the companies start delivering their PPO/PPI status in September," Anshik Sodh, chairman-placements at IIM-Indore, said.

This is Just the Beginning

Deloitte CPO Dhananjay Bansod added, "Our agenda is growth and we will continue to hire for growth."

Companies make pre-placement offers to candidates who intern with them for around two months during the summers. Early offers indicate employers want to retain talent ahead of the final placements in January next year. Pre-placement offers have just started flowing in. The window will be open till January-February until final placements kick off. Typically, PPOs from investment banks come October onwards, so a good chunk of PPOs is yet to come.

"Considering that September is the most productive month, we expect a definite rise compared with last year," Anmol Bhalja, placement committee coordinator at IIM-I, said.

Still, 2012 will not be without challenges. Many IIMs have increased batch sizes this year; IIM-I, for example, has gone from 240 to 450. Among the non-IIM B-schools, Narsee Monjee Institute of Management Studies has received a total of 18 PPO & PPIs from JPMorgan Chase, Cummins India and Idea Cellular. "Recruiters’ perception has been encouraging this year," said Shobha Pai, director-placements, School of Business Management, at the institute.

MDI-Gurgaon too has received about 22 PPOs and 23 PPIs, compared with a total of 41 PPOs last year.

(With inputs from Prag Dave)
IIM-B, IIM-C may extend campus placement period

A year after the Indian Institute of Management, Ahmedabad (IIM-A), changed its final placement process, its peers in Bangalore and Calcutta, IIM-B and IIM-C, plan to alter their final placement process for the next year. Both institutes are in consultation with each other to put in place a process that will extend the final placement period, making it less stressful for both students and participating companies.

"In the next five-six weeks, we will introduce changes in the placement process. Companies have expressed that they want more time for it. We, too, realised that it gets too stressful and hectic for students," said a placement official from IIM-C. The changes in the placement process also take into consideration the fact that these institutes have increased their batch sizes. Thus, students and companies would get more time to interact. IIM-B, for instance, will have 375 students, against 350 from the earlier batch. At IIM-C, 362 students will be placed this year. The numbers will go up to 425 and 462 students at IIM-B and IIM-C, respectively, for the 2011-13 batch.

A professor at IIM-B said till IIM-A changed its placement process, most firms visited IIM-A, IIM-B and IIM-C during the same time of the year for final placements. A poor job market in 2009 had forced B-schools to review their placement strategy. In fact, the changes IIM-B and IIM-C are bringing in, are more or less in sync with that of IIM-A's, where students and companies can get ample time to evaluate each other. "A spread out placement process will make our task easier to schedule firms during placements," said the professor.

IIM-A, incidentally, was the first IIM to make changes in its placement process last year, by bringing in the cohort-based system. Under the system, every weekend saw firms from a particular sector visiting the campus as a cluster. International investment banks and consulting firms formed the first cluster. The process carried on for well over a month. The new system will ensure more interaction time between students and firms.
IIM-A publishes audited employment data

Our Bureau
Chennai, Sept. 7

The Indian Institute of Management, Ahmedabad (IIM-A) has published audited employment data for its three full-time management programmes. CRISIL has audited the data and verified that it has been published in keeping with the new Indian Placement Reporting Standards (IPRS), pioneered by the IIM-A. The data is based on IIM-A's flagship post-graduate programme, the PG programme in Agribusiness Management and the one for Management Executives.

The IIM-A-pioneered IPRS aims to standardise reporting of placement statistics, says a press release. The framework can be adopted by other business schools. The IPRS specifies the standard format in which the aggregate statistics will be reported across function, sector, and location. The aggregate statistics to be published include minimum, maximum, median and average salaries across every parameter. The framework envisages a demarcation of performance-linked compensation from fixed salary, thus enabling a more realistic understanding of compensation offered on campus. The standards also require that employment data be audited by an independent auditor.

Dr Samir Barua, Director IIM-A, has been quoted as saying: "This is an important step towards self-regulation. The credibility of the data is enhanced by the fact that it has been audited by an independent auditor." CRISIL’s audit process involved validating the information in the placement report with offer letters and communication of salaries received directly from recruiters. Ms Roopa Kudva, MD and CEO, CRISIL, said, “We believe this will mark a shift from the excessive focus on the ‘highest salary paid’ to comprehensive compensation data covering all students in the class which presents a more realistic picture.”

The press release said the initiative will help students make more meaningful comparisons of business schools, keeping their choice of roles and geographic preferences in mind.

Government Seeks to Correct Awkward Social Media Skills

HARSIMRAN JILKA
NEW DELHI

While government struggles to keep pace with the public, it has taken a step in this direction by trying to define the rules of engagement for government users of social media. It has taken a first step in this direction by a draft set of guidelines for government users of social media.

