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News Feature

Exports rise 33.2% in Apr-Nov; trade deficit expected to widen

India's exports rose by 33.2 percent to $192.7 billion in the first eight months of 2011-12 while imports during the same period increased to $309.5 billion, resulting in a trade deficit of $116.8 billion, Commerce Secretary Rahul Khullar said.

Exports in November stand at $22.3 billion and imports at $35.9 billion, creating a trade deficit of $13.6 billion.

Talking to reporters, Khullar said India's exports have registered healthy growth so far this year despite a turmoil in the global economy. "Growth in exports is still good," he said.

Petroleum and oil products and engineering goods have led the exports' growth.

During April-November, exports of petroleum and oil products surged by 62.3 percent to $39.5 billion and that of engineering goods jumped by 22.3 percent to $40.7 billion.

Other sectors that have done well include cotton fabrics madeups, 13.7 percent up at $4.4 billion; electronics, 17 percent up at $5.83 billion; readymade garments, 28 percent up at $8.4 billion.

Exports of basic chemicals grew by 34 percent at $6.7 billion, drugs, 21 percent, at $7.9 billion and gems and jewellery, 56.5 percent increase at $30.1 billion.

Petroleum, oil and lubricants, precious metals, engineering and electronics products were the major drivers of India's imports bill during the first eight months of the current fiscal.

Imports of petroleum, oil and lubricants rose by 42.7 percent at $94.1 billion during April-November period.

Imports of gold and silver increased by 56 percent at $41.4 billion; machinery, 27 percent at $22.8 billion, electronics, 21 percent up at $22.3 billion. vegetable oil, 55 percent up at $6.7 billion; Iron and steel, 8 percent higher at $7.7 billion;

fertiliser, 17 percent up at $6.6 billion; coal, 61 percent higher at $11.3 billion; organic and inorganic chemicals, 23 percent higher at $12.5 billion; ores and scraps 41 percent higher at $8.7 billion,

Trade deficit for the fiscal year ending March 2012 is expected to sharply widen to $155-$160 billion from $104.4 billion a year ago, posing further downside risks to the weak Indian currency.

http://economictimes.indiatimes.com/news/economy/indicators/exports-rise-33-2-in-apr-nov-trade-deficit-expected-to-widen/articleshow/11046986.cms

Domestic per capita income rose to Rs 54,000 in 2010-11: Government

Per capita income in the country rose to over Rs 54,000 in 2010-11 from Rs 18,450 in 2001-02, Parliament was informed.

"The per capita income at current prices has registered an annual average growth rate of about 12.8 per cent during the (2001-02 to 2010-11) period," Minister of State for Planning Ashwani Kumar said in a written reply to Rajya Sabha.

He said the per capita as measured by net national income stood at an advance estimate of Rs 54,527 in 2010-11, up from estimate of Rs 46,492 in 2009-10.

Kumar said the Central Statistical Organisation has been compiling estimates of rural and urban income of the economy.

"The prices of household use commodities, measured by Consumer Price Index of Agricultural Labourers (CPI-AL) for rural areas and Consumer Price Index of Industrial Workers (CPI-IW) have increased by 6.7 per cent and 6.6 per cent, respectively, on average per year during the period 2000-2010," the minister said.

In reply to another question in Rajya Sabha, Kumar said that the Socio Economic Caste Census (SECC) 2011, conducted to determine beneficiaries of government schemes, is following certain parameters for inclusion and exclusion of citizens for such programmes.

Households owning motorised vehicles or fishing boats, mechanised three/four wheeler agriculture equipments or holding Kisan Credit Card with a credit limit of Rs 50,000 or above and households with any government

employees would be automatically excluded.

On the other hand, households without shelter, destitutes or those living on alms, manual scavengers, primitive tribal groups and legally released bonded labourers would be automatically included in the list of beneficiaries under SECC 2011.

http://economictimes.indiatimes.com/news/economy/indicators/domestic-per-capita-income-rose-to-rs-54000-in-2010-11-government/articleshow/11031811.cms

India advocates growth promoting policies for economic recovery

Amid fears that the world was edging toward's another economic meltdown that would hit growth targets of developing nations, India has said countries should pursue "growth-promoting" policies to strengthen global economic recovery.

"With global output continuing to show a downward trend in 2011, the prospect of developing countries increasing their exports, managing external debt and attracting foreign direct investments appear to be less encouraging," India's Permanent Representative to the UN Hardeep Singh Puri said at a UN General Assembly session on Financing for Development.

