

SERVICE SECTORS: BOOMING INDUSTRIES IN INDIA

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Abstract

Service sector in India today accounts for more than half of India's GDP. According to data for the financial year 2006-2007, the share of services, industry and agriculture in India's GDP is 55.1 per cent, 26.4 percent and 18.5 per cent respectively. The fact that the service sector now accounts for more than half the GDP marks a watershed in the evolution of the Indian economy and takes it closer to the fundamentals of a developed economy. India ranks fifteenth in the services output and it provides employment to around 23% of the total workforce in the country. The various sectors under the service sectors in India are construction, trade, hotels, transport, restaurant ,communication and storage, social and personal services, community, insurance, financing, business services, and real estate. Increasing the share of GDP, providing new avenues for multinational companies, protecting both domestic and foreign tourists and liberalizing the policy and procedures will increase the growth of service sectors and pave avenues for more employment opportunities.

Keywords: Economic development, Employment opportunity, foreign direct investment, Service sectors, Tourism.