

**Model questions (ECONOMY-Services Sector) based on  
TELANGANA SOCIO-ECONOMIC OUTLOOK 2022  
STUDY MATERIAL FOR UPSC CIVIL SERVICES /  
TSPSC GROUP I & Group 4 ;  
TSLPRB SUB-INSPECTOR /CONSTABLE  
(Prepared on 12.6.2022)**

For Study purpose

Prepared by :Praturi Potayya Sarma, MA(OU),LLB(OU),PGDIRPM  
Yojana(Telugu), Andhra Jyothi Writer (for competitive examinations)

26 Years Teaching Experience for Civil Services Exams

Mobile No.8143189271

Blog : Praturi P Sarma

**SERVICES SECTOR**

1)More advanced economies around the world have a more dominant services sector in terms of their contribution to the value added. The services sector remains the dominant sector in Telangana's economy with a share of 61.33% in the Gross State Value Added (GSVA) at current prices in 2021-22.

Question: In which economies around the world have a more dominant services sector in terms of their contribution to the value added ?

Ans : Advanced economies (Ex: USA, UK etc.)

Question: What is the share of Services Sector in Telangana's economy in the GSVA at current prices in 2021-22?

Ans : 61.33%

2)The Compounded Annual Growth Rate (CAGR) of Gross Value Added (GVA) at current prices by the services sector in Telangana (12.13%) between 2014-15 and 2021-22 was nearly 2.3 percentage points higher than the All-India average (9.53%).

3)The 'Real Estate, Ownership of Dwelling and Professional Services' is the most dominant sub-sector of the services sector in the state, which contributed more than one-third (33.79%) of the GVA at current prices by the sector in 2021-22. It is also the single largest sub-sector of the state's GVA (20.73%).

Question: Which sub-sector of the Services Sector in Telangana is dominant and contributed more than 33.79% of GVA ?

Ans : Real Estate, Ownership of Dwelling and Professional Services

4)Despite the unprecedented disruption caused by the pandemic to the services sector due to the contact-intensive nature of its component sub-sectors, Telangana's services sector GVA experienced a positive growth rate at current prices (0.91%) in 2020-21 as compared to the negative growth rate at the national level (-4.65%).

5) Approximately one-third (33.32%) of the total workers in Telangana are employed in the services sector. Among the total workers in the service sector, more than

one-third (37.75%) work in the 'trade, hotels and restaurants' sub-sector.

Question: 33.32% of the total workers in Telangana are employed in Services sector. Among the total workers in the service sector, more than 37.75% work in which sub-sector ?

Ans : Trade,Hotels and Restaurants

6)The services sector in urban Telangana employs a greater share of persons (68.07%) than those employed in urban India (61.48%), whereas in rural Telangana, the sector employs a smaller share (15.66%) of persons than rural India (18.47%).

Question: The Services Sector employs 15.66% of persons, belong which area ?

Ans : Rural Telangana

7) Between 2014-15 and 2020-21, IT exports from Telangana experienced a Compounded Annual Growth Rate of 14.01%. The total employment in the IT sector increased from nearly 3.7 lakhs to 6.28 lakhs during this period. This reflects the success of the first ICT Policy (2016) that aimed to augment the IT sector growth. The Government has introduced its second ICT Policy (2021-26) to further scale the sector.

Question: Total employment in the IT sector increased from nearly 3.7 lakhs to how much during 2014-15 and 2020-21 ?

Ans : 6.28 lakhs

Question: Second ICT Policy (2021-26) was introduced. When the first ICT Policy was started ?

Ans : 2016

8)Telangana received two global recognitions in 2021 in the tourism sector The Ramappa Temple in Mulugu District was declared as a World Heritage Site by the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Question: For Ramappa Temple who gave World Heritage Site ?

Ans : UNESCO

Question : Ramappa Temple is in which district ?

Ans : Mulugu District

9)Pochampally village in Yadadri Bhuvanagiri district was awarded the title 'Best Tourism Village' by the United Nations World Tourism Organisation (UNWTO).

Question: Who awarded the Best Tourism Village to Pochampally village ?

Ans : United Nations World Tourism Organisation (UNWTO)

Question: Pochampally village is in which district ?

Ans : Yadadri Bhuvanagiri district (Earlier it was in Nalgonda district )

Question : Pochampally famous for what ?

Ans : Pochampally sarees. It is the also the place where Bhoodam movement started by Vinoba Bhave for land distribution purpose , to the poor people

10)For the development of new buildings, the Government introduced the Telangana State Building Permission Approval and Self Certification System (TS-bPASS), a single-window system that expedites the approval of building designs.

Question: TS-bPASS is for which purpose ?

