

## Weekly Economic Bulletin

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### Contents

<b>1</b>	<b>News Feature</b>  Core sector expands 5.3% in November	Page 1
<b>2</b>	<b>Overseas Investment</b>  Govt sets up panel of state ministers for industrial growth India to review FDI rules every six months: Anand Sharma FII inflows hit record Rs 80,000 cr-mark in 2009 Govt may stub out FDI in tobacco RBI curbs forex market play to control liquidity, inflation	Page 1-5
<b>3</b>	<b>Trade News</b>  India-Bhutan ink 12 agreements, four in hydropower Japan PM to pursue thaw in India ties, boost trade	Page 5-7
<b>4</b>	<b>Sectoral News</b>  Gems and jewellery exports jump 55% to \$2.1 bn in Nov Mobile user-base crosses 500-m mark India retains largest milk producer tag Top public sector banks see robust growth in profits More sops to boost handloom sector	Page 7-11
<b>5</b>	<b>News Round-up</b>  Cos engaged in eco-friendly biz post return of 105% Survey shows jobs are back, direct hirings on the rise	Page 11-12

## News Feature

### Core sector expands 5.3% in November

The country's infrastructure sector accelerated by 5.3 per cent in November, backed primarily by growth in steel and cement production in the month.

The six core sectors, which contribute 26.7 per cent to the overall Index for Industrial Production (IIP), had grown 0.8 per cent in the corresponding month of 2008. The growth in October this year was revised upwards to 3.8 per cent from an earlier estimate of 3.5 per cent.

"The figures indicate that the growth is skewed, as it is still in favour of sectors that have benefitted from stimulus measures like construction and other allied sectors. Therefore, even as the data are tilted towards positive growth, we should take it with a pinch of salt because it is not broad based," said Rupa Rege Nitsure, chief economist, Bank of Baroda.

On a sequential basis, core sector growth accelerated after two consecutive months of deceleration in rate. On a cumulative basis, core sector grew 4.6 per cent in the current financial year (April-November), against 3.5 per cent in the corresponding period last year.

Analysts further said the Reserve bank of India (RBI) would take major monetary policy decisions as credit demand picks up. Most expect that the third quarter GDP growth rate would provide a clearer picture.

Finished (carbon) steel production grew at the highest rate — 11.7 per cent — during the month, against a decline of 6.3 per cent in the corresponding period of 2008. Cement production also picked up to post a growth rate of 9 per cent in November, marginally up from 8.7 per cent in the month in 2008.

Production of petroleum refinery products also grew by 4.9 per cent on a year on year basis, as against a contraction of 1.1 per cent in the year ago period. Crude oil production contracted by 1.6 per cent, as compared to a modest growth of 0.5 per cent in the corresponding period last year. Coal and electricity registered a growth of 3.3 per cent and 1.8 per cent, respectively, marginally lower than 9.7 per cent and 2.6 per cent, in the corresponding period the previous year.

<http://www.business-standard.com/india/news/core-sector-expands-53-in-november/380687/>

## Overseas Investment

### Govt sets up panel of state ministers for industrial growth

In an effort to achieve the target of attracting \$50 billion (nearly Rs 2,34,100 crore) foreign capital inflows into the country by 2012, the government today constituted a high-level committee of state industry ministers that would seek to create proper road maps for states and their industrial development.

This comes in the wake of a meeting held between the Ministry of Commerce and Industry and states trade ministers last month. The committee would comprise industry ministers from Assam, Andhra Pradesh, Madhya Pradesh, Maharashtra, Punjab, Rajasthan and Haryana.

The main responsibility of the committee would be to formulate a states-specific investment promotion programme. Besides, it would also create a single window mechanism for faster clearance of licence requirement and establishment.

The committee would also prepare guidelines for the creation of an industrial land bank consisting of available waste and fallow lands, while leaving aside productive agricultural land as far as possible.

Commerce and Industry Minister Anand Sharma had said that both the Centre and states should together aim at making the country investor friendly. He has set the target of achieving \$50 billion foreign direct investment annually by 2012 and \$100 billion by 2017.

With respect to the development of special economic zones (SEZs), he had asked the states to issue notifications for exemption of state and other local taxes. He also said that the government must take adequate steps to provide proper connectivity and infrastructure such as water and drainage connection for the SEZs.

<http://www.business-standard.com/india/news/govt-setspanelstate-ministers-for-industrial-growth/380476/>

### **India to review FDI rules every six months: Anand Sharma**

Releasing a compendium of all FDI-related 177 press notes for comments from public, the government said it would review its foreign direct investment rules twice a year from the next fiscal.

