

# Current Service trends in India

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**Abstract :** *The services sector is not only the leading sector of India's GDP, but has also concerned major inflows of foreign investment, contributed significantly to exports and created large-scale jobs. The service sector in India encompasses a broad range of actions such as commerce, hotels and restaurants, transport, storage and communication, financing, insurance, real estate, commercial community, social and personal services and services related to construction. The service sector is the main driver of India's economic growth. It is estimated that the sector will contribute about 54% of India's gross value added in 2017-18 and will employ 28.6% of the total population. India's net services exports increased 14.98% year-on-year to reach US \$ 77,562.89 million in 2017-18P. According to preliminary estimates from the Ministry of Statistics and the implementation of the 2017-2018 National Revenue Program, the GVA of the services sector is expected to reach US \$ 1,266.10 million in FY18. The Indian Government recognizes the importance of promoting growth in service sectors and offers various incentives in a wide variety of sectors such as health, tourism, education, engineering, communications, and transportation, among others. This study examines the service sector and its trends to contribute to India's GDP in many ways. The study also reveals that employment in India is facing important factors such as the economic crisis, the gap between programs and industry demand and jobless growth.*

**Index Terms -** Service Sector, GDP, trends, economy, India.

## I. INTRODUCTION

Last year, Indian companies experienced layoffs and a slow labor market due to several key factors: slow growth of gross domestic product (GDP), demonetization, which reduces private investment and introduces a tax on goods and services (GST). In fact, data published by the Indian Economic Monitoring Center show that India lost 9 million jobs between October 2016 and October 2017. Fortunately, 2018 should be a very promising year for jobseekers, according to a report. series of surveys conducted by different sectors and leading companies. For example, according to the Mercer global consultant 2017 India Total Remuneration Survey, 55% of companies reported an increase in their workforce in 2018. The report is based on a survey of 791 organizations from various industry sectors. . . It also provides for a 10% wage increase in all industries by 2018. Manpower Group India India's latest "Employment Outlook" survey is expected to be the third strongest contraction this year after Taiwan and Japan. Of the 4,500 employers surveyed, 22% plan to improve their workforce by 2018.

The Naukri.com Jobs Portal report "Outlook 2018 Hiring" shows that 67 percent of recruiters surveyed expect 1500 job creation in the first two quarters of 2018. In his report, the company's assessment of skills acquired by State of Talent Acquisition in India in 2018 indicates that 76% of organizations will have a larger recruitment budget in 2018. And a report from the "India Skills Report 2018" indicates that the rate of Recruitment growth in India will be 10 to 15% this year. This survey, conducted jointly by CII, AICTE, United Nations Pearson Development Program, IAU, Signing Technology Solutions for HR Strong Skills and Enterprise Assessment Wheebox also indicates that employability has shot to its highest level of the past five years.

In addition, the Indian computer industry is expected to create 1.8 to 2 lakh jobs this year. Infosys company services plans alone to add 20,000 people to its workforce in the second quarter of 2018. The Samsung India brand also announced that it will recruit 1,500 engineering graduates over the next two years. And the aerospace company Boeing Co. is looking for 800 direct employees over two years since 2017. In this paper, some sectors and their current trends are studied; in depth, what could be an important industry to contribute to India's GDP growth.

## II. RELATED WORK

In his work, **Robert Rowthorn and Ramana Ramaswamy** have shown that deindustrialization can be explained mainly by internal developments in advanced economies. These include the combined effects on manufacturing employment of relatively faster productivity growth in the manufacturing industry, associated relative price developments, and changes in the structure of demand between manufactured goods. and services. North-South trade accounted for less than a fifth of deindustrialization in advanced economies. In addition, the contribution of North-South trade to deindustrialization was mainly due to its effects on the stimulation of labor productivity in the Nordic manufacturing sector; and had a lasting effect on the total volume of manufacturing output in advanced economies. [1]

In their book, **P. Jegadish Gandhi and P. Ganesan** looked at the beginning of the global economy of the 21st century, which had undergone significant structural changes with a shift in the contribution of the service sector. In the process of economic development, the simultaneous growth of the primary, secondary and tertiary sectors is historic, but the strong growth of the service sector has been phenomenal in recent decades. This was directly due to the development of the sophistication of information technology. Since the 1980s, the service sector's share of India's real GDP has also outstripped that of agriculture and industry. This has also been reflected in the growth of state-led development. There is no doubt that the dynamics of the service sector have created new impetus for growth that has stimulated investment, income, consumption and employment. However, there seemed to be a conflict between job growth and product growth in the Indian context. The book contains articles critically analyzed on the performance, problems and prospects of the service sector in the Indian economy. Each taxpayer had gone beyond the current scenario and had prescribed several policy options to improve productive efficiency and employment in the service sector. The common concern was that strong growth in the benefits of the service sector and distributive justice should affect low-income people in society. [2]