Ans : Telangana State Building

11)The Government introduced Dharani Portal in 2020, a service sector innovation for agricultural land transactions, that offers 100% advance slot bookings and instantaneous mutations and registrations. Within a span of one year, the portal completed more than 8 lakhs transactions.

Question: Dharani Portal is for which purpose ?

Ans : A service sector innovation for agricultural transactions, that offers 100% advance slot bookings and instantaneous mutations and registrations

12)The services sector, also known as the tertiary sector, includes the intangible services bought or sold in an economy. It is the largest sector of the global economy in terms of value-added, accounting for 59.94% of the global GDP in 2020<sup>1</sup>. The services sector covers a wide range of services, including trade, hotels and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social, and personal services. The services sector is also critical to the growth of the industrial and agriculture sectors through improvements in electrification, communication, transportation, banking, etc. services, for improvements in the overall quality of life through access to improved healthcare and education services, and for expeditious economic growth through increased productivity and expansion of trade.

Question: Services Sector is also known as what ?

Ans : Tertiary Sector (It includes the intangible services bought or sold in an economy )

Question: Services sector covers which of the following :

Ans : The services sector covers a wide range of services, including trade, hotels and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social, and personal services.

13)Nobel-prize winning economist, Simon Kuznets points out that economic growth is associated with structural shifts from the agricultural sector to the industrial sector to the services sector. Thus, more advanced economies around the world have a more dominant services sector in terms of its contribution to the value added and employment.

In the context of Telangana, the services sector was the highest contributor to the state's economy, with 61.3% of the total Gross State Value Added (GSVA) coming from this sector in the year 2021-22. Additionally, the sector provided employment to more than one-third of the total workforce. The services sector has been a vital source of output, growth, and jobs in the state, and has also brought in significant amounts of foreign capital into the state's economy.

In the last seven years, investments in knowledge and data, and rapid technological advances have fueled the swift growth of the services sector as well

Question:

Which of the following is correct , in the context of Telangana, the services sector?

- a)It was the highest contributor to the state's economy, with 61.3% of the total Gross State Value Added (GSVA) coming from this sector in the year 2021-22.
- b)Additionally, the sector provided employment to more than one-third of the total workforce.
- c)The services sector has been a vital source of output, growth, and jobs in the state, and has also brought in significant amounts of foreign capital into the state's economy.
- d)All the above

Ans : d

Question : As per Nobel-prize winning economist, Simon Kuznets, which of the following is correct ?

Ans : Economic growth is associated with structural shifts from the agricultural sector to the industrial sector to the services sector.

14)In the year 2021-22, 61.3% (Rs. 6,37,476 crore) of Telangana's Gross State Value Added at current prices was accounted for by the services sector, making it the most dominant sector in the state's economy.

Question: Which sector is the dominant sector in the Telangana economy in the year 2021-22 ?

Ans : Services Sector ( 61.3%) ( Rs.6,37,476 Crores)

15)For the last three years, Telangana stood third among the 18 Non-Special Category (NSC) states in terms of the share of the services sector in the total state economy. Moreover, the state's service sector share was higher than the national average in all these years. This is reflective of the advanced nature of the economy of the state in comparison with the other NSC states in the country.

16)The Gross Value Added (GVA) by the services sector at current prices in Telangana grew from Rs. 2,86,011 crore in 2014-15 to Rs. 6,37,476crore in 2021-22 – an increase of 122.89% over a span of 7 years (see Figure 6.3). In the same duration, the GVA by the services sector in India grew from Rs. 59,62,478 crore to Rs. 1,12,75,865 crore – an increase of 89.11%. Thus, between 2014-15 and 2021-22, Telangana's service sector grew by 33.78 percentage points more than the nation's.

17)Between 2014-15 and 2021-22, the GVA by the services sector at current prices in the state experienced a Compounded Annual Growth Rate (CAGR) of 12.13%, nearly 2.3 percentage points higher than the all-India CAGR value (9.53%).

18)During this span, the growth rate of the services sector in Telangana was higher than that of India's for all years except 2018-19. The services sector in Telangana, as well as India was affected due to the contact-intensive nature of its component sub-sectors. However, despite the unprecedented disruption caused by the pandemic to this sector, Telangana's services sector GVA (at current prices) experienced a positive growth rate (0.91%) in 2020-21 whereas at the national level this experienced a decline of 4.65%. Moreover, the state's service sector grew better than the nation's during its recovery from the pandemic induced economic stress. The services sector in the state grew by 18.32% against the All-India value of 17.57% in 2021-22.

19)Estate, Ownership and Other Professional Services' sub-sector was the largest contributor to the service sector GVA at current prices, with a share of 33.79% in 2021-22, followed by the 'Trade, Repairs, Hotels and Restaurants', with a share of 27.40% .