The Department of Industrial Policy and Promotion (DIPP), the nodal agency for FDI, has invited comments on the compendium from stakeholders till January 31. The government would incorporate the feasible suggestions into the compact document to be unveiled in April.

From the next fiscal, every six months the procedural rules would be subject to review.

However, the department made it clear that the exercise is "not intended to make changes" in the existing policy. Commerce and Industry Minister Anand Sharma also said that review did not mean the government would change the policy every six months.

"A new press note on regulatory framework would be issued every six months which will incorporate and reflect all the changes in the regulations ... Thus the government will issue press note on FDI regulatory framework twice a year in April and October which would be valid on that date," Sharma said.

The FDI inflows during April-November were USD 19.38 billion, marginally lower than USD 19.79 billion in the year ago period.

<http://economictimes.indiatimes.com/news/economy/foreign-trade/India-to-review-FDI-rules-every-six-months-Anand-Sharma/articleshow/5374860.cms>

### **FII inflows hit record Rs 80,000 cr-mark in 2009**

After their flight last year, foreign institutional investors flocked back to bet on the India growth story by pouring in a record over Rs 80,000 crore in domestic equities in 2009.

The FII investment of Rs 80,500 crore in 2009 is the highest ever inflow in the country in rupee terms in a single year and comes a year after they pulled out over Rs 50,000 crore. FII inflow so far this year has broken the previous high of Rs 71,486 crore parked by foreign fund houses in domestic equities in 2007.

Market analysts believe that the FII inflow in India may continue in the next year as well, if the liquidity conditions remain strong.

"FIIs will continue to be positive on our markets and in general Indian markets will fare well in 2010," Purpleline Investment Advisors director P K Agarwal said.

Delhi-based SMC Capitals Ltd's Equity Head Jagannadham Thunuguntla echoed the view, saying, "If liquidity conditions remain strong next year, one can expect FII inflows to remain strong into India even in 2010 as well."

During a year when the stock market barometer added over 70 per cent to its valuation, foreign institutional investors (FIIs) made a net investment of whopping over Rs 80,500 crore (about 16.8 billion dollars) in the Indian share market.

The Bombay Stock Exchange's benchmark Sensex, comprising 30 bluechip stocks, has gained more than 70 per cent so far in 2009, one of the best performer among leading global bourses.

"However, if dollar-carry trade-unwinding starts, then one can expect rush of FII outflow from the country, resulting in pressure on Indian markets," he cautioned.

<http://economictimes.indiatimes.com/news/economy/finance/FII-inflows-hit-record-Rs-80000-cr-mark-in-2009/articleshow/5373476.cms>

### **Govt may stub out FDI in tobacco**

The government is all set to accept the recommendations of a ministerial group and ban foreign direct investment (FDI) in tobacco, dealing a blow to the plans of international tobacco firms that have long eyed a bigger presence in the Indian market.

The move, which forms part of a Cabinet note prepared by the Department of Industrial Policy and Promotion (DIPP) that frames the country's foreign investment rules, could notably affect Japan Tobacco International's (JTIL) proposal to raise stake in its Indian venture to 74% from 50% now.

The DIPP has prepared the note containing the inter-ministerial group's decision for the Cabinet Committee on Economic Affairs (CCEA), the government's highest decision-making body on economic issues, a senior government official said, adding that issue was likely to be taken up for a final decision within a fortnight.

With an inter-ministerial group, which comprises officials from the health, commerce, finance and industry ministries and the Planning Commission, opposed to FDI, chances of the CCEA adopting a different position were slim, the official said.

A decision to ban FDI will draw a line under a long-running issue that has seen hectic lobbying from domestic and foreign players, and will be victory for the health ministry, which had sought a total FDI ban in tobacco.

<http://economictimes.indiatimes.com/news/economy/policy/Govt-may-stub-out-FDI-in-tobacco/articleshow/5363815.cms>

### **RBI curbs forex market play to control liquidity, inflation**

The Reserve Bank of India (RBI) is managing inflation expectations by minimising intervention in the foreign exchange market and thereby controlling liquidity in the system. Even as foreign investors brought in huge amounts, the funds have barely found their way to the central bank's foreign exchange kitty.

Between August and October this year, foreign institutional investors (FIIs) have bought close to \$8 billion into the country, according to the latest RBI data, but the central bank has absorbed only \$336 million in the spot currency market and sold around the same amount in the forwards market. Apart from FII inflows, other major sources of the dollars include FDI, ECBs, export earnings and remittances. However, there is a huge dollar demand from importers and from investors to repatriate profits.