In his article, *N. Ramakrishnan* had explained the reason for the growth of the service sector in India (with particular reference to Tamil Nadu) and said that the liberalization of the regulatory framework had led to innovation and increased exports of the service sector. . However, according to the author, governments, both the Union and the States, should better communicate the benefits that the growth of the service sector has brought to the economy. The author pointed out that the governments of states such as Tamil Nadu, which had experienced a boom in the services sector, should get the message out on the ground. A criticism of the growth of the service sector that was limited to low-skilled jobs was not true and the researcher pointed out that highly qualified jobs, such as the outsourcing of high-end business processes, research laboratories and development and software development had taken place. Of course, as a first step, these highly skilled jobs would only be found in cities, while low-skilled jobs such as data entry operations would be available in rural areas. Much progress has been made in the Doha negotiations on agriculture and little progress has been made in the manufacturing and services sectors. However, several manufacturing facilities have been installed in rural areas, which have created jobs. [3]

*Dirk Pilat and Anita Wolfl* examined the interaction between services and manufacturing industries using different types of data and showed that the distinction between manufacturing and services was blurring. Services have largely contributed to production, mainly through their direct contributions to total product and final demand, but also, to some extent, through their indirect contribution through other industries. However, it has been found that services are more independent than other industries in relation to the manufacturing sector. Most of the inputs needed to produce services came from the service sector itself. In addition, their role as a supplier of intermediate inputs for other industries was not yet as strong as that of the manufacturing sector. The paper also showed that a growing share of manufacturing workers is engaged in service-related occupations. Using a broad definition for service-related workers, it was found that up to 50% of workers in the industry were in such occupations. Using enterprise-level data, the paper found that despite anecdotal evidence of the increasing share of service turnover in the manufacturing sector, manufacturing firms in most countries were not highly diversified in the manufacturing sector. their constituent establishments. that is, they did not have many establishments dedicated to the production of services. Canada is a notable exception in this regard. In other countries, diversification has occurred mainly at the level of business groups. In addition, the product data suggested that manufacturing firms and plants appeared to have gained a growing share of service turnover, particularly in countries such as Finland and Sweden. [4]

In his paper, *Krushna Mohan Pattanaik* said that with the emergence of services as the main contributor to economic development, liberalization of services has become a crucial issue in international services negotiations. The liberalization of services had necessitated adjustment costs in the short and medium term. Take advantage of the benefits of liberalization and address potential short- and medium-term problems; liberalization of services should be accompanied by internal reforms. The study had argued that such reform measures, including regulatory reforms to create a transparent and equitable regime, would create conditions for equality in a competitive market. [5]

### III. CURRENT TRENDS IN DIFFERENT INDUSTRIES

The following service sectors are discussed in this paper as shown in figure 1.



Figure 1: Service Sectors in India

#### 1. Agriculture & Allied Industries

Agriculture is the main source of income for about 58% of the Indian population. The gross value added of agriculture, forestry and fisheries is estimated at 17.67 billion rupees (\$ 274.23 billion) in fiscal 2008 \*\*. The Agriculture GAV and the related constant price sector of 2011-12 had a CAGR of 2.75% between 2012-2018. According to the 2018-19 Union budget, the Ministry of Agriculture received 57,600 million rupees (\$ 8,900 million). Sugar production in India is expected to reach 27.2 million tonnes in the 2017-18 seasons (October-September). The following points explore the recent trends in Agriculture & allied industries. [6]

##### i. Expansion of International companies

The liberalization and growth of organized retail trade has made the Indian market more attractive to global players. With a large agricultural sector, abundant livestock and cost competitiveness, India is rapidly emerging as a center for the supply of processed food products. Danone, Nestlé, Kraft Foods, Mondelez International and Heinz are international players in the food processing market in India. The Italian confectionery manufacturer Ferrero will invest 2 trillion rupees (\$ 310.3 million) by 2021 to make India a center for new product development. Hindustan Coca-Cola Beverages is setting up two new factories in Ahmedabad and Nellore, for an investment of 148.74 million dollars.

### ii. *Rising demands of Indian products in International Market*

The strategic geographical location and the continuous increase in the production of raw materials help India to provide cheaper products to other countries. Exports of processed food and related products from India amounted to US \$ 2.87 billion. during fiscal year 18 (April - May). Companies such as Haldiram and Bikanerwala are present in more than 70 countries and offer Indian sandwiches.