Question: Estate, Ownership and Other Professional Services' sub-sector was the largest contributor

to the service sector GVA at current prices, with a share of \_\_\_\_\_ in 2021-22, followed by the 'Trade, Repairs, Hotels and Restaurants', with a share of 27.40% .  
Ans : 33.79%

20) Between 2014-15 and 2021-22, there was a net increase in the share of the 'Trade, Repair, Hotels and Restaurants'. In all years during this period, the 'Real Estate, Ownership of Dwelling and Professional Services' sub-sector held more than one-third of the GVA by the services sector.

Question: Which sub-sector held more than one – third of the GVA by the Services Sector ?  
Ans : Real Estate, Ownership of Dwelling and Professional Services

Question : What are the initiatives taken by the Government have helped these sectors to flourish?

- a) The first ICT policy (2016) and Telangana State Innovation Cell (TSIC) significantly helped in the capacity and infrastructure building of IT/ITeS sectors.
  - b) On the other hand, approvals and clearances were made easy through single window systems like Telangana State Industrial Project Approval and Self-Certification System (TS-iPASS) and Telangana State Building Permission Approval and Self Certification System (TS-bPASS).
  - c) Both (a) & (b)
  - d) None of these
- Ans : c

## Question : What constitutes the services sector?

- 1) Trade, repair, hotels and restaurants
  - a) Trade & repair services**
  - b) Hotels & restaurants**
  - 2) Transport, storage, communication & services related to broadcasting
  - a) Railways**
  - b) Road transport**
  - c) Water transport**
  - d) Air transport**
  - e) Services incidental to transport**
  - f) Storage**
  - g) Communication & services related to broadcasting**
  - 3) Financial services
  - 4) Real estate, ownership of dwelling & professional services
  - 5) Public administration
  - 6) Other services
- Ans : All the above

21) The 'Trade, Repair, Hotels and Restaurants' subsector experienced the maximum Compound Annual Growth Rate (CAGR) between 2014-15 and 2021- 22 (at current prices), at 15.35%. The 'Real Estate, Services' sub-sector experienced a CAGR of 12.09% .  
The sub-sectors most affected by the pandemic were the 'trade and repair, hotels and restaurants' and road the 'transport, storage and communication' sub-sectors. Between 2019-20 and 2020-21, the GVA by the former saw a decline of 8.54% compared to a 1.89% decline in the GVA by the latter.

Question: Which sub-sectors, most affected by the pandemic ?  
Ans : Trade and repair, hotels and restaurants , and the road the transport, storage and communications.

22)The gross value added by the real estate, trade and professional services sector at current prices in Telangana grew from Rs. 96,912 crore in 2014-15 to Rs. 2,15,426 crore in 2021-22 – an increase of 122.29% over a span of 7 years.

23)Within the 'Real Estate, Trade and Professional Services' sector, the IT and ITeS subsectors in particular experienced significant and sustained growth post-state formation owing to the special focus of the government on this sub-sector.

24)Information Technology (IT) is one of the fastest growing sectors in Telangana. In particular, Hyderabad city has played a crucial role in putting the Indian IT sector on the global map. In 2014-15, the IT exports from Telangana were worth Rs. 66,276 crore. This more than doubled to Rs. 1,45,522 crore by 2020-21. The Compound Annual Growth Rate in IT exports during this period was 14.01%. IT exports experienced a growth rate of 17.93% between 2018-19 and 2019-20. But this decreased to 12.98% in 2020-21. However, there is an absolute increase of Rs. 79,246 crore in the IT Exports from the state as most of the IT companies went into a 'Work-from Home' model during the pandemic. In 2014-15 a total of 3,71,774 persons were employed directly in the IT/ ITeS sector. This figure increased to 6,28,615 by 2020-21. During this period, 2,56,841 jobs were created. In 2020-21 alone, the IT sector created 46,489 new jobs .

Question: Which city has played a crucial role in putting the Indian IT sector on the global map?

Answer: Hyderabad

Question: IT exports from Telangana were worth Rs. 66,276 crore. This more than doubled to Rs. \_\_\_\_\_ crore by 2020-21

Ans : 1,45,522

Question: During 2020-21, IT sector has created \_\_\_\_\_ new jobs.

Ans : 46,489

25)The Government of Telangana introduced its first Information and Communications Technology (ICT) Policy in 2016. The policy proposed to transform Telangana into the most preferred destination for IT companies and thereby enable the state to be a hub for technology entrepreneurship and innovation in the country. To augment the IT sector growth rate, the Government also brought in sectoral policy frameworks in 2016 for Electronics, Innovation and Rural Technology, Data Centres, Open Data, Cyber Security, Data Analytics, Internet of Things (IoT), and eWaste. The success of the first ICT policy is reflected in the exports and employment trends of the IT/ITeS sector in the state.