This is also helping the central bank contain inflation expectations, as buying fewer dollars from the market results in less rupee funds being pumped into the system, while at the same time letting the rupee appreciate against the dollar in the process. RBI is already grappling with excess liquidity, as banks are not lending much of the deposits they have mobilised. The system has excess liquidity of over Rs 50,000 crore these days.

According to Shubhada Rao, chief economist, YES Bank: "RBI has already indicated that it is comfortable with the current pace of capital inflows and has therefore not intervened much in the foreign currency markets. This also serves not to exacerbate inflation expectations."

Spiralling food inflation in recent months has added to the central bank's concerns, as a section of the market feels that the easy monetary policy adopted to contain the impact of the global financial crisis is also in some way contributing to inflation, even though much of it is because of supply-side factors. "India's monetary exit will likely focus on first shrinking excess liquidity via multiple tools before normalising policy rates, probably from March/April 2010," said Rajeev Malik of Macquarie Economic Research in a recent report.

Even though the country's foreign exchange reserves have risen by around \$13 billion during August-October, much of this is believed to be due to revaluation of non-dollar assets in reserves such as the euro, the pound and the yuan. While some feel that the central bank could have also intervened by buying non-dollar currencies, these amounts are not reckoned to be significant. The central bank's policy of minimal intervention also helps it bring down the cost of managing foreign exchange, if RBI continuously buys the dollars from the market, it has to simultaneously infuse the rupee liquidity into the system and later suck it out by selling bonds. This is at a cost, as the returns on deploying the dollars in the overseas markets is far less than the interest paid on domestic bonds.

<http://economictimes.indiatimes.com/news/economy/finance/RBI-curbs-forex-market-play-to-control-liquidity-inflation/articleshow/5364278.cms>

## **Trade News**

### **India-Bhutan ink 12 agreements, four in hydropower**

India and Bhutan inked a dozen agreements, including four on hydropower generation, after Bhutanese King Jigme Khesar Namgyel Wangchuck held extensive talks with Prime Minister Manmohan Singh. The other agreements were in civil aviation, health and IT fields.

The 29-year-old Bhutanese sovereign is on his first foreign visit since his formal coronation in November 2008.

He began his programme with a ceremonial welcome in the forecourt of Rashtrapati Bhavan. He then laid a wreath at Raj Ghat, the memorial to Mahatma Gandhi.

External Affairs Minister S.M. Krishna called on the young king at his suite in Taj Mahal Hotel after which he left for Hyderabad House in the heart of New Delhi to meet the prime minister.

The delegation-level talks between the king and the prime minister were followed by more restricted consultations. Thereafter, both sides signed 12 agreements.

India will prepare the initial technical reports for four new hydro-electricity projects with capacity of over 3500 MW in the Himalayan kingdom. Bhutan currently has an installed capacity of 1500 MW of hydropower, with the domestic consumption being only 400 MW. The entire surplus power is exported to India.

Bhutan has a favourable balance of trade with India since 2006 due to its export of power. It is also the reason that Bhutan has one of the highest per capita incomes in South Asia at over \$2,000.

Prime Minister Manmohan Singh had announced in 2008 that India will help Bhutan build additional installed capacity of 10,000 megawatt in hydropower by 2020.

India has already given assistance to build three major hydro-electric projects at Chukha, Kurichu and Tala. Besides, India is also helping in the construction of Punatsangchhu-1 project.

The four agreements are for preparing detailed project reports for the hydropower projects of Amochu reservoir (620 MW), Kuri Gongri (1800 MW), Chamkarchhu (670 MW) and Kholongchhu (486 MW). Besides, a 4,000-MW Sankosh project is also under negotiation.

India also offered assistance in a major Information Technology project worth Rs.205 crore, which would make more than half of Bhutan's population "e-literate". Under this project, computer training will be given to over 7,000 government officials, 5,000 teachers and 1,600 enterprises and 200,000 rural children.

Another agreement was to set up a 50-seat undergraduate medical college on the lines of the All India Institute of Medical Sciences (AIIMS).

The other agreements were on curbing illicit drug trafficking, promoting civil aviation, standardization of sea quality testing, cooperation in search and rescue operations, technical assistance to Bhutan's national environment commission secretariat and preparation of national transmission grid masterplan.

During discussions, Manmohan Singh said India wants the "democratic experiment" in Bhutan to succeed. Bhutan had turned into a constitutional monarchy in mid-2008.