Puri said it is "essential that growth-promoting policies are pursued to strengthen global economic recovery which in turn would allow countries to raise higher public revenues".

In this regard, it is imperative that countries work not only towards financial inclusion and progressive tax policies but also to strengthen and democratise international tax cooperation and policy making.

He said while gap in aid delivery and external finance has undermined the capacity of the developing world to meet their development aspirations, the global economic crisis has further burdened them with limited growth, higher unemployment and increasing poverty resulting in lower domestic resources targeted at development.

Terming Foreign Direct Investment as important for financing development, Puri said its quantum cannot be expected on

its own to tackle poverty, hunger and disease in developing countries.

"FDI must also forge productive linkages with the wider local economy and be consistent with the broader objectives of Sustainable Development to have a meaningful impact".

http://economictimes.indiatimes.com/news/economy/policy/india-advocates-growth-promoting-policies-for-economic-recovery/articleshow/11058873.cms

Overseas Investment

India's forex reserves rise by $2.48 billion

India's foreign exchange reserves climbed by $2.48 billion to $306.84 billion for the week ended Dec 2, rising for the first time in five weeks due to an increase in the value of foreign currency assets and gold reserves, official data showed.

This is the first time in the last five weeks the forex reserves kitty has registered a gain. The kitty had dropped by over $16 billion in the previous four weeks.

They had dropped by $4.26 billion and $5.71 billion respectively in the previous two weeks.

Foreign currency assets, the biggest component of the forex reserves kitty, increased by $1.31 billion to $271.69 billion for the week ended Dec 2, according to the weekly statistical supplement of the Reserve Bank of India (RBI).

RBI does not provide any reason for the change in the foreign currency assets.

It says the assets expressed in US dollar terms include the effect of appreciation or depreciation of non-US currencies such as the pound sterling, euro and yen held in reserve.

The value of gold reserves climbed by $1.14 billion at $28.04 billion.

India's reserves with the International Monetary Fund (IMF) increased by $7 million to $2.61 billion and the value of

special drawing rights (SDRs) rose by $12 million to $4.50 billion.

http://economictimes.indiatimes.com/news/economy/finance/indias-forex-reserves-rise-by-2-48-billion/articleshow/11069981.cms

RBI notifies new FDI norms for pharma sector

The Reserve Bank notified new rules doing away with automatic approval for foreign direct investment (FDI) in existing pharmaceutical companies.

Tightening the norms, the government had last month done away with automatic approval of FDI in the existing pharmaceutical companies.

"FDI, up to 100 per cent, would be permitted for brownfield investment (i.e. investments in existing companies), in the pharmaceutical sector, under the Government approval route," RBI said in a notification.

Under the new rules, for any merger or acquisition, the overseas investor will have to seek permission from the Foreign Investment Promotion Board (FIPB). After six months, it will be the monopoly watchdog Competition Commission of India (CCI) which will vet such deals.

The decision follows directions from Prime Minister Manmohan Singh, who along with his senior Cabinet colleagues had deliberated on October 10 over concerns arising out of several acquisitions of domestic pharmaceutical companies by overseas firms.

For the new investment, 100 per cent FDI will be allowed under the automatic route, under which investors only inform the Reserve Bank about the inflows and no specific government nod is required. "FDI, up to 100 per cent, under the automatic route, would continue to be permitted for green field investments in the pharmaceuticals sector," RBI said.

http://economictimes.indiatimes.com/news/economy/policy/rbi-notifies-new-fdi-norms-for-pharma-sector/articleshow/11048952.cms

FDI in retail: Govt approves Rs 8,750-cr financial package for West Bengal

After heeding to West Bengal Chief Minister Mamata Banerjee's demand on FDI in retail, the Centre gifted her with a special package of Rs 8,750 crore for development of backward region of the state.

The proposal of the Planning Commission, which was being sought by Banerjee for long, was cleared by the Union Cabinet this evening.

The package is proposed to be implemented in the state's backward areas affected by naxalism, including Jungle Mahal area which comprises West Midnapore, Purulia and Bankura.

The package is expected to cover aspects like rural employment, safe drinking water, watershed and rural road construction.

Rural Development Minister Jairam Ramesh had recently toured such areas to assess the requirement for funds.

Ramesh had later said that he had discussed with Banerjee how to use rural development programmes effectively in the Jungle Mahal to fight Maoist forces.