Question: When the Government of Telangana introduced its first Information and Communications Technology Policy (ICT) introduced ?

Ans : 2016

### **Second ICT Policy (2021-2026)**

26)The Second ICT Policy of Telangana focuses on digital empowerment of citizens, innovation, and entrepreneurship as drivers of the sector's growth. It aims to scale the exports from this sector from Rs.1.45 lakh crore in 2020-21 to Rs. 3 lakh crore by 2026. In doing so, it targets increasing the employment in the sector from 6.3 lakh to 10 lakh by the year 2026.

Question: What the period of Second ICT Policy ?

Ans : 2021-2026

Question : What is the aim of Second ICT Policy of Telangana ?

Ans : It aims to scale the exports from this sector from Rs.1.45 lakh crore in 2020-21 to Rs. 3 lakh crore by 2026. . In doing so, it targets increasing the employment in the sector from 6.3 lakh to 10 lakh by the year 2026.

27) The Government of Telangana recognizes the need to distribute growth across Hyderabad in order to spread the gains from growth to the semi-urban areas around Hyderabad as well. Through the Growth in Dispersion (GRID) policy, the Government provides special incentives to the companies that expand or set up their units beyond the western part of Hyderabad. IT parks in Uppal, Pocharam, Kompally, Kollapur, Shamshabad are under development and two electronic manufacturing clusters are under development at Maheshwaram and Raviryal.

Question : What is GRID policy ?

Ans : Growth in Dispersion Policy

28) The Government also plans to develop 53 IT Special Economic Zones (IT-SEZ) across the state with an emphasis on developing clusters in Tier - II and Tier - III towns including Warangal, Karimnagar, Mahbubnagar, Siddipet, Nalgonda, and Nizamabad. The IT towers in Warangal, Karimnagar, and Khammam are already operational whereas those in Mahabubnagar, Nizamabad and Siddipet are under construction.

Question: IT towers in which places, already in operational condition ?

Ans: Warangal, Karimnagar and Khammam

## **Initiatives to promote Real Estate Services**

### **Dharani**

29) Dharani web-portal is a service sector-innovation for the agricultural land transactions in the state that offers a one-stop solution for agricultural land transactions. The portal offers 100% advance slot bookings and instantaneous mutation and registration, and brings registrations to the doorsteps of the citizens. Stamp duty fee is calculated by the system without human intervention which ensures that there is no discretion to any official. 8,52,874 transactions had been completed through the portal as of October 2021.

Question: Stamp duty fee is calculated by the system without \_\_\_\_\_ intervention which ensures that there is no discretion to any official.

Ans : human

Question : What is Dharani ?

Ans : Web-portal .It is for agricultural land transactions in Telangana

30) To ease the administrative burdens in the development of new buildings, the Government introduced the Telangana State Building Permission Approval and Self Certification System (TS-bPASS), a single-window system that expedites approval of building designs.

The new rules under TS-bPASS have eliminated the need to obtain building permission for ground floor and ground plus one floor residential buildings along with providing tentative layout approval through online application. It also provides for the processing of land use certificates and land conversion certificates.

Question: What is TS-bPASS?

Ans : It is a single – window system that expedites approval of building designs

## **31)Telangana Academy for Skill and Knowledge (TASK)**

The Telangana Academy for Skill and Knowledge (TASK) envisages enhancing skilling synergy among the institutions of the Government, industry and academia. The services offered by TASK belong to three major categories- skill development, entrepreneurship, and capacity building for government machinery.

Question: What is TASK ?



Ans : Telangana Academy for Skill and Knowledge (TASK) .

Question: TASK envisages what ?

Ans : It envisages enhancing skilling synergy among the institutions of the Government, industry and academia.

32) Since its inception, TASK has facilitated training to 3,07,847 students and about 700 colleges are empanelled for the programmes offered by TASK. 2,918 engineering students are enrolled under Technology Entrepreneurship Programme (TEP) which aims to foster entrepreneurship by guiding engineering students in creating technology-enabled products and services. 1,329 healthcare employees under Telangana Vaidya Vidhana Parishad (TVVP) have been trained by TASK to date.

TASK received the Outstanding Youth Transformation Initiative Award in the India Global Education and Skills Summit 2021 and the Global Ignite Excellence Award in 2021. TASK achieved a place in the Asia Book of Records for simultaneously training the maximum number of students across the state through the F-Tech 2.0 programme.