### iii. *Higher consumption of horticulture crops*

There is an increase in demand for fruits and vegetables following a change in consumption. As a result, Indian farmers are also shifting production to horticultural crops to take advantage of growing demand. Exports of fresh fruit from India reached US \$ 736.1 million in FY18, while exports of fresh vegetables reached US \$ 775.5 million. Coca Cola aims to improve the supply of fruit for the soft drink and juice drink categories. In May 2017, the company obtains 200 000 tonnes of fruit and plans to increase it by providing through its initiative "circular fruit economy".

### iv. *Strengthening Procurement via Direct Farmer-Firm Linkages*

Contract farming has been operating in India for a long time; however, the experience of the private sector actors involved is a mixture of successes and failures. To a large extent, it has helped the two processors to increase their sales and, as a result, to increase their revenues, while giving them access to better technologies and obtaining better prices by ensuring an assured market for farmers from India.

### v. *Low cost price strategy*

A low price strategy is adopted to make the product affordable for consumers by guaranteeing them good value for money. The main objective is to provide quality products to consumers at a minimum cost, for example Amul Milk. Parle and Sunfeast are working on their prices and costs so that products are available at affordable prices.

## 2. **Auto Components**

Over the past decade, the automotive component sector has achieved a compound annual growth rate of 14% and has tripled to \$ 43.5 billion in 2016-17. 10.9 billion. The growth of global OEM purchases in India and the increasing indigenization of global OEMs make the country a preferred design and manufacturing base. India's electronic components industry is expected to record \$ 100 billion in sales in 2020, supported by strong exports of between \$ 80,000 and \$ 100 billion in 2026. The electronics industry accounts for almost seven percent of the gross domestic product of India. (GDP) and employs up to 19 million people. India is expected to become the world's fourth-largest car producer by 2020, after China and the United States. UU And Japan. The auto parts industry is also expected to become the third largest in the world by 2025. The auto parts industry should track OEMs in the adoption of EV technology. The global move to electric vehicles will create new opportunities for car suppliers. The massive conversion to electric vehicles could generate a domestic market of 300 billion US dollars for electric batteries in India in 2030. The following points explore the recent trends in Auto components. [7]

### i. *Global components sourcing hub*

The world's leading OEMs have made India a component sourcing hub for its global operations. Several leading global suppliers have also announced plans to increase their purchases from their Indian subsidiaries. India is also becoming a hub for engine components, with OEMs establishing more and more engine manufacturing units in the country. For companies such as Ford, Fiat, Suzuki and General Motors, India has established itself as a global center for small engines. Varroc Lighting Systems (VLS) provides complete exterior lighting solutions for the Tesla Model S sedan and the Tesla Model X crossover.

### ii. *Improving product-development capabilities*

Increased investments in R & D operations and laboratories, which are set up to carry out activities such as analyzes, simulations and technical animations. The growth of global OEM purchases in India and the increasing indigenization of global OEMs make the country a preferred design and manufacturing base. ACT (ACMA Technology Center) was created to provide technical services to ACMA members to improve processing and quality capabilities through various cluster programs. Faurecia, a global leader in automotive equipment, has partnered with the Indian Institute of Science (IISc) to develop new technologies and solutions in three areas; Online monitoring of air quality, data analysis and algorithms for driver behavior and artificial intelligence for industrial design.

### iii. *In organic*

In April 2018, Motherson Sumi Systems signed an agreement for the acquisition of Reydel Automotive for 201 million US dollars. The acquisition will help the company enter new geographies and obtain new client portfolios. In January 2018, Samvardhana Motherson (SAMIL) acquired MS Global India from the MS group of Korea. The acquisition will help SAMIL move into a new vertical and create further synergies. In October 2017, Precision Camshafts acquired the MEMCO Engineering precision components manufacturer to expand its business and diversify into a new product line. In September 2017, car parts manufacturer Spark Minda acquired EI Labs India at a cost of US \$ 1.01 million to help integrate this technology into its existing product line. In May 2017, Pricol announced its intention to acquire PMP Auto Components as the brand focuses on expanding into the North American and European markets. Pricol has signed an exclusive agreement to acquire full ownership in the area of cleaning systems, including PMP manufacturing facilities.

#### iv. *Capacity*

India's planned production is about 8.7 million passenger vehicles per year in 2020 (most of them are compact cars). Many multinationals such as Ford, Hyundai, Toyota and GM are launching new vehicle models because of their previous successes in the Indian market.