Significantly, the package was cleared on a day when the central government announced suspension of its decision to allow 51 per cent FDI in multi-brand retail.

Banerjee, whose Trinamool Congress is a key constituent of the ruling UPA, had been opposing the FDI decision and demanding that it be put on hold.

The state has been facing financial crunch as its debt stock, according to the state finances report of the Reserve Bank, was Rs 1.9 lakh crore.

http://economictimes.indiatimes.com/news/economy/finance/fdi-in-retail-govt-approves-rs-8750-cr-financial-package-for-west-bengal/articleshow/11022871.cms

FDI in retail: Relief for Walmarts, cap on group sales may go

The industry ministry is looking to allow foreign retailers a bigger play in their wholesale ventures after the government backtracked from opening the $450 billion supermarket sector.

The department of industrial policy and promotion (DIPP), a government department that frames policy on foreign direct investment (FDI), has proposed that only wholly owned subsidiaries be treated as group companies in the FDI policy.

This will allow the foreign retailers to sell more to organised multi-brand retailers with whom they have a tie-up.

At present, foreign retailers cannot have more than 25% of their sales coming from group companies, the definition of which is not clear in the policy.

"There are multiple definitions for 'group company', so there is a need to clarify what constitutes it under the FDI policy," a government official said.

The DIPP has proposed to treat only those entities as group companies in which the company has more than 51% stake, the official said. However, the definition will be finalised only after inter-ministerial consultations.

With FDI in retail on the backburner, the industry ministry is keen to incentivise wholesale cash-and-carry to attract investments in backend infrastructure and cold chains.

The government allows 100% FDI in wholesale cash-and-carry. After years of consultations it agreed to allow 51% FDI in multi-brand retail but backed down after facing stiff opposition from political parties, including allies, and traders.

A liberal definition of group company would have implications for wholesale cash-and-carry ventures such as Bharti Wal-Mart, Tata-Tesco and Future group-Carrefour.

http://economictimes.indiatimes.com/news/economy/policy/fdi-in-retail-relief-for-walmarts-cap-on-group-sales-may-go/articleshow/11075973.cms

Walt Disney proposal to acquire UTV Software approved

The Cabinet Committee on Economic Affairs approved three proposals, including one of Walt Disney,that would totally bring in foreign direct investment (FDI) worth Rs 14,750 crore.

At its meeting, the CCEA gave its nod to the proposal of Walt Disney Company (Southeast Asia) Pte. Ltd., Singapore for increasing its shareholding from 48.02 per cent to 100 per cent of UTV Software Communications Ltd. This approval is expected to result in FDI inflows amounting to Rs 8,250 crore, an official statement said.

Also, the CCEA gave its approval for a proposal of Grid Equipment Ltd, Haryana,

for bringing in foreign direct investment of Rs 4,500 crore.

Similarly, a proposal of Energy Grid Automation Transformers and Switchgears India Ltd, Haryana, for bringing in FDI of Rs 2,000 crore was approved.

http://www.thehindubusinessline.com/todays-paper/article2696172.ece

Trade News

India, Nepal to take forward Rs 100-cr oil pipeline project

India and Nepal decided to take forward the proposal to build a 41-km petroleum pipeline between the two countries at a cost of around Rs 100 crore. The pipeline is to be laid between Raxaul in Bihar to Amlekhgunj in Nepal.

After a meeting with his Nepalese counterpart Mr Purushottam Ojha, the Commerce Secretary, Dr Rahul Khullar, said, “It is a project we have to look at and find money for.”

However, he added, “It will take time. These things don't get sorted out in a day. We have identified the project and moved on to the next stage. So give it some time.”

The pipeline will save transportation costs and has many advantages, Mr Ojha said, adding, “Currently petroleum products are transported to Nepal through tanker trucks from the Raxaul depot of Indian Oil Corporation. The pipeline will also save us from delays due to traffic jams on the way. The talks (on the pipeline) are going on the positive track.”

The project was initially proposed by IOC in 1995 and was aimed at cutting the transportation costs by half. It was also meant to help the land-locked Nepal in solving its fuel-shortage problem. India is to give financial and technical knowhow assistance for the project.

http://www.thehindubusinessline.com/todays-paper/tp-economy/article2693020.ece

Growing India-US trade to establish ambitious partnerships in the world

The US and India are establishing one of the most far reaching and ambitious partnerships in the world today. In 2010, India became America's 12th largest trading partner. US exports to India multiplied from $7.9 billion in 2005 to over $19 billion last year, making the US, India's second largest supplier country.