The Telangana State Innovation Cell (TSIC) set up in 2017 under the State Innovation Policy promotes the culture of innovation and entrepreneurship among the government departments, other organizations, and schools. TSIC works under the areas of innovation in schools, social innovation, innovation diffusion, startup support, and grassroots innovation.

Through Telangana Social Innovation Challenge in collaboration with UNICEF and the Inqui-Lab Foundation - introduces the schools and children to the basics of design thinking and social innovation. Top 25 out of 7,092 ideas from school students were exhibited in its first edition in 2020. Telangana Social Startup Network (TSSN) - a network of 297 social startups, 35 incubators, 30 NGOs, 77 mentors and 23 investors- organized monthly networking sessions to bring together the social start-up community onto a single platform and enable resource sharing and opportunities scaling.

Question: When Telangana State Innovation Cell (TSIC) was set up ?

Ans : 2017

Question: TSSN ?

Ans : Telangana Social Startup Network

### **Technology Hub (T-Hub)**

T-Hub is an innovation intermediary and business incubator based in Hyderabad set up to promote entrepreneurship in Telangana with the first phase launched in 2015. Since its inception, the T-Hub has provided over 1,800 national and international startups with access to better technology, talent, mentors, customers, corporates, investors and government agencies.

Question: What is T-Hub ?

Ans : Technology Hub .

Question: Give details about T-Hub?

Ans: T-Hub is an innovation intermediary and business incubator based in Hyderabad set up to promote entrepreneurship in Telangana with the first phase launched in 2015.

### **Women Entrepreneurs Hub (WE-Hub)**

Women Entrepreneurs Hub (WE-Hub), launched in 2017, is a state-led incubator to promote and foster women entrepreneurship. Since 2018, WEHub has incubated 1,495 startups and small/medium entrepreneurs and engaged 4,527 women entrepreneurs.

Question: What is WE-Hub ?

Ans : Women Entrepreneurs Hub (WE-Hub) launched in 2017 .

Question: Give details about WE-Hub ?



Ans : WE-Hub was launched in 2017 and it is a state – led incubator to promote and foster women entrepreneurship.

## Financial Services

The gross value added (at current prices) by the financial services sector in Telangana grew from Rs. 30,261 crore in 2014-15 to Rs. 54,659 crore in 2021-22 – an increase of 80.62% over a span of 7 years (see Figure 6.9).

### Banking and Insurance

Banking and Insurance forms a major part of the financial services along with professional advisory, insurance, wealth management, mutual funds, stock markets, treasuries and debt instruments, tax and audit consultancy, capital restructuring and portfolio management.

There is a strong, bi-directional relationship between banking and insurance, and economic growth. 15.24 bank branches are available per 1 Lakh population in Telangana, as of 2020-21. Out of the total 5,750 bank branches across the state, 3,079 are public sector banks, 1,271 are private sector banks, 456 are co-operative banks, 918 are regional rural banks, 14 are small finance banks and 12 are other banks.

Nearly one-third (31.0%) of the total bank branches in the state are in rural areas and another one-third (33.7%) are metropolitan branches .

Question: For 1 Lakh population in Telangana , how many bank braches are available ?

Ans : 15.24

Question: Out of the total 5,750 bank branches across Telangana, which of the following are correct ?

a)Public Sector banks: 3079

b)Private Sector banks : 1,271

c)Co-operative banks : 456; Regional Rubal Banks:918 ; Small Finance Banks : 14; Other banks: 12

d) All the above

Ans : d

The share of Banking and Insurance in the GSVA of Telangana (at current prices) was 5.92% in 2020-21, the second-highest among the 14 Non-Special Category States with data availability<sup>2</sup>. In 2019-20, Telangana had the second-highest share of Banking and Insurance in GSVA (at current prices) at 5.88% among all Non-Special Category States.

### Banking and Insurance sector

The Compound Annual Growth Rate (CAGR) of GVA by the banking and insurance sector (at current prices) in Telangana between 2014-15 and 2020- 21 was 9.84%.

Between 2019-20 and 2020-21, the GVA by banking and insurance (at current prices) grew from Rs. 51,24,901 crore to Rs. 53,14,522 crore an increase of 3.70%. In this sub-sector, Telangana had the sixth-highest CAGR of GVA by banking and insurance (at current prices) between 2014-15 and 2020-21 among 14 Non-Special category states with data availability.

## Trade, Repair, Hotels and Restaurants

This sub-sector is further split into 2 component sub-sectors: Trade and Repair Services – which (at current prices) accounted for 92.75% of this sub-sector's GVA in 2021-22 and Hotels and sub-sector's GVA in 2021-22.