#### v. *Electric Vehicles*

Mahindra has launched its new electric car and Tesla Motors is also ready to enter the Indian market. Suzuki Motors installs a battery factory in Gujarat. Tata Motors' electric buses are in the testing phase. Sales of electric vehicles increased to 25,000 units in fiscal 2016-17 and are expected to increase further due to lower energy storage costs and the Indian government's vision to see 6 million electric vehicles and hybrids India by 2020. Sales of two-wheeled electric vehicles are estimated to have exceeded 55,000 vehicles in 2017-18.

#### vi. *New Financing Options*

Car manufacturers such as BMW, Audi, Toyota, Skoda, Volkswagen and Mercedes-Benz have started to provide personalized financing to their customers via NBFC. Major multinationals and Indian companies are turning to renting cars instead of buying them.

### 3. E-Commerce

India's e-commerce industry has grown up and is expected to outpace the United States. To become the second largest e-commerce market in the world by 2034, the e-commerce market is expected to reach \$ 64 billion by 2020 and \$ 200 billion by 2026 in 2017. With the growing penetration of Internet, Internet users in India are expected to increase from 481 million in December 2017 to 829 million in 2021. The growing penetration of the Internet is expected to generate growth in e-commerce. India's Internet economy is expected to double from US \$ 125 billion in April 2017 to US \$ 250 billion by 2020, mainly due to e-commerce. The following points explore the recent trends in E-Commerce. [8]

#### i. *Expansion*

E-commerce companies are gradually expanding to different cities, regions and even countries. They are also expanding their product line to serve more people. In May 2017, Uber launched UberEats, an on-demand food delivery application in India. Flipkart plans to launch its grocery services in five cities by the end of July 2018. Paytm Mall, Paytm's e-commerce platform, plans to expand its grocery sector and targets a gross merchandise value US \$ 3,000. millions of this segment. end of 2018 .

#### ii. *Ancillary Services*

One of the main advantages of e-commerce is that with the main product or service you can also provide many ancillary services without having to invest a lot. We guarantee one-day deliveries, exclusive offers and streaming video with a subscription, as in the case of Amazon Prime. India is currently the fastest growing market for Amazon Prime. Flipkart introduced its own Payzippy payment gateway as well as its own logistics and supply chain company Ekart. E-commerce sites also feature e-Wallet services; for example, Amazon's balance of payments.

#### iii. *Personalized Experience*

Site visitors require unique experiences tailored to their needs and interests. Technology is available, even for small players, to capture the interests and preferences of each buyer and generate a selection of products and buying experiences led by customized promotions tailored to their needs. Many ecommerce sites offer a personalized experience to customers to meet their needs and interests, depending on their location, their options, the products they like or buy, the websites they visit, etc. This strategy has helped companies better understand customer requests and provide them with a consistent service.

#### iv. *Internet Content in Local language*

The search for Hindi web content increased by 155% in 2015, while on the mobile Internet, it increased by 300% over the same period. In 2014, Snapdeal and Make My Trip launched their applications in Hindi and other vernacular languages. be accredited primarily for people who are comfortable with languages other than English.

#### v. *Increasing Investments*

The Chinese phone maker, Xiaomi Corporation, plans to invest about \$ 1 billion in 100 new companies in India over the next five years, with the goal of creating an ecosystem of applications around the brand of its smartphone. The US electronics giant Amazon has so far invested about \$ 1 billion in its Indian arm, bringing its total investment in India to \$ 2.7 billion. A fashion ecommerce company concluded its US \$ 3.4 million Series C fund with the participation of IIFL Seed Ventures, Venture Catalyst and Google.

### 4. Education & Training

With about 28.1% of India's population \* in the 0 to 14 age group, the education sector in India offers great opportunities for growth. Spending in the higher education sector is expected to increase by 18 percent, from Rs 46,200 (\$ 6.78 billion) in 2016 to Rs. 232,500 (\$ 34.12 billion) over the next ten years. Expenditures for the education sector are set at Rs 85,010 million (\$ 13,130 million), according to the 2018-19 budget of the Union. The country has more than 1.5 million schools with more than 260 million students enrolled. The enrollment rate for the 6-14

age group reached 96.9% in 2016. About 35.7 million students enrolled in higher education in India in 2016-17. Government target of 30% gross enrollment ratio (GER) for higher education by 2020 to boost investment. The education sector in India is estimated to reach \$ 144 billion by 2020, up from \$ 97.8 billion in 2016. India's higher education sector is expected to grow from \$ 15 billion in 2025 to 35, 03 billion dollars. in 2016. India has become the second largest e-learning market after the United States. The sector is currently linked to \$ 2 billion and is expected to reach \$ 5.7 billion by 2020. Users of online education in India are expected to reach \$ 9.6 million in 2021, compared to \$ 1.6 million in 2016. The following points explore the recent trends in Education & Training. [9]