This is what, Dean R. Thompson, US consul general in Kolkata, had to say at a meet in the city recently. The interactive session was fielded by the Bengal National Chamber of Commerce & Industry.

"During the same period, India's exports to America increased from $18 billion to over $29 billion. We are now India's second largest export market. Between 2006 and 2010, foreign direct investment by American firms totaled nearly $6.6 billion. India is a market of great interest for US firms that invest in the research and development of pharmaceuticals, high tech, biotech and green tech, and IT infrastructure, among others," said Thompson.

On a visit earlier this year, assistant secretary of state Robert Blake commented that this country is viewed positively by US businesses "as a vibrant laboratory for research and innovation that will produce tomorrow's goods and services", he said. So, at the highest levels and in increasingly important ways, the US and Indian economies are intertwined. "This is particularly important as both countries confront the increasingly complex economic outlook of the next decade," he said.

http://economictimes.indiatimes.com/news/economy/indicators/growing-india-us-trade-to-establish-ambitious-partnerships-in-the-world/articleshow/11058383.cms

MFN status for India by Oct next yr, says Pak

Pakistan could grant the Most Favoured Nation status to India by October next year, a senior official of the Foreign Ministry said.

Foreign Office spokesman Abdul Basit said "October next year is the timeframe

which has been given" for granting MFN status to India.

He was responding to a question during weekly news briefing on the latest status of the Pakistan government's move to grant MFN status to India.

Information Minister Firdous Ashiq Awan had recently announced during a news conference that the cabinet had conferred the status to India but the government subsequently clarified that the process was yet to be completed.

Basit said the Commerce Ministry is working on the issue and a decision will be made "in sync with our interest and WTO rules".

"The decision in principle was taken by the cabinet. Details as to how MFN status will be granted, the nitty-gritty are being worked out," he said.

Following talks between their Commerce Ministers, India and Pakistan recently unveiled a slew of measures to normalise trade relations and to boost trade from $2 billion to $6 billion in three years.

http://businessstandard.com/india/news/mfn-status-for-india-by-oct-next-yr-says-pak/152598/on

Sectoral News

Media, entertainment revenue to hit $25b by 2015: Ernst & Young

The Indian Media and Entertainment (M&E) industry registered revenues of $16.3 billion in 2010 and is expected to be in excess of $25 billion in the next four years, according to an Ernst & Young report 'Spotlight on India's Entertainment Economy.' Growing digitisation, media consumption and improving demographics are leading drivers for industry growth.

Enticed by economic liberalisation, near double-digit annual growth, fast-growing middle class and a huge volume of demand for leisure and entertainment, global media companies have stepped up investment in India. . The Indian media and entertainment industry now finds itself at a new turning point-digital media. A surge in mass broadband adoption is expected, led by the launch of 3G and 4G services. By 2015, 90 per cent of India's projected 187 million broadband subscribers will access the net through wireless devices. This presents global

M&E companies with exciting opportunities to develop "anytime, anywhere" content that caters to a new generation of Indian digital consumers, states the report.

"The M&E industry in India has been, and will continue to be, one of the biggest beneficiaries of India's favourable demographics," said Mr Farokh Balsara, Ernst & Young's media and entertainment leader for Europe, West Asia , India and Africa. "Having one of the world's youngest populations, high volumes of content consumption, a favourable regulatory framework and growing digital adoption, makes India an attractive investment destination for global media and entertainment companies."

Key findings in the report indicate that media and entertainment industry is lucrative for making investments. These are India's increasing per capita income, growing middle class and working population are generating huge domestic demand for leisure and entertainment. The country has more than 600 television channels, 100 million pay-television households, 70,000 newspapers and produces more than 1,000 films annually.

India has diverse regional markets with distinct cultures, languages and content preferences. These markets provide global media and entertainment companies with a variety of opportunities to deliver localised content. India's favourable regulations and reforms are creating investment opportunities for global media and entertainment companies.

Newspaper industry

The newspaper industry, which is facing declining readership in many international markets, continues to thrive in India, driven by increasing literacy rates, consumer spending and the growth of regional markets and specialty newspapers. Newspapers account for 42 per cent of all advertising spend in India — the most of any medium. The mandatory digitisation of India's television distribution infrastructure is driving growth of digital cable and DTH, creating a need for these companies to fund expansion. The third phase of radio licence auctions, expected soon, will see radio networks expanding their reach to add around 700 radio stations across the country.

http://www.thehindubusinessline.com/todays-paper/tp-marketing/article2699271.ece

Domestic air passenger traffic up 18.8%

Domestic air passenger traffic in April to September 2011 registered a growth of 18.8% from the corresponding period last year, the

government said.