The draft guidelines (available on request), which after debate will be finalised in the form of rules by the end-year, specify the government’s social media aims and represent an attempt by the government to regain some degree of control over the public narrative. In the absence of rules and guidelines, there have been complaints that government officials are scattered and unable to use social media as a tool for governance," said Shankar Aggarwal, the joint secretary for e-governance who is in charge of the function.

The guidelines suggest that government agencies should engage with social media through pilot projects which help them understand the needs of citizens who will communicate through such sites. Postings on Facebook pages, it recommends, should be made at least twice a week and "slightly more frequently" on Twitter. Officers designated to engage with citizens on social media, it says, should get training in the right to information and information technology laws. To institutionalise social media interaction, the government wants to make sure the guidelines are followed by all social media, post all documents seeking public opinion on social media sites and promote its social media presence in traditional communication.

It’s a forward-looking move. The regular ways of citizen participation don’t work if about 1.3 billion people want to participate in governance," said Jaijit Bhattacharya, corporate affairs director at HP India.

But such examples are few and far between. Young politicians want to stick with Twitter, despite controversies. A rule book will only help. Prime minister’s IAF CM Omar Abdullah, who was back to tweeting after a controversial tweet about Minister Farooq Abdullah’s visit to Pakistan, said: "I am & I’m not going anywhere." He tweeted. A rulebook will surely help young politicians and babus, but they will have to scrupulously follow the guidelines.
FMS STUDENTS AND FACULTY PROTEST AS DU TURNS TO CAT

The FMS entrance examination was scrapped to make way for the common admission test

DISHA KANWAR & VINAY UMARI
New Delhi/Ahmedabad, 7 September

The students, faculty members, administrative staff and alumni of the New Delhi-based Faculty of Management Studies (FMS) have opposed the Delhi University (DU) move to scrap the institute's own entrance test, and instead switch to the Common Admission Test (CAT).

FMS used to conduct its own entrance test for the MBA and PhD programmes every year. The members were agitated because the decision to join the non-IIM B-schools in accepting CAT scores was taken at the last moment and the brochures for this year's December 4 exams were ready for sale. DU, which represents FMS, has meanwhile approached the Indian Institutes of Management (IIMs) for accepting CAT scores—a test promoted by the IIMs.

In a letter sent by DU on August 25, the university said it would be unable to conduct the FMS entrance exam this year. According to the letter, the university is "severely strained by the burden of the exams conducted, on a national level by other departments". With DU moving from the annual exams pattern to the semester system, the university felt it was short of manpower to conduct the exam.

Confirming the move by FMS, Janakiraman Moorthy, Convener of CAT 2011 and faculty member at IIM Calcutta (IIM-C) said: "Yes, FMS has approached us for accepting CAT scores. While the procedure is pending, a decision is most likely to be arrived at within this week."

According to FMS sources, cost was not an issue as the Delhi University was earning from the sale of forms. On its part, the university declined to comment on the concerns of the faculty members and students. However, a student speaking on the condition of anonymity, said: "DU is not ready to explore options. It can possibly postpone the exam this year, if it intends to and can outsource the FMS entrance exam from next year as IIMs do. DU is simply shifting its burden to CAT."

According to FMS faculty, the move will primarily dilute the brand. "FMS will become just one among many colleges enrolled with CAT. The pattern of FMS entrance test was very different from the CAT exam giving more focus on verbal ability and is a speed-based test. Joining CAT would actually not serve our purpose in taking the kind of candidates we want," said a faculty member.

FMS students also feel this will dent the institute's brand image. They are gathering online support of their alumni through social media platforms and online petitions.

The FMS decision to accept CAT scores comes at a time when the Indian Institutes of Technology (IITs) have also decided to do away with the Joint Management Entrance Test (JMET) in favour of CAT. The decade-old entrance exam for the business schools run by the IITs and Indian Institute of Science (IISc), has given way to the CAT promoted by the IIMs.

The move by the Delhi University may be in consonance with HRD Minister Kapil Sibal's directive of replacing multiple exams of one type with one exam to save time and effort. According to the minutes of the meeting held by the FMS faculty on Monday, the decision to replace the FMS exam with CAT was taken up owing to the university's expressed inability to help conduct the test. If the FMS joins CAT, the university will have to shell out a one-time registration fee of Rs 50,000 and an annual fee of Rs 2 lakh in addition to Rs 200 per candidate to obtain the CAT scores. Last year 66,000 students had taken the FMS entrance test.
It's a no-brainer

Instead of ranting and raving against a handful of privately run schools, we must have many more of them, with transparent regulation, writes ASHOK MALIK.

Shortly after he ended his fast at Delhi’s Ramil Grounds, Anna Hazare announced his future plans. He was going to demand electoral reforms — including the right to recall an elected representative and the right to reject all candidates. He was going to fight for farmers and industrial labour. Finally, he was going to push for changes in the education system. "Many people have commercialised education," Hazare said, "they have opened shops. Children of poor people also should get education. This sector also needs reform!"

