

India Inc to hire most globally: Manpower

India continues to report the highest labour hiring expectations globally since the third quarter of 2008, according to a new survey.

In the third quarter (July-September) of 2009, job seekers around the globe can expect more of the same sluggish hiring pace seen during the first half of the year. But in countries like India, a greater percentage of employers are saying they will hold on to the staff they have, according to the latest global Manpower Employment Outlook Survey.

Employers in 11 of the 34 countries surveyed expect some positive hiring activity in the coming quarter, but those in 22 are forecasting a negative outlook, with 17 reporting their weakest hiring plans since the survey was established.

Although weaker than historical patterns, third-quarter hiring plans are strongest in India, Norway, Poland, Peru, Singapore and Taiwan and weakest in Ireland, Spain, Greece, Romania, Italy, Japan and the U.K. Moreover, across the eight countries and territories surveyed in the Asia-Pacific region, employment prospects remain soft. But employers in India, China and Japan, despite reporting their weakest hiring plans since the surveys were established in these countries, top others.

In India, around 19 percent employers have positive recruitment plans for the next three months. This is also known as the Net Employment Outlook, which is based on the difference between those who plan to add jobs and those who expect to cut them.



This outlook, however, fell six percentage points sequentially (compared to the trailing quarter) and 24 percentage points year-on-year.

"India has been reporting the highest labour hiring expectations globally since the third quarter of 2008.

Thus, despite a fall in the Net Employment Outlook, the Indian labour market has handled the global

economic slowdown much better than other emerging and developed economies globally," Manpower India's Managing Director Naresh Malhan said.

Moreover, the report revealed that the hiring forecast in the public administration and education sector stood at 33 percent, an increase of eight percentage points from the same period last year.

"In our second quarter report, the Indian labour market showed signs of resilience, but employers there are now much more uncertain about adding employees. In India's key services sector, 11 percent of employers are telling us they will reduce staff in response to weaker demand from offshore clients," Manpower Inc's Chairman and CEO Jeffrey A. Joerres said.

Core sectors' best show in 10 months

In the very first month of the current fiscal, six core industries together clocked the fastest growth rate in 10 months, emboldening the Prime Minister's key economic advisor to hint at the possibility of an upward revision of the growth forecast for the year.



Power, crude oil, refinery products, coal, cement and finished steel grew 4.3 percent year-on-year, recovering from the low of 1.1 percent in December 2008, according to a release by the Ministry of Commerce and Industry on June 2. The April figures have raised hopes of a brighter industrial output, as these six industries have a combined weightage of 26.7 percent in the Index of Industrial Production (IIP). "The growth in core sectors is on expected lines. Upside risk for economic growth projections made by EAC is emerging with a stable government coming to power, and the business confidence slowly returning," said Suresh Tendulkar, chairman of the Economic Advisory Council (EAC) to the Prime Minister.

EAC had earlier projected a growth rate of 7 percent — plus or minus 0.5 percent — for 2009-10. April's figures are the highest since last July, when the global financial meltdown pushed the Indian economy into rough waters. Consequently, the growth rate had dipped to 2.7 percent for the last fiscal against 5.9 percent for 2007-08.

India's 2nd-largest CDMA market

India has become only the second country in the world to have more than 100 million CDMA-based (code division multiple access) mobile phone subscribers after the U.S., which has 157 million CDMA users, according to an industry body.

While India overtook China to become the second-largest CDMA market, the country's leading service provider Reliance Communications (RCOM) has become the second-largest CDMA service provider behind the U.S.A.'s Verizon Wireless, the CDMA Development Group (CDG) said. Tata Teleservices is ranked fourth in the list of top global players, behind China Telecom.

It took CDMA, which competes with the GSM (global system of mobile communication) platform globally, six-and-a-half years to reach the 100 million mark in India after being introduced in December 2002.

GSM is much more popular, accounting for 80 percent of the global market, according to its promoter GSM Association. While there are 475 million CDMA users in the world, GSM standard is being used by over three billion people. In India, the GSM user base is close to 300 million.



India 3rd best place to be during recession

India is the third best country holding promise of overcoming the global economic crisis, according to the Servcorp International Business Confidence Survey conducted across the global business community. The survey was held during two weeks of April 2009 to assess the current business scenario, and morale and the impact of the economic slowdown. About 7,500 international business people from over 24 nations were asked to identify the nations they believed were amongst the best-surviving the crisis.

India is ranked along with Singapore at the third best place to be in such recessionary times, following Australia in first place and China at second. Almost 21 among the 36 listed countries are developing and emerging nations, which have emerged favourites among international businessmen as places which are best-placed to tide over the recession. According to analysts' forecast, India's annual expansion for the full 2008-09 year is expected to be at 6.5 percent and much better when compared to other major developed economies.

RIL's new gas find to put India in global league

New gas finds by Reliance Industries (RIL) in the Krishna Godavari (KG) basin, if validated by Indian regulators, may place India among the top 15 gas producers in the world.

RIL's joint venture partner, the U.K.-based Hardy Oil and Gas, recently announced the discovery of 9.5 trillion cubic feet (tcf) of gas in the D-3 block of the KG basin and another find of 10.8 tcf in D-9 block.

Neither of these finds has been certified yet by the Indian upstream regulator, but could potentially raise India's proven reserves of natural gas to a significant extent. Blocks refer to areas,

running into thousands of square kilometre, where companies have been allowed to search for oil and gas.

India had proven gas reserves of over 37 tcf at the end of 2007, according to British Petroleum's 2008 statistical review. If another 20 tcf of gas reserves is added, it will place India among the top 15 gas producers in the world. India's gas reserves will, if these finds are endorsed by the regulator, figure just below Canada.

Based upon the gas find, brokerage CLSA has upgraded RIL to "outperform" in the near future.

A technical evaluation report commissioned by Hardy Oil on the potential



of the company's D3 and D9 exploration licences stated that the "best estimate resources for the D3 block was estimated at 9.5 tcf of natural gas and the gross risked best estimate prospective resources in D9 block is estimated at 10.8 tcf of natural gas and 143 million

barrels of oil". The technical evaluation of both the blocks were carried out by international consultants Gaffney, Cline & Associates (GCA).

Commenting on the report, Sastry Karra, chief executive of Hardy, in a statement said: "The report confirms the significant hydrocarbon potential of our exploration assets in the emerging world class petroleum system of the KG basin in India. The two discoveries on D3 in conjunction with the acquisition of risk mitigating technologies and geotechnical studies have resulted in the upward revision of the perceived geological chance of success on both of our KG basin blocks."