The gross value added by 'trade and repair' at current prices in Telangana grew from Rs. 56,974

crore in 2014-15 to Rs. 1,61,991 crore in 2020-21 – an increase of 184.32% over a span of 7 years. On the other hand, during this span, the gross value added by the hotels and restaurants at current prices in Telangana grew from Rs. 7,295 crore in 2014- 15 to Rs. 12,662 crore in 2020-21 – an increase of 73.58%

Trade and repair' experienced a significant increase in its GVA in all pre-pandemic years. But this was not the case with 'hotels and restaurants'. Though there was a year-on-year increase in the GVA added by 'hotels and restaurants' till the COVID-19 pandemic, the growth rate is less compared to 'trade and repair'.

Both the components under this sub-sector - 'trade and repair' as well as 'hotels and restaurants' - are contact-intensive sectors. The impact of COVID-19 is visible in the patterns of growth of these sectors where physical human interaction is inevitable. Many of the retail outlets and restaurants switched to 'home delivery' mode during the pandemic. Also, large food and grocery home delivery chains in the cities managed the situation by strengthening their existing system. However, this was largely limited to the urban areas.

Question: Which are the following is contact-intensive sectors?

Ans : Trade and Repair ; and Hotels and Restaurants

However, in 2021-22, the GVA (current prices) by the overall 'Trade, Repair, Hotels and Restaurants' exceeded the pre-pandemic level (2019-20) by Rs. prices) by the 'Trade and Repair' sub-sector experienced a fall of 7.87% between 2019-20 and 2020-21- from Rs. 1,36,009 crore to Rs. 1,25,308 crore. During this period, the GVA (current prices) by the hotels and restaurants fell by 16.39% - from Rs. 11,655 crore to Rs. 9,745 crore. The share of trade and repair services to the GVA by the services sector (at current prices) in 2021- 22 was 25.41% whereas this for 'hotels and restaurants' was 1.99%.

## **Transportation, Storage, Broadcasting and Communication**

This sub-sector is further split into 7 components, whose contributions to this sub-sector at current prices in the year 2021-22 were as follows:

- 1) Railways, Road Transport and Air Transport accounted for 5.94%, 59.78% and 2.09% of this sub-sector respectively
- 2) Services incidental to transport – accounted for 9.43% of this sub-sector
- 3) Storage – accounted for 1.28% of this subsector
- 4) Communication and services related to broadcasting is the second largest contributor to the sub sector which accounted for 21.49% of this sub-sector.

The gross value added by the transport sub-sector at current prices in Telangana grew from Rs. 35,866 crore in 2014-15 to Rs. 58,324 crore in 2021-22 – an increase of 62.62% over a span of 6 years .

Air, Railways and Road transport are the contact intensive components of this sub-sector. Between 2019-20 and 2020-21, the air transport sub-sector experienced a decrease of Rs. 291 crore in the GVA (at current prices), a fall of 21.30%. During this period, the absolute decrease in GVA of railways was Rs. 222 crore, a fall of 6.61%; road transport experienced a fall of 3.06%, an absolute decrease of Rs. 1,046 crore .

While all sub-sectors herein experienced a decline in the growth rates on account of the pandemic, the road transport sub-sector experienced a more significant decline. One of the possible reasons for road transport experiencing a higher fall rate is the relatively higher instances of interaction with other contact-intensive outlets such as trade, retail, hotel, restaurants. The trade, repair, hotels and restaurants together experienced a decline of 10.26 percentage points in their growth rate between 2019-20 and 2020-21.

Another reason for this trend could be the relatively lower impact of the pandemic on the non-contact intensive income generation activities that the Railways and Air Transport sectors carry out.

## Tourism

Telangana's history and topography have endowed the state with a variety of tourist destinations, from waterfalls and hills to temples and forts. The region has a rich cultural heritage and possesses all the qualities required to emerge as a potent tourist destination in India.

### Tourist Footfall

The state witnessed an increase in the domestic tourist footfall from 7,23,99,113 in 2014-15 to 8,30,35,894 in 2019-20, an increase of 14.69%. During this period, the foreign tourist footfall increased from 75,171 to 3,23,326, a 4.3 times increase.

However, due to the travel restrictions, lockdowns, and border closures during the pandemic, there was a steep decline of 4,29,80,313 in the domestic tourist arrivals between 2019-20 and 2020-21. In this span, the foreign tourist footfall declined by 2,76,626 .

Question: Between 2019-20 and 2020-21, the foreign tourist footfall declined by how much ?

Ans : 2,76,626 .