#### *i. Providing online & Supplements solution*

As the education sector in India opens up to innovative new ways of learning, Educomp has decided to explore this opportunity by offering its various online and complementary solutions to help institutions make the most of technology. . Dish TV has added 32 educational channels of HRD Ministry to its platform. Plastic Water Labs is building a virtual reality platform to help students better understand science and mathematics.

#### *ii. Offering Scholarships*

n 2014, NIIT launched its electronic certification program. Also in 2015, the NIIT, as part of the 25th Bhavishya Jyoti Scholarship, awarded more than 10,000 scholarships to deserving students, based on their 12th grade percentage. In 2017, NIIT launched the Nxt Tech Star movement in India to guide students across India to create applications for the next generation.

#### *iii. Government focus on Education Quality*

In the 12th Five-Year Plan, the government plans to provide better access to higher education and to focus on expansion, equity and excellence, with a greater focus on quality of life. Higher Education. The central government plans to provide billions of dollars to states to launch skills development initiatives. In November 2016, the Ministry of Skills Development and Entrepreneurship launched Pradhan Mantri YUVA Yojana, at a cost of \$ 74.68 million, to provide training and business training to students across the country. To promote school education in rural areas, in November 2016, the Cabinet Committee on Economic Affairs approved the opening of Jawahar Navodaya Vidyalaya (JNV) in 62 districts of the country. In May 2017, the Indian Government expressed its intention to establish a comprehensive national education and vocational training system based on programs in European countries to facilitate preparation for work and entrepreneurship. for young people.

#### *iv. Investment in Online Learning*

IFC, a financial institution in the World Bank, has invested US \$ 50 million in Byju's, a Bangalore-based company. This investment will help the company increase its market share in the e-learning industry. In April 2018, Reliance Industrial (RIL) announced it would invest \$ 180 million in Embibe's online education platform over the next three years. The platform uses artificial intelligence (AI) to improve performance during contests.

#### *v. International Collaborations*

In order to meet the needs of modern students in search of an international exhibition, many Indian universities and universities have entered into joint venture agreements with international universities to provide world-class education. Until 2015 \*, the Indian government launched educational exchange programs with 51 countries to promote international collaborations in the education sector.

### **5. Healthcare**

India should be among the top three health markets in terms of incremental growth by 2020. In FY 2017, India's health sector ranked 4th among employers that sector a total of 319 780 people. The sector is expected to generate 40 million jobs in India by 2030. In May 2017, the Asian Institute for Research and Training for Skills Transfer (ARTIST) announced plans to create about 1 million service providers . Health is formed by 2022. The Indian health sector, one of the fastest growing industries, is expected to grow to a compound annual growth rate of 22% in 2016-2022 to reach \$ 372 billion. here 2022. the penetration of health services in India, thus offering many opportunities for the development of the health industry. Rising income levels, an aging population, growing awareness of health, and changing attitudes to preventative health care should stimulate demand for health services in the future. The low cost of medical services has led to an increase in medical tourism in the country, which attracts patients from all over the world. In addition, India has become a hub of R & D for international actors due to its relatively low cost of clinical research. Favorable policies to encourage FDI, tax benefits, favorable government policies and promising growth prospects have enabled the industry to attract private capital, venture capital and foreign players. The following points explore the recent trends in Healthcare sector. [10]

#### *i. Cost leadership*

Private sector players make their supply chains efficient and take advantage of cost savings to reduce costs. Narayan Hrudayalaya (NH) is an example: medical care is provided at an affordable cost. NH reduces costs due to the significant acquisition of medical supplies, the high volume of high utilization capacity and staff productivity, as well as the sound management of human capital (training).

## ii. *Merger and Acquisitions*

In 2017, the health sector in India recorded 19 transactions worth \$ 1,280 million. Serum Institute of India, the largest vaccine manufacturer in the world, has purchased a unit from Nanotherapeutics Inc., a manufacturer of injectable polio doses. in the Czech Republic, for \$ 78.49 million. The acquisition will help the Serum Institute of India become the world's largest manufacturer of injectable polio vaccine by increasing its production capacity to more than 200 million doses by 2019. Fortis Healthcare has approved the disintegration of its business. Hospital with Manipal Hospital Enterprises.TPG and Dr. Ranjan Pal could invest Rs.3,900 crore (US \$ 602.41 million) in Manipal Hospital Enterprise.