The education sector in India indeed needs reforms. Yet its problem is not that it has been commercialised, but that it has not been commercialised enough. Education — whether a primary school in a big city or medical and engineering colleges anywhere — remains the final frontier of India's shortage economy. If any reform is needed, it is in the unshackling of education as an enterprise and its liberation from a predatory, rent-seeking regulatory system.

True, some people have converted education into a profitbearing business. Politicians in Karnataka and in Hazare's own state of Maharashtra have exploited loopholes, land scarcity and governmental influence to set up private engineering and medical colleges of questionable quality. These charge fees that are often not commensurate with the services they offer.

Even so, they continue to attract students. The politicians who promote them ensure that the supply-side bottleneck remains as it is, and that other and better colleges cannot easily be opened.

It would be a pity if Hazare were to universalise his experience of some politicians-cum-education entrepreneurs in Maharashtra and decide that he must superimpose his hostility to them upon the entire country. National policy cannot be decided in such a manner. Here like elsewhere, Hazare's belief that the methods and mechanisms he used in his village community in Ratnagiri are valid for the rest of India is charming but unrealistic. In the final reckoning, this represents a serious shortcoming in his programme.

Many in Hazare's inner circle have painted their anti-corruption crusade as a narrative of 'liberalisation and its discontent'. Whether the urban middle class throngs that have rallied around Hazare — and shared his disgust with a series of high-profile corruption scandals in the UPA years as well been angered by his arrest on August 16 — actually buy into this narrative is questionable. Education is a contentious, dynamite-laden area where the practicability and sustainable appeal of the Hazare phenomenon will be tested.

Why is this so? Hazare has focused on a solution — per-
Microbes, nuclear waste and power

With implications that could eventually benefit sites forever changed by nuclear contamination, researchers at Michigan State University have unravelled the mystery of how microbes generate electricity while cleaning up nuclear waste and other toxic metals.

Details of the process, which can be improved and patented, are published in the current issue of the Proceedings of the National Academy of Sciences.

"Geobacter bacteria are tiny micro-organisms that can play a major role in cleaning up polluted sites around the world," said Gemma Reguera, who is an MSU AgBioResearch scientist. "Uranium contamination can be produced at any step in the production of nuclear fuel, and this process safely prevents its mobility and the hazard for exposure."

The ability of Geobacter to immobilize uranium has been well documented. However, identifying the Geobacters' conductive pili or nanowires as doing the yeoman's share of the work is a new revelation, according to a Michigan State University press release.

Nanowires, hair-like appendages found on the outside of Geobacters, are the managers of electrical activity during a cleanup.

"Our findings clearly identify nanowires as being the primary catalyst for uranium reduction," Reguera said. "They are essentially performing nature's version of electroplating with uranium, effectively immobilizing the radioactive material and preventing it from leaching into groundwater." — Our Bureau
Switzerland tops, India, US slide in competitiveness

Sheila Mathrani

Geneva: While Switzerland continues to hold its numero uno position in world competitiveness, United States has slipped to 5th position, according to Global Competitiveness Report (GCR) 2011.

The GCR further finds that Asia has become more competitive globally, as a result of its rise to economic prominence. The report states that over the last five years several countries in the Asian Pacific regions, including China, Indonesia, Vietnam and Sri Lanka, have made big strides in the GCI (Global Competitiveness Index) rankings. Singapore emerges the 2nd most competitive country.

India’s performance has, however, been disappointing, sliding 5 places to 56. India’s gap with China has widened. India is ranked 26th, improving its score and rank since 2006. The WEF states that the score difference between India and China has increased six-fold between 2006 and now, from less than 0.1 to 0.6 points.

The GCR puts it down to India’s “mediocre accomplishments” in areas which are considered to be the basic factors underpinning competitiveness. India’s supply of transport, ICT, and energy infrastructure remain largely insufficient and ill-adapted to the needs of business (89th). India Inc. cites India’s infrastructure as the biggest hindrance to doing business in the country. WEF notes that though there has been an improvement since 2006, it does not translate into a higher ranking because other countries have improved faster.

The report paints a similar picture in India’s health and basic education (which is 101st) pillar. It finds that despite some improvements, the quality of public health and basic education are a prime cause of worry.

It also states that though there are some encouraging trends in education quality and public health, the same cannot be said of the country’s institutions and macroeconomic environment, which are the other two dimensions comprising the basic requirements component of the GCI (Global Competitiveness Index).

The business community has become discontented about India’s lack of reforms. The apparent inability of the government to provide a more conducive environment for business has been growing. This discontent is fuelled by corruption (India is listed as 98th) and its burdensome regulations. India has dropped from 37th to 68th rank in the Institution pillar.