## Global Recognitions and Awards

### Ramappa Temple

Ramappa Temple in Mulugu District was declared as a World Heritage Site by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in 2021. The temple, also known as Rudreshwara Temple, in a walled complex was built during the Kakatiyan period (1123–1323 CE) under rulers Rudradeva and Recharla Rudra. The building features decorated beams and pillars of carved granite and dolerite with a distinctive and pyramidal Vimana (horizontally stepped tower) made of lightweight porous bricks, so-called 'floating bricks', which reduced the weight of the roof structures.

Question: Ramappa Temple is in which district ?

Ans : Mulugu district

Question: Who declared World Heritage Site in 2021 for Ramappa Temple ?

Ans : UNESCO

Question: What is the other name of Ramappa Temple ?

Ans : Rudreshwara Temple

Question: Ramappa Temple was built during which period ?

Ans: It was built during the Kakatiyan period (1123–1323 CE) under rulers Rudradeva and Recharla Rudra.

### Pochampally Village

Pochampally village, a 28 square km-wide weavers' hamlet on the outskirts of Hyderabad was awarded the title 'Best Tourism Village' by the United Nations World Tourism Organisation (UNWTO) in 2021 for its commitment towards the promotion and preservation of cultural heritage and sustainable development through tourism. The weavers in the village are engaged in the production and marketing of hand-woven sarees, dress materials, bed sheets, furnishing fabrics - in silk and cotton. Pochampally Ikat designs already hold the Geographical Indications tag.

Question: UNWTO in 2021 awarded Best Tourism Village for which village ?

Ans : Pochampally village

## Awards

Renowned Gussadi Dancer, Sri. Kanakaraju was facilitated with the Padma Shri award on 10.11.2021 in recognition of his contributions to art and culture.

Recently Sri. Darshanam Moglaiah, who has kept alive the 12-step stringed musical instrument Kinnera, Kuchipudi dancer Smt. Gaddam Padmaja Reddy and tribal folk singer Sri. Ramachandraiah were awarded Padma Shri on 26.01.2022.

Question: Sri Kanakaraju is famous as what ?

Ans : Renowned Gussadi Dancer

Question: Sri Darshanam Moglaiah famous for what ?

Ans : 12-step stringed musical instrument Kinnera

Question: Smt.GAddam Padmaja Reddy is for what ?

Ans : Kuchipudi dance

Question: Sri Ramachandraiah is famous as what ?

Ans : Tribal folk singer

## Government Initiatives to promote tourism

The Government promotes tourism in the state through supporting festivals and pilgrimages, building safe and hygienic hospitality infrastructure, creating livelihood opportunities and through reachout activities in India and abroad.

## Tourism Circuits

Tourism circuits help highlight the inter-relationships and common tourism opportunities among the cities and villages that are part of the same destination.

Question: Which of the following the major tourism circuits in the Telangana state are there ?

a) **Tribal Circuit:** Mulugu - Laknavaram – Medaram - Tadvai - Damaravai - Mallur – Bogatha Waterfalls.

b) **Heritage Circuit:** Qutub Shahi Heritage Park - Paigah tombs - Hayath Bakshi Mosque - Raymond's tomb

c) **Eco-Tourism Circuit:** Somasila Reservoir - Singotam Reservoir - Akka Mahadevi Caves- Srisailam - Mannanur - Malleelatheertham - Uma Maheshwaram Temple

d) All the above

Ans : d

## Festivals, Pilgrimages and Heritage Walks

The biennial Medaram Jathara or Sammakka Saralamma Jathara, honouring the twin goddesses of Sammakka and Saralamma, is the biggest tribal festival in Asia, attracting nearly 1 crore devotees. During every jathara, the Government makes elaborate arrangements for providing logistics, drinking water, sanitation and emergency healthcare facilities. Since the pandemic, the Government has also been setting up covid testing and vaccination centres in Medaram during the festival. The 2022 celebrations took place from February 14th to 20th.

Question: Medaram Jathara or Sammakka Saralamma Jathara is biggest tribal festival in Asia is conducted when?

Ans : Biennially (i.e., once two years )

Bathukamma is a colourful floral festival of Telangana that is celebrated by women with exotic flowers of the region. The Government distributes Bathukamma Sarees to all adult women enrolled under the Food Security Scheme during the festival season every year from 2017.

Question: Bathukamma Sarees are distributed by Government to whom ?

Ans : Women enrolled under the Food Security Scheme during the festival season every year from 2017

The yearly kite festival is another state-sponsored tourist initiative. Nearly 13 lakh people visited the 2020 kite festival at Parade grounds, Hyderabad.

The Government organized 6 exhibitions, 3 celebration events and a roadshow in the last two years. The Government organizes heritage walks every second Saturday and Sunday where the public, students, researchers, architects, historians and enthusiasts can explore the rich heritage and architecture of the monuments located around the old city.