## iii. *Increasing penetration of health insurance*

In Fiscal Year 18 (through September 2017), gross direct health insurance premiums were 23.90% of total gross direct premiums in the non-life business. Health insurance is gaining momentum in India; testify The gross medical insurance premium for the month of September 2017 was \$ 2,700 million.

## iv. *Mobile based healthcare delivery*

The solid infrastructure of mobile technology and the launch of 4G should promote mobile health initiatives in the country. Cycle such as Humsafar is an SMS-based mobile service designed for women that allows women to better plan their families. The mobile health sector in India is expected to reach \$ 600 million in 2017.

## 6. IT & ITes

India is the world's main supply destination and accounts for about 55% of the global supply services market, which is between US \$ 185 and US \$ 190 billion in 2017-18. India has gained a share of around 38% in the global business process management market. Indian IT exports are expected to increase by 7 to 8% in 2017-18. The GMP IT sector accounts for most of India's services exports, at 45%. India's information technology industry contributed about 7.7% of the country's GDP. The IT industry employs approximately 3.97 million people in India, including 175,000 in FY17. The industry created about 1.05,000 jobs in FY18 and is expected to create more 100,000 jobs in fiscal year 19.. The IT industry is driving new business growth in India, with more than 5,200 startups in India. The following points explore the recent trends in IT & ITes industry. [11]

### i. *Global Delivery Model*

The Indian software industry is expected to reach \$ 100 billion by 2025. Indian companies have established more than 1,000 global distribution centers in approximately 80 countries around the world.

### ii. *New Technologies*

Disruptive technologies, such as cloud computing, social networking, and data analytics, offer new ways for vertical growth for IT companies. The SMAC (social, mobility, analytics, cloud) market is expected to reach \$ 225 billion by 2020.

### iii. *Make in India*

In May 2017, the central government announced the launch of a policy called the Phase Manufacturing Program (PMP), developed by the Ministry of Electronics and Information Technology (MeitY) to promote manufacturing. cell phones. in the country.

### iv. *Changing Business Dynamics*

The information technology market in India is currently undergoing a significant shift from a few large, small, to several small offerings. The number of new technology companies is expected to reach 50,000, or about 2% of GDP. Delivery models are being modified as the company evolves into models based on capital expenditures (capital expenditures) of operational expenses (opex), based on the suppliers' terms of reference.

### v. *Promotion of R & D*

Companies invest heavily in R & D and train their employees to create an efficient workforce, improving productivity and quality. R & D is an important part of business spending, which is fundamental when margins are under pressure to promote innovations in the changing landscape.

## 7. Manufacturing

Organized manufacturing is the largest employer of the private sector in India. In general, the sector employs more than 30 million people (organized and unorganized) and will become the engine of growth by attempting to incorporate the huge workforce available in India, most of whom are semi-skilled workers. qualified. . □ The sector will stimulate growth in rural areas where more than 5 million manufacturing companies are already operational. This will be the alternative available for the new generation of farmers. □ The government aims to achieve a share of 25% of GDP and 100 million new jobs in the sector by 2022. The Indian manufacturing industry is already moving towards Industry 4.0, where everything will be connected and every data point will be analyzed. Indian companies are at the forefront of R & D and have already become world leaders in areas such as pharmaceuticals and textiles. Areas such as automation and robotics are also receiving industry

attention. Large international industrial production such as Cummins and Abbott already has manufacturing bases in the country. The following points explore the recent trends in manufacturing area. [12]

*i. Industrial internet of things and industry 4*

With the increase of IoT in consumer technologies, the manufacturing sector has also started to implement this new network of sensors and actuators for data collection, monitoring, decision making and optimization. processes in the Internet infrastructure. Data is a major component of this whole configuration and Indian companies have a lot of potential in this area, as many large companies are already betting on massive data and analysis. For example, Indian Railways will launch locomotives with solutions such as remote diagnostics and proactive preventive maintenance. These trains will be part of a larger ecosystem connected to the industrial Internet.

*ii. Digital Technologies*

With the advent of the digital age, Indian manufacturing companies have begun to embrace digital technologies in their production processes, which will help increase efficiency. It is estimated that by 2020, 65% of manufacturing companies will have a high level of digitization. For their commercial vehicles, Ashok Leyland uses machine learning algorithms and its newly created telematics unit to improve the performance of the vehicle, the driver, and so on.