Singh termed the concept of "Gross National Happiness" as touted by the Bhutan king as "ecological sanity".

He also offered all assistance from India to Bhutan in its hosting of the South Asian Association for Regional Cooperation (SAARC) summit next year.

Besides, both sides also discussed security and defence cooperation, with India and Bhutan talking about their "excellent cooperation" in action against northeast insurgent groups.

<http://economictimes.indiatimes.com/news/economy/foreign-trade/India-Bhutan-ink-12-agreements-four-in-hydropower/articleshow/5367298.cms>

### **Japan PM to pursue thaw in India ties, boost trade**

Japan's prime minister, who has promised to forge a new place for east Asia in international diplomacy, opened three days of talks in India focusing on engineering a further thaw in relations and boosting trade.

Yukio Hatoyama took office in September after 50 years of almost uninterrupted rule by the conservative, pro-U.S. Liberal Democratic Party, but has since seen his popularity ratings slide to 50 percent in a survey.

Japan and India, Asia's largest and third largest economies, have been working at improving ties since Japan slapped sanctions on India in response to its 1998 nuclear tests.

"Our prime minister is here to elevate the Indo-Japan strategic partnership to a new stage, to a higher dimension," said Japanese press secretary Kazuo Kodama.

"We would like to translate our strategic partnerships into a more action oriented partnership."

Hatoyama launched his visit by meeting Indian industrialists, including Tata group chairman Ratan Tata and Reliance Industries head Mukesh Ambani, at a Mumbai hotel which was one of the targets attacked by gunmen in November 2008.

He later attended a dinner hosted by his Indian opposite number, Manmohan Singh, in New Delhi.

<http://economictimes.indiatimes.com/news/economy/foreign-trade/Japan-PM-to-pursue-thaw-in-India-ties-boost-trade/articleshow/5388988.cms>

## **Sectoral News**

### **Gems and jewellery exports jump 55% to \$2.1 bn in Nov**

Exports of gems and jewellery from India increased 55% to \$ 2.142 billion in November 2009 compared to \$1.383 billion exactly a year ago with good orders pouring in from the UAE, Hong Kong and the US.

The smart November growth was triggered certainly by Christmas buying, which started building up since October, when exports of such items was \$ 2.114 billion.

"Since Hong Kong and the UAE are two important hubs for third country exports, the spurt in our exports in November indicates a slow economic turnaround in some countries of West Asia and southeast Asia," said Pankaj Parekh, chairman of the Gem & Jewellery Export Promotion Council (GJEPC) - eastern region.

According to GJEPC, the exports in October and November are in fact higher because exports from SEZs in Chennai and Vizag would also get included. The sudden jump in November exports has helped gems and jewellery exporters to make good the loss from decline in exports in the previous months. In aggregate term, it has helped India to restrict the total slippage in exports to just 1.02% on a cumulative basis till the month of November.

So, despite the recession, cumulative exports have dropped only marginally to \$ 17.623 billion in April-November 2009 compared to \$ 17,922 billion in the corresponding period last year. Exporters hope that the positive trend will continue, Mr Parekh said.

<http://economictimes.indiatimes.com/news/economy/foreign-trade/Gems-and-jewellery-exports-jump-55-to-21-bn-in-Nov/articleshow/5378838.cms>

## **Mobile user-base crosses 500-m mark**

The mobile subscriber base in the country crossed the 500-million mark to touch 506 million in November. The landmark development comes after the country crossed the 500 million-mark for overall telecom subscriber base (mobile plus landline) in October against the targeted date of December, 2009.

According to the figures released by the Trai, at total telecom subscriber base stood at 543 million at the end of November, registering a growth of 3.34% over the previous month. India has emerged as the fastest growing telecom market in the world adding over 10 million users per month.

A total of 17.65 million mobile subscribers alone were added during November. With this tele-density stands at 46.32. month. However, due to an intense tariff war and coming of new operators, the revenue and profitability of the mobile firms are under pressure. During November the wireline subscribers continued to register a decline with 0.10 million dip, taking the total subscribers to 37.16 million.

As the wireless subscriber base increased from 488.40 million in October to 506.04 million at the end of November at a monthly growth rate of 3.61%, the wireless tele-density climbed up to 43.15.

<http://www.financialexpress.com/news/mobile-userbase-crosses-500m-mark/558390/>

## **India retains largest milk producer tag**

India which retained its numero uno position in world milk production this year as well, is estimated to have produced 110 million tonnes of milk in 2008-09.

