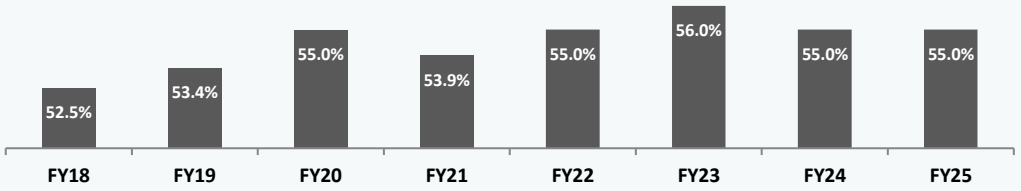
SERVICES

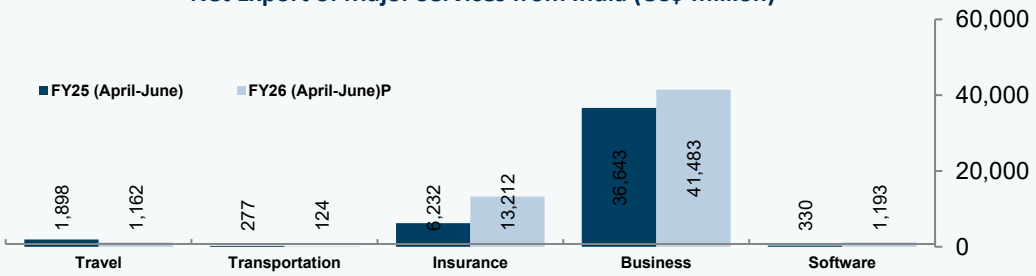
MARKET SIZE

India's Services GVA as a Percentage of Total GVA



SECTOR COMPOSITION

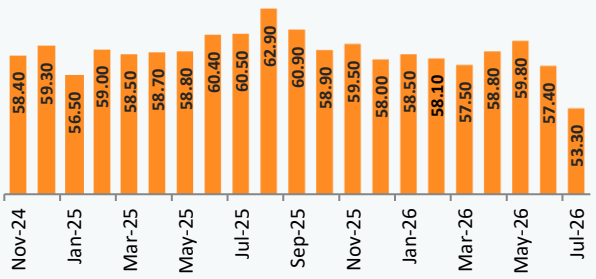
Net Export of Major Services from India (US$ million)



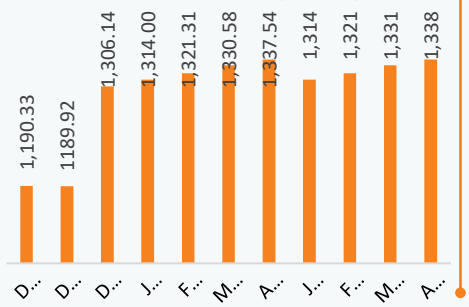
Notes: P- Preliminary

KEY TRENDS

India Services PMI (monthly)



Telecom Subscriber Base (million)



GOVERNMENT INITIATIVES

100% FDI

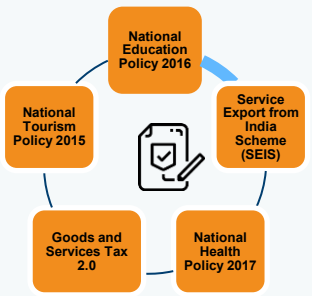
Telecom

Education Sector

Aviation

Healthcare

Tourism and Hospitality



ADVANTAGE INDIA

- **Robust demand:** India's services sector is projected to grow by 9.1% in FY26, up from 7.2% in FY25, indicating an acceleration in services-led economic expansion. In FY2025–26, the sector contributed approximately 56.4% of India's Gross Value Added (GVA), up from around 51% in FY2013–14, underscoring its increasing role in domestic value creation. India has emerged as the world's seventh-largest exporter of services, with its share in global services trade more than doubling from 2% in 2005 to 4.3% in 2024.
- **Competitive advantage**: India has climbed to the 38TH position out of 133 economies in the Global Innovation Index (GII) 2025, according to the World Intellectual Property Organization (WIPO). NITI Aayog's findings on state-level and sector-level dynamics says that states like Karnataka, Maharashtra, Tamil Nadu and Telangana together account for nearly 40% of services output, driven by modern, high-productivity services such as IT, finance and professional services, resulting in a concentration of output in highly urbanised states, particularly in southern India.
- **Policy support**: In June 2026, Gujarat approved the establishment of India's first dedicated Service Commissionerate to promote the growth of the services sector, with a focus on IT, tourism, logistics and other service industries. The state also announced a Rs. 100 crore (US$10.56 million) Service Sector Growth Fund for FY2026-27 to provide growth capital to MSMEs and startups in the sector.
- **Increasing Investments**: As of March 2025, experts forecast that India is poised to attract over Rs. 52,32,600 crore (US$ 610 billion) in alternative investments, primarily private equity and venture capital, from 2025 to 2027, substantially powering the startup ecosystem.

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