*iii. Major investments and Expansion into new Markets*

According to the India Manufacturing Barometer 2017 \*, more than 50% of respondents in the sector anticipate significant investments and 62% plan to expand their activities in foreign markets. In addition to major investments, consolidation occurs in sectors such as cement.

*iv. Additive Manufacturing*

Known as 3D printing, this new manufacturing technology uses digital models to create products by printing layers of materials. This has enormous potential in India with the emergence of megaprojects to come. The Indian Indian company Wipro, in collaboration with EOS, manufactured India's first additive manufacturing engineering component for the launch of ISRO's GSAT19 communication satellite in June 2017.

## 8. Media and Entertainment

National televisions reached 183 million in 2017 \* 181 million in 2016, with 780 million people who watched television. In 2017, the television market generated revenues of Rs 660 billion (US \$ 10.14 billion). Since 2016, India has one of the largest broadcasting industries in the world with approximately 892 private satellite TV channels. In 2016, there are 243 FM radio stations and 190 operational community radio networks. The Ministry of Information and Broadcasting (MIB) has officially completed the four phases of digitization. I and 222 - As of March 2017, a total of 64.4 million decoders (with the exception of Tamil Nadu) in the areas of Phase 3 and Phase 4. The total of 243 FM channels (Phase 21 have established Phase II) are operational. As part of Phase III, the Council of Ministers has already authorized 162 FM channels to operate in 69 cities and 17 cities have received operating licenses in 2017. The Telecommunications Regulatory Authority of India (TRAI) plans to introduce a policy for the broadcasting sector a 2020 vision. This policy aims to pave the way for a new era in the broadcasting sector, where the MRP television channel must be declared by broadcasters directly to consumers and bring more transparency and options to consumers. The following points explore the recent trends in Media and Entertainment. [13]

*i. Television*

The government announced the digitization of India's cable TV in four phases, which was expected to be completed by the end of December 2016. Phase III was almost completed in December 2015, while Phase IV was underway . The subscription to Direct-To-Home (DTH) is growing rapidly thanks to content innovation and product offerings. The television industry reached 660 billion rupees (\$ 10.14 billion) in 2017, compared with \$ 594 billion (\$ 8.84) in 2016, with an average annual growth rate of 11.2%.

*ii. Print*

The printing industry was the second largest M & E stakeholder in 2017, reaching 303 billion rupees (\$ 4.66 billion), with a compound annual growth rate of 7% through 2020. The printing market is expected to reach 6.69 billion US dollars by 2021. Increased revenues and changing lifestyles have resulted in strong growth in the specialty magazine segment. Given the enormous potential of the regional print markets, national advertisers are entering these markets to increase their share of advertising.

*iii. Film*

The Indian film industry is the largest film producer in the world with 400 producers and production companies involved in film production. Revenues generated by the Indian film industry in 2018 would reach 165.7 billion rupees (\$ 2.56 billion) and should continue to grow at a compound annual growth rate of 4.98% in 2018-2020. The growing percentage of Hollywood content in Indian box office and 3D cinema is driving the growth of digital displays in the country.

**iv. Radio**

Increased number of phones equipped with FM systems and car audio systems. As of December 2015, 243 channels were operational in 86 cities in India. In addition, 21 private FM channels were installed during Phase I and an additional 222 channels were created during Phase II. In fiscal 2017, the total number of radio frequencies auctioned was 266 in 92 cities, with only 66 frequencies sold to 11 companies. □ In 2017, India's radio sector had a market size of 26 billion rupees (\$ 399.26 million), with an average annual growth rate of 8.33 percent in 2016-17.

**v. Viewership in Regional Entertainment**

Regional entertainment is growing and as a result, suppliers can increase their power in products. Ze TV, Star TV has its regional entertainment and news channels. South India's television industry is one of the oldest operational television industries in the country. and it is increasing because of the regional content.

**9. PHARMACEUTICALS**

The Indian pharmaceutical industry provides more than 50% of global demand for various vaccines, accounting for 40% of generic drug demand in the United States. UU And 25% of all drugs in the UK. India accounts for 20% of global exports of generic products. India's pharmaceuticals exports reached \$ 17.27 billion in 2017-18 and are expected to reach \$ 20 billion in 2020. The country's pharmaceutical industry is expected to grow at a compound annual growth rate of 22.4% . in 2015-2020 to reach \$ 55,000 million<sup>2</sup>. India is the second largest contributor to the global workforce in biotechnology and pharmaceuticals. The Indian health sector, one of the fastest growing sectors, is expected to exceed US \$ 372 billion by 2022. The local generic market is expected to reach US \$ 27.9 billion in 2020. The generic market India has tremendous growth potential. Indian pharmaceutical companies have received a record number of 300 generic drugs in the United States. UU In 2017, where the generic market is expected to reach US \$ 88 billion in 2021. The following points explore the recent trends in Pharmaceuticals. [14]

**i. Increasing Exports**

India's pharmaceutical export market is thriving due to strong presence in the generics space .exports from India stood at US\$ 17.27 billion in FY18.