Milk procurement of the world is estimated to be around 688 million tonnes in 2008, which was up by 1.7% compared to the previous year. With the success of Amul model of cooperative dairy in India, some of the developing and underdeveloped countries, too, are considering replicating the same.

During 2008-09, milk procurement by the dairy co-operatives increased by 9.7% to 9.2 million tonnes in India. Dairy cooperatives procured about 14% of the national marketable surplus, covering around 21% of the country's villages and 18% of the rural milk-producing households.

India's milk production was 104.8 million tonnes in 2007-08 and it is estimated to be 110 million tonnes in 2008-09. The National Dairy Development Board (NDDB) published recent statistics in its annual report for the fiscal 2008-09.

In February 2009, NDDB deputed a team to Uganda and Tanzania under 'South South Experience Exchange Programme' at the request of the World Bank.

The apex marketing body for Amul brand of dairy products, the Rs 6,711-crore Gujarat Cooperative Milk Marketing Federation Ltd, too, is closely working with World Bank to replicate its successful model in the African countries.

Despite the growth in milk procurement in the country, it was observed that producer (farmer) and consumer prices of milk increased by 5-6%. Ghee prices also increased significantly.

NDDB has chalked out a National Dairy Plan with an estimated outlay of about Rs 17,300 crore for a period of 15 years. The plan consists of three major components — enhancing productivity, strengthening infrastructure for procurement, processing, marketing and quality assurance through existing institutional structures and human resource development.

During the previous fiscal, NDDB reported surplus after the tax of Rs 50.6 crore compared to Rs 54.54 crore for the financial year 2007-08. During the period under review, NDDB's spend on remuneration and benefits to employees increased to Rs 57.36 crore compared to Rs 30.86 crore in 2007-08. However, the performance of NDDB's Delhi based subsidiary Mother Dairy could not be known.

Meanwhile, the dairy sector is focusing on increasing the milk production through scientific approach. The NDDB has entered into collaboration with various institutions to produce high genetic merit bulls for the entire country through progeny testing programmes for five breeds — Murrah, Mehsana, Pure Holstein Friesian (HF), HF Crossbred and Jersey Crossbred.

As feed accounts for about 70% of the cost of milk production, NDDB initiated steps to intensify the dissemination of various technologies that add value to feed and reduce the cost of milk production, stated the media release by the NDDB. The project included ration balancing advisory services at village level.

<http://economictimes.indiatimes.com/Commodities/India-retains-largest-milk-producer-tag/articleshow/5371817.cms>

### **Top public sector banks see robust growth in profits**

Contrary to the international trend, large public sector banks (PSBs) expect a quantum jump in bottomline growth in the December and the subsequent quarter this fiscal, going by their advance tax payouts up to the December 15 instalment.

The state-owned/public sector biggies (banks) have clearly bucked the economic slowdown on the back of credit expansion and treasury gains in the first two quarters.

The strong show on the advance tax front points towards buoyant profits in the current quarter also, say analysts. The financial performance of these banks seems more or less untouched by the global financial crisis.

*Pvt\foreign banks*

On the other hand, large private/foreign banks' advance tax payout show a mixed picture with only HDFC Bank and Axis Bank recording strong double digit growth in payouts.

Large banks like ICICI Bank and foreign banks such as Citibank and HSBC have paid lower advance tax so far this fiscal on a year-on-year basis.

However, Standard Chartered Bank and Deutsche Bank's payout has seen a rise.

An analysis of the top 50 advance taxpayers' league for the period showed the strong presence of the banking sector in the listing.

Nearly two-fifths of the top 50 advance taxpayers' list comprised banking companies.

At least four banks — Axis Bank, Bank of Baroda, Canara Bank and Allahabad Bank — have paid up to December 15 more advance tax than their entire advance tax payout for 2008-09.

By December 15, banks would have to fork out at least 75 per cent of their expected income tax liability for the entire fiscal.

A higher advance tax payout is a signal that banks expect to make more profits.

<http://www.thehindubusinessline.com/2009/12/23/stories/2009122351900600.htm>

### **More sops to boost handloom sector**

In a bid to provide sustenance and facilitate growth in the handloom sector, the government has introduced the Integrated Handloom Clusters Development Scheme (IHCDS) in 20 selected handloom clusters of the country. Under the scheme, each cluster will be developed in a time frame of four years at an upper cost of Rs 2 crore, covering about 5,000 handlooms per cluster.