In reply to a question in the Lok Sabha, Civil Aviation Minister Vyalar Ravi said that domestic passenger traffic which was 8.9 crore in 2009-10 had moved up to 10.5 crore in 2010-11.

Air India's market share has shown a decline in the last few years. In years 2007-08, Air India had a market share of 17.9% which had fallen to 17.1% in 2010-11.

In reply to another question, Ravi said that operations of foreign airlines had increased by 10.91% from 3,13,171 seats per week in summer 2008 to 3,51,528 seats in summer, 2011.

In reply to another question, Ravi said that 790.37 acres of airport land stood encroached in year 2011-12 (till November 2011) while 10.83 acres of area had been vacated during this time.

In year 2010-11, total area of encroachment on airport land was 801 acres of which authorities managed to get 36.59 acres vacated.

Responding to another query related to Airport Authority of India (AAI), the minister said that it had been decided that the Air Navigation Services (ANS) wing would be hived off from the AAI.

http://businessstandard.com/india/news/domestic-air-passenger-traffic188/152414/on

Domestic sales of cars up by 7%, bikes by 23% in Nov

Domestic passenger car sales increased by 7% to 171,131 units in November, 2011, from 159,939 units in the same month last year.

According to figures released by the Society of Indian Automobile Manufacturers (SIAM), motorcycle sales in the country grew by 22.67% to 869,070 units during the month from 708,476 units in the corresponding month last year.

Total two-wheeler sales grew by 25.27% to 1,163,294 units last month from 928,660 units in November, 2010, as per the data.

Sales of commercial vehicles grew by 34.99% to 66,264 units in the month under review from 49,087 units in the year-ago period, SIAM said.

Total sales of vehicles across categories registered a jump of 22.22% to 1,489,714 units in November from 1,218,885 units in the same month last year, it added.

http://businessstandard.com/india/news/domestic-salescarsby-7-bikes-by-23-in-nov/152461/on

Everyone gains as gold loans soar to Rs 55,000 crore

More than Rs 50,000 crore worth of gold is likely to be pleged this year to procure loans in a rapidly expanding gold loan market, allowing India's favourite hoarded asset to re-enter financial markets and provide a boost to the economy.

According to industry estimates, around 200 tonnes of gold have been used as collateral to raise loans by end November in 2011-12 fiscal.

A back of the envelope calculation shows nearly Rs 55,000 crore worth of the yellow metal has been pledged to raise loans to buy goods, real estate or fund short-term farm credit, providing some momentum to slowing economy.

That stacks up well with about Rs 2.5 lakh increase in commercial bank credit in credit over April-November. "Gold loans help unlock value that is normally lying idle," said Siddhartha Sanyal, chief India economist, Barclays Capital.

"The organised gold loan market is just developing in India and can potentially be a source of liquidity, particularly for the middle and upper-middle class category," he added.

A recent report published by Citibank estimates that the organized gold loan market was worth Rs 50,000-Rs 53,000 crore during 2010-11 and had been growing at a compounded annual growth rate of 35% over the previous 5 years.

Gold has traditionally been used as a store of value, making it a dead asset that has no productive use in the economy, more so as it is mostly imported.

From a lenders perspective, gold is a very secure asset and the value of the loan as a percentage of the collateral is constantly falling due to rising gold prices.

"Propensity of default is also very low because the borrowers are emotionally attached to their gold," said V Sriram, CEO of IMaCS (ICRA Management Consulting Services).

The loans work out very attractive for the borrowers as well, as the rates charged are much lower than that that on unsecured personal loans.

The average rate of interest on loans issued against gold is 12-24% and time taken to process an application is at most 24 hours, whereas the rates on personal loans go up to 36% and processing takes much longer.

The rising trend of gold loans helps monetize this asset, which John Maynard Keynes once

famously called a 'barbarous relic'.

"This (organized gold loans) could further support consumption since gold is no longer considered an asset to buy and hold that is, a 'dead' asset and is now being used as a collateral across income groups", said Rohini Malkani and Anushka Shah.

According to industry studies, since gold loans provide essential funds for investment or consumption purposes, they help generate additional aggregate demand in the economy.

