

Service Sector and Privatization of Services

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Abstract

Education, Health, Transport, Electricity, Banks in India's service sector. Insurance Plans, Telecom Services, Railway Services. Financial services, public enterprises and administrative services are being covered. The service sector is being privatized in a country with a population of 140.76 crore. According to the Periodic Labor Force Survey (PLFS) 2020-21, the government sector employed 10.2% of the total workforce in India, while the private sector employed 88.5%. This means that for every 100 people working in India, only 10 people work in the government sector, which means that 10 percent of the people are employed in the government sector.

Introduction

In 1947, India was freed from the slavery of the British rule for a long time. But in order not to be enslaved by the newly arrived natives, Jawaharlal Nehru, Sardar Patel and Babasaheb Amdekar, an economist at that time, adopted a mixed form of economy, neither capitalist nor socialist. One of the important reasons behind this is the disparity in this country, the main reason for this disparity is the hold of religion on the system. It is so tight that it has created permanent inequality in the country. Inequality has resulted in unequal distribution of resources in the society. As an alternative to this, the country adopted a mixed and government-led system.

But this system is being destroyed due to political and religious thinking. Because religion has been used for political supremacy in India since ancient times. A start is being made to organize the country according to religion. Religion is leading to the domination of a few and inequality to the majority. A good example of this is the introduction of capitalism in the country. In 1950, India adopted a mixed economy. The constitution of India uses the attributes of equality, equality, secularism, equality of human value. India's economy is expected to run according to this principle but it doesn't seem to be happening as it has often been seen that the world can survive only with capital as per global ideology. The values of equality and equality can only be in thought and not in reality. But this system is being destroyed due to political and religious thinking. Because religion has been used for political supremacy in India since ancient times. A start is being made to organize the country according to religion. Religion is leading to the domination of a few and inequality to the majority. A good example of this is the introduction of capitalism in the country.

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Banking sector: As of March 2022, there were 745,000 employees in private banks in India, and 756,000 employees in public sector banks. In terms of number of banks, the number of private banks in India is 21, while the number of public sector banks is only 12 in 2022. Still, 12 public sector banks have 756,000 employees and 21 private banks have 745,000 employees, which mean 11,000 employees have become unemployed due to the private sector.

Financial institutions

A) Industrial Finance Corporation of India in India

B) State Financial Corporations

Small and Medium Industrial Institutions are under the Industrial Credit and Investment Corporation of India In 1964 Industrial Development Bank of India and Unit Trust of India were established. Jeevan Bima Corporation was established in 1956. Industrial Finance Corporation of India- This Corporation was established in 1948.

Functions

- 1) Sanctioning industrial loans and accepting its loan bonds
- 2) Guaranteeing capital market loans of industrialists
- 3) Guaranteeing the purchase of bonds, bonds, debentures raised by industrial business establishments. Also through this corporation they provide long and medium term financing to companies in manufacturing, mining, shipping business, power generation and distribution.

**Category wise number of internal registrations
APY on 30 November 2022:**

Sr. No	Category of Banks Enrollment No	Number
1	Public Sector Banks	3,35,92,201
2	Private Banks	32,28,182
3	Small Finance Bank	1,29,803
4	Payment Bank	14,51,069
5	Regional Rural Banks	92,19,257
6	District Cooperative Banks	70,116
7	State Cooperative Banks	6,439
8	Urban Co-op Banks	25,356
9	Post Department	3,75,845
10	In total	4,80,98,268

Ministry of finance annual report-2022

The QES, conducted by the Bureau of Labor, covers ten or more establishments in nine major sectors of the workforce. Manufacturing, Construction, Trading, Transportation, Education, Healthcare, Accommodation & Restaurant, IT/BPO and Financial Services. According to the 6th Economic Census (2013-14) conducted by the Ministry of Statistics and Program Implementation (MoSPI), these nine sectors account for about 83 percent of the total employment in establishments employing ten or more employees. So far, the results of four rounds of the quarterly employment survey have been declared. Estimated total employment in nine selected sectors. The round of QES (January to March 2022) was 3.2 crore, which is almost a million more than the estimated employment from the first round of QES (April-June 2021). The increase in the labor forecast from Q1FY22 to Q4FY22 was driven by rising employment in the sector. As IT/BPO (17.6 lakh), Health (7.8 lakh), and Education (1.7 lakh) due to increasing digitization