The textile ministry inaugurated the Handloom Clusters Expo-2009 which kick-started a week-long celebration to facilitate collectivisation of handloom weavers and service providers. The expo will showcase a handloom cluster gallery for exhibition-cum-sale of the finest and exclusive handloom products developed by 20 clusters under the IHCD scheme. While inaugurating the expo, the textile minister Dayanidhi Maran said "This is the first time such an event has been organised by the textile ministry at national level. We plan to organise similar events in 2010, for which financial allocations have been made."

Maran also said that his ministry is seeking more sops to prop up the handloom and handicraft sectors and will initiate talks with the commerce ministry in this regard. "Handloom and handicraft need more incentives. We will be talking closely with the commerce ministry that we need more (incentives) to promote these. We have been asking for lot of things," Maran said.

Stating that the rise in Indian textile exports in the month of November is due to the revival in European markets Maran said that the European markets are doing much better than the US market.

<http://www.financialexpress.com/news/more-sops-to-boost-handloom-sector/557348/>

## **News Round-Up**

### **Cos engaged in eco-friendly biz post return of 105%**

Green enterprises—the ones engaged in businesses such as hydropower, solar energy, bio-diesel, ethanol and plantation — outperformed the broader market by a wide margin this year and boosted their bottomlines significantly while most others struggled.

These companies posted a return of 105% year to date (YTD) compared to 83% for the BSE 500, an index representing the overall equity market, analysis Economic Times shows.

The sample of 28 companies, engaged in green businesses, performed better than the benchmark Sensex index of the BSE as well as the BSE mid-cap index. The Sensex and BSE mid-cap provided returns of around 74% and 99%, respectively.

According to Invest Shoppe India CEO Ashish Kapur, demand for clean energy the world over is likely to multiply and nearly all governments and various multilateral organisations will provide substantial incentives and fiscal benefits to promote eco-friendly power generation and systems that support them. Alternate sources of energy, including bio-fuels like ethanol and bio-diesel, will be an increasingly important source of unconventional fuels, reaching 5.9 million barrels per day in 2030. Among companies, Greenply Industries tops the list with YTD return of 258%. Next on the list are KM Sugar Mills, Shree Renuka Sugars and BSL. They posted a return of 208%, 196% and 154%, respectively, during the same period. The analysis is based on the data obtained from CMIE database.

These green companies also posted strong profit growth. On an aggregate basis, their net profit rose by 43% for the three months ended September 2009 from a quarter ago. During the same period, the companies which are part of BSE 500 registered a net profit decline of 5%. BSE Sensex and mid-cap companies posted profit growth of 0.4% and 8%, respectively.

While BSE small-cap index companies outperformed green companies in terms of market return, they underperformed on profit growth. Net profit of BSE small-cap index companies fell by 13% but their share prices appreciated by 112% YTD.

“All these upcoming investments provide a wonderful opportunity for long-term investors to create wealth by buying into shares of companies engaged in generation of wind, water, ethanol or solar power or manufacturing components and equipment used for generating renewable power,” Mr Kapur said.

<http://economictimes.indiatimes.com/features/the-sunday-et/economy/Cos-engaged-in-eco-friendly-biz-post-return-of-105/articleshow/5382836.cms>

### **Survey shows jobs are back, direct hirings on the rise**

The economic recovery could well and truly be in if official employment estimates are anything to go by.

The Labour Bureau's latest quick employment survey for the July-September quarter shows a turnaround in the hiring trends of direct workers across most manufacturing sectors, signalling a buoyant medium-to-long term outlook among entrepreneurs.

While cumulative employment is estimated to have increased by about 5 lakh during the July-September quarter, about 80 per cent of this increase is in the direct category of workers.

Direct workers include permanent, temporary and casual workers employed directly by the employer. Contract workers are those hired by the employer to perform specific functions through a contractor for a defined period of time.

In the previous quarterly survey for the April-June period, the direct category of workers was the most affected, with job losses of 1.7 lakh reported in the category. Contract workers, on the other hand, saw a revival in hiring during the last quarter, with employment increasing by 0.4 lakh in the category during April-June.

The latest survey shows hiring of direct workers is up by nearly 4 lakh, while the employment of contract workers has also grown by over one lakh. The textile and apparel and the gems and jewellery sectors have experienced a significant increase in the number of direct workers employed.

The main reason, according to analysts, is a revival of retail demand in key markets such as the US and the European Union, which has resulted in a pick-up in winter orders, especially in the home textiles segment.

<http://www.thehindubusinessline.com/2009/12/24/stories/2009122453280100.htm>