**ii. Joint Ventures**

Multinational companies are collaborating with Indian pharmaceutical companies to develop new drugs. Cipla has formed an exclusive partnership with the Serum Institute of India to sell vaccines in South Africa. Six leading pharmaceutical companies formed a "LAZOR" alliance to share best practices to improve efficiency and reduce operating costs.

**iii. Expansion by Indian players abraod**

Cipla, the largest provider of antimalarial drugs in Africa, has established a \$ 32 billion plant in Africa for the production of antiretroviral and antimalarial drugs. Mankind Pharma plans to enter the US UU market and I could start presenting the products in 2018.

**iv. Pharma companies focusing on Bio Tech**

Ranbaxy, Cadila Healthcare, Lupin, Wockhardt & Dr Reddy's are among the major Indian pharmaceutical companies operating in the bio-pharma segment.

**v. Growth in Genetically Modified Crops**

According to the International Service for the Acquisition of Agri-Biotech Applications, India has the fourth largest area covered by genetically modified crops. In India, 11.57 million hectares are covered by genetically modified crops that are predominantly dominated by Bt cotton. India's bioagriculture industry can grow to US \$ 34-37 billion by 2025 .

**10. Tourism & Hospitality**

The e-tourism permits, known as the E tourist visa, launched by the Indian government, resulted in an increase in the number of tourist visas issued in the country and a 57.2% increase in e-visa arrivals. 1,697 million during the 2017 school year. In January, the arrivals of March 2018 by electronic visa increased 63% year-on-year to 762,000. India ranked seventh among 184 countries in terms of total contribution to GDP of travel and tourism in 2017. India's foreign exchange earnings increased by 20.8% in fiscal 2017 to reach \$ 27,693 million. From January to March 2018, tourism taxes increased by 20.4% year-on-year to \$ 8,300 million. In India, the sector's direct contribution to GDP is projected to increase by 7.1 percent annually in 2018-2028. The travel and tourism sector in India accounted for 8% of the total employment opportunities generated in India in 2017, which employed approximately 41.6 million people in the same year. The number is expected to increase by 2% per year to reach 52.3 million jobs by 2028. The following points explore the recent trends in Tourism & Hospitality. [15]

**i. Online Travel Operator**

More than 70% of airline tickets are booked online in the country. In India, several online tour operators and tour operators have emerged, offering better prices and options to consumers.



**ii. Wellness Tourism**

The widespread practice of Ayurveda, Yoga, Siddha and Naturopathy, complemented by the spiritual philosophy of the nation, makes India a well-known destination for well-being.

**iii. Spiritual Tourism**

India is known as the seat of spiritualism and the cosmopolitan nature of India is best reflected in its pilgrimage centers. India has been recognized as a tourist destination for domestic and international tourists.

**iv. Marketing Strategy**

Players use innovative marketing strategies to succeed in this sector. For example: The Goa Tourism Development Corporation (GTDC) plans to organize familiarization trips or "family" trips for international tour operators to show that Goa is a tourist destination. He also plans to promote Goa in international markets through print and electronic media. Benefits such as priority reservation and Indian Pass for traveling by train are also extended to foreign tourists. Incredible India 2.0 and Adopt a Heritage were launched in September 2017. The Ministry of Tourism has launched a digital calendar for January 2018.

**v. E-Tourist Visa**

In March 2018, a total of 246,000 foreign tourists reached the e-tourism visa, compared to 146,000 foreign tourists in March 2017, a growth of 68.8% over the previous year.

**IV. CONCLUSION**

The services sector received the largest volume of FDI from April 2000 to December 2017, reaching \$ 64.10 billion. 100 percent of FDI for any regulated financial sector activity under the automatic lane. The Indian government is working to eliminate many barriers to trade in services and has submitted to the WTO a draft legal text on Trade Facilitation in Services in 2017. The government is promoting the necessary services and will not levy any taxes on education and security, health services under the GST. Skill India, a multi-skilled development program to equip staff with the necessary skills required by the industry, has started. In this paper the current service trends adopted in service industry of India is been carried out which would be helpful to find the directions of employment and future growth of economy.

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