

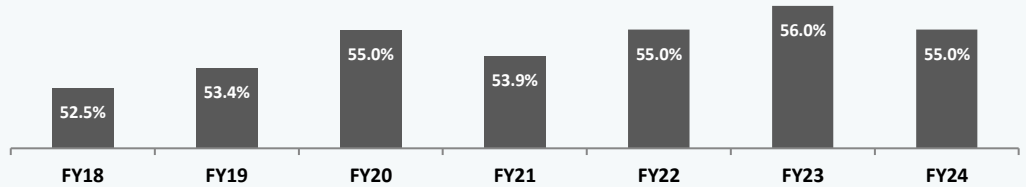


# SERVICES



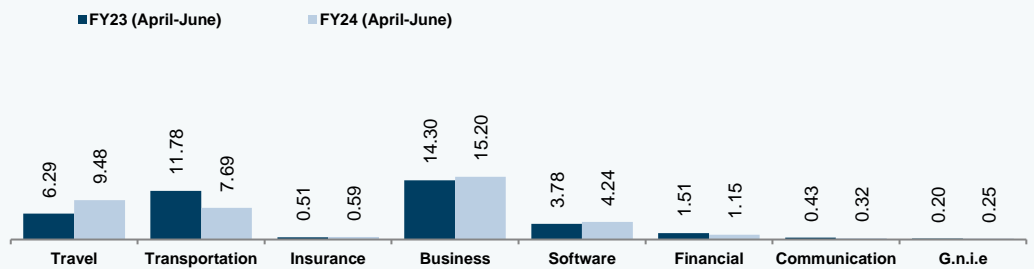
## MARKET SIZE

India's Services GVA as a Percentage of Total GVA



## SECTOR COMPOSITION

Net Export of Major Services from India (US\$ billion)

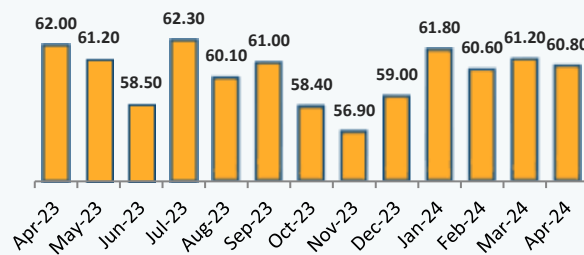


Note: G.n.i.e – Government not included elsewhere, P – Provisional

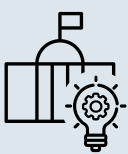
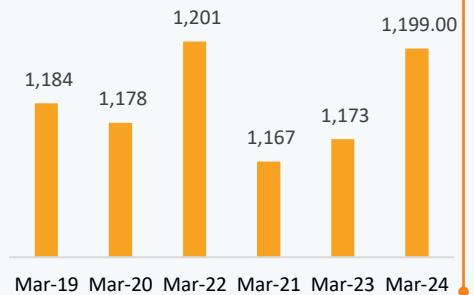


## KEY TRENDS

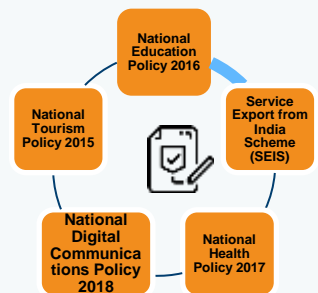
Nikkei India Services PMI (Monthly)



Telecom Subscriber Base (million)



## GOVERNMENT INITIATIVES



## ADVANTAGE INDIA

- Robust demand:** India's Domestic IT Services market grows by 8.1% in 2022, which is further expected to grow at a CAGR of 8.0% between 2022-2027 and reach US\$ 20.42 billion by the end of 2027. India's software service industry is expected to reach US\$ 1 trillion by 2030. India's Domestic IT Services market is expected to grow by 3-5% in FY25, also the operating profit for the sector to remain 21-22%.
- Competitive advantage:** In September 2023, India retains to 40th rank in the Global Innovation Index (GII), due to successful advancements in services that are technologically dynamic and can be traded internationally.
- Policy support:** The government is promoting necessary services and will charge zero tax for education and health services under the GST regime. Centre has formulated 'Action Plan for Champion Sectors in Services' to give focused attention to 12 identified Champion Services Sectors.
- Increasing Investments:** The Indian services sector was the largest recipient of FDI inflows worth US\$ 109 billion between April 2000- March 2024. According to the Ministry of Commerce and Industry, the service sector received US\$ 6.6 billion in FDI equity inflows in FY24.