Sr. No	Service sector	2021	2022
1	Product	125.2	122.5
2	Construction	7.4	6.1
3	Trade	20.4	17.0
4	Transportation	13.4	13.3
5	Education	६७.३	६९.०
6	Health	26.0	33.8
7	Accommodation and Restaurants	8.9	8.2
8	IT/BPO	20.7	38.3
9	Financial Services	17.4	9.1
10	Total	308.2	318.0

Revival of the service sector economy. In terms of employment, regular employees were the majority of workers across all sectors, accounting for 86.4 percent of the total workforce in Q 4FY22. The number of employees in these nine areas of contract is relatively low. Manufacturing (12.4 percent) and construction (19.0 percent). Further, the latest report of fourth round (January-March, 2022) of 28 QES out of total employees was released in September 2022. Economic Survey 2022-22. In the fourth round of QES, 98.0 percent are employed while 1.9 percent are self-employed. By gender, the share of females in the total estimated employment is 31.8 percent and males 68.2 percent. All the above information is as per survey 2022-22. Sectors April-June, 2021 July-September, 2021 October-December, 2021 January-March, 2022. According to the Economic Survey, the employment in the manufacturing sector from 2021 to 2022 was 125 lakh and 122 in 2022. Has decreased so much. Employment in the manufacturing sector has declined by 3 percent this year. If the same ratio is seen in the construction sector, it is 7.6 million jobs in 2022. It has become one lakh. In the construction sector, employment has also decreased by 1 percent. Employment in Trade Sector 2021 20. It was a million. 17 in the same year 2021. Lakh has decreased so much that this year employment in trade sector has decreased by 3 percent. Looking at employment in the transport sector 13. Lakh employment was in the year 2021. The same ratio is 13.3 in the year 2022 only in the transport sector employment was stable. 67 in the year 2021 if employment in education is seen. 69 lakh employments have been created in the year 2022. Employment has increased by 4 percent in the education sector. If we look at health matters, 26 lakh jobs were created in the health department in the year 2021 and this number is 33 in the year 2022. 8 lakh has increased. Employment in sub-houses 2021 8.9 lakh was 8 in the year 2021. 2 lakh is as low as Rs. 20 by 2021 in the IT sector. 7 lakh employments were 38 in the year 2022. 8 lakh has increased. Employment in Financial Services by 2021 17.4 lakh was the same in the year 2022 9.1 lakh has been reduced. If we look at the ratio of this to the total service, the total service in the year 2021 is 308.2 lakh jobs were created. 9 in the same year 2022. 1 lakh has been reduced. This means that the employment in the private sector is decreasing but in the government sector it is not increasing while the government is privatizing many government sectors.

Hypothesis:

- 1) Continued privatization of government sector
- 2) Decline in service sector employment

Objectives:

- 1) To study employment in service sector.
- 2) To know about declining employment in service sector

Research Methods:

This essay uses secondary sources. For this research essay, survey methodology is mainly used to collect quantitative data.

Conclusion:

Agriculture is the main occupation of Indian economy. Because in the survey of 2022-22, the share of agriculture is 22 % while the share of service sector is 28 percent. If agriculture does not grow to the same extent, then it has a big impact on the industry and service sector. Despite this, the country has made great progress in the service sector in 75 years. The service sector is generating more employment than agriculture, yet the government is privatizing more in this sector. As a result, the employment rate is declining. Inequality increases if the employment rate decreases. To reduce inequality in the country today, employment opportunities must be more. In today's scenario service sector is more important as it can create employment opportunities.

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