"Gold loans are mostly raised for personal uses. For instance, in rural areas gold loans are used for agricultural purposes or to finance consumption.

http://economictimes.indiatimes.com/news/economy/finance/everyone-gains-as-gold-loans-soar-to-rs-55000-crore/articleshow/11076047.cms

News Round-Up

Global financial assets, including India's, to be worth $317 trillion by 2020: McKinsey

The value of financial assets worldwide is expected to touch $ 371 trillion by 2020, with emerging economies including India, accounting for about one third of the total amount, says global consultancy McKinsey.

The projected worth of financial assets in 2020 would be nearly double the value of around $ 198 trillion witnessed last year.

These projections are part of a report prepared by the McKinsey Global Institute (MGI), the business and economics research arm of McKinsey & Company.

In 2010, emerging economies made up for 21 per cent of the global financial assets worth $ 198 trillion.

"Depending on economic scenarios, we project that emerging market financial assets will grow to between 30 and 36 per cent of the global total in 2020, or $ 114 to $ 141 trillion.. China's financial assets could be as much as $ 65 trillion by then, and India's could reach $ 8.6 trillion," the report said.

As per MGI, financial assets are equities, bonds, other fixed-income securities, cash, bank deposits and alternative assets. The value of real estate, derivatives, physical assets such as gold and equity in unlisted companies are excluded.

The report noted that emerging market financial assets grew 16.6 per cent annually over the past decade -- about four times the rate in mature economies.

"These assets stood at about $ 41 trillion in 2010 and constituted 21 per cent of the global total, up from 7 per cent in 2000," it added.

In terms of allocation, investors might put in just 22 per cent of their financial assets in equities by 2020 as compared to 28 per cent in 2010.

"The rise of wealth in emerging nations is the largest factor in this shift, followed by ageing populations and growth of alternative investments," the report pointed out.

Regarding India, MGI said that households are the largest investor class -- holding 42 per cent or accounting for $ 835 billion of the country's financial assets worth $ 2 trillion.

Noting that Indian household investors prefer gold and real estate to financial assets, the report said the government holds more than a quarter of all financial assets.

"This $560 billion portfolio is largely invested in bonds and the listed equity of corporations. Banks are also investors, with $ 280 billion in securities...," it said.

http://economictimes.indiatimes.com/news/economy/indicators/global-financial-assets-including-indias-to-be-worth-317-trillion-by-2020-mckinsey/articleshow/11068363.cms

Hiring activities to accelerate in Jan-March quarter of 2012

Job market is set to get a boost in the next quarter-the three-month period between January and March of 2012 -- led by increased hiring in sectors like infrastructure and information technology, says a survey.

As per the survey of prospective employers conducted by recruitment tendering platform MyHiringClub.com, the country's net employment outlook- an indicator of hiring intentions -- stands at 29% for the quarter ending March 31, 2012.

This marks an improvement by 9 percentage points from the year-ago quarter and an increase of 11 percentage points on the quarter-on-quarter basis.

"Job seekers will be going to get more opportunities as our data shows the India's employment markets will experience recovery in the fourth quarter. The good news is that many markets appear to be heading in the right direction," MyHiringClub.Com CEO Rajesh Kumar said.

The survey, which was conducted among over 4,000 employers, found that all nine sectors and all four regions of the country have positive hiring plans for the next quarter.

However, the employment outlook for some sectors has weakened vis-a-vis the year-ago period.

The report said the infrastructure sector has the most bullish hiring plans, with a net employment outlook of an impressive 20% for the January-March period of 2011.

The hiring intentions have improved considerably for the infrastructure, as also the IT and ITeS sector, from the levels seen in the year-ago quarter.

"... After a long wait-and-watch, now IT/ITeS industry is having very aggressive plan to hire new employees, compared to what they had hired in previous 3-4 months," Kumar said.

He noted that the infrastructure sector is seeing robust hiring activities and the recruitments have gone up on a month-on-month basis too.

The infrastructure and IT sectors are followed by the automobile, manufacturing and FMCG segments, in terms of hiring optimism for the January-March 2012 quarter.

At the same time, the hiring activities may witness a decline in the banking and financial services, and telecom sectors from the levels in the year-ago quarter.

A region-wise analysis also predicted a strong labour market for all the four region for the fourth quarter of FY12, with the South region leading the pack with a net employment outlook of 31% for the period.

http://businessstandard.com/india/news/hiring-activities-to-accelerate-in-jan-march-quarter2012/152739/on

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