To facilitate the speedy approvals and clearances for tourism-related services, the Government has developed an application in the Telangana State Industrial Project Approval and Self-Certification System (TS-iPASS) portal for the registration of hotels, resorts, service apartments, lodges, wayside amenities, convention center and travel agencies as well as the performance licenses for tourism events.

## **Hospitality and Transport Services**

The Telangana State Tourism Development Corporation (TSFDC) operates a chain of 45 'Haritha' hotels in the state. These hotels provide quality accommodation and hygienic food for tourists at major destinations. 'Haritha' hotels are equipped with bars, banquet halls, conference halls, board rooms, auditoriums, gymnasiums, children's play area and swimming pools. TSFDC also operates tour packages to major tourist destinations. These tour packages also include darshan facilities at pilgrim centres, accommodation, food and guide services.

Question: Telangana State Tourism Development Corporation operates a chain of how many Haritha hotels in Telangana State ?

Ans: 45

### **MICE:**

MICE stands for Meetings, Incentives, Conferencing and Exhibitions. Hyderabad has emerged as a major IT hub in the country. The city's infrastructure can be advertised to attract Multi-National Companies, international organisations, and commerce bodies to host their events. By combining its rich heritage with a bustling economy, it offers a great combination for MICE travellers to work and vacation here. Thanks to its strengths in multiple sectors, it is fast developing into a business hub and a prime MICE destination. Every year, nearly 20 big international meets and 30-40 national level events are hosted by Hyderabad thanks to the world-class infrastructure that the city provides. In its annual survey in 2014, the ICCA (International Congress and Convention Association) recognized Hyderabad as the 2<sup>nd</sup> best MICE (Meetings, Incentives, Conferencing and Entertainment) destination in India. Since then, Hyderabad has only grown from strength to strength. Under the Government of India's National Tourism Awards, the Hyderabad International Convention Centre and Leonia won the Best Standalone Convention Centre awards in 2014 and 2015 respectively.

Question: What is MICE ?

Ans : Meetings, Incentives, Conferencing and Exhibitions.

In 2016, Hyderabad International Convention Centre (HICC) and Hitex Exhibition Centre together hosted about 100 meetings, conferences and exhibitions. Other events attracting many delegates were the NASSCOM Gaming and Developers Conference, Poultry Exhibition, Geospatial World Forum, World Endoscopy Conference, International Conference on Drought Tolerance and the National Congress of Indian Association of Gastrointestinal Endo-Surgeons.

By 2019, nearly 85-90% of premium hotel demand came from visitors coming for business purposes led by MICE activities.

## Sub-sectoral Contribution to the Sectoral Growth Rate

The biggest drivers of the services sector growth (current prices) in the state were the 'Financial, Real Estate, and other Professional Services' sub-sector in 2015-16 and 2016-17, and the 'Trade, Repair, Hotels & Restaurants, Transport, Storage, Communication, and Services related to Broadcasting' sub-sector in 2017-18 and 2018-19.

In 2019-20, both of the above sub-sectors drove the growth of the services sector almost equally, with the former contributing slightly higher to the sectoral growth rate.

In 2021-22, during the recovery from the pandemic, the 'Trade, Repair, Hotels & Restaurants, Transport, Storage, Communication, and Services related to Broadcasting' sub-sector drove the sector, accounting for 8.20 percentage points of the sectoral growth rate (18.32%).

At the national level, it was the 'Financial, Real Estate, and other Professional Services' sub-sector that drove the growth of the services sector (current prices) for most years between 2015-16 and 2019-20. However, in the post-pandemic period (2021-22), the 'Trade, Repair, Hotels & Restaurants, Transport, Storage, Communication, and Services related to Broadcasting' sub-sector was the largest contributor to the sectoral growth rate.

In the year 2020-21, when the impact of the pandemic on the services sector was the most severe, it was the contact intensive 'Trade, Repair, Hotels & Restaurants, Transport, Storage, Communication, and Services related to Broadcasting' sub-sector that drove the decline in the GVA of the services sector, both in India, as well as Telangana. The decline, however, was significantly smaller in the case of Telangana. Overall, in the year 2020-21, India's services sector fell by 4.65% whereas in Telangana this grew by 0.91%.

## Employment Trends in the Services Sector

More than one-third (33.32%) of all workers in Telangana are employed in the services sector. At the all-India level, this is 30.77%.

**Question: How many workers are employed in Services Sector in Telangana ?**

**Ans : More than one-third (33.32%) of all workers in Telangana**

In urban areas, the share of service sector workers in Telangana has been higher than India since 2017-18. On the other hand, in rural areas, this is lower than the national average .

The services sector's contribution to employment is higher in the urban areas of Telangana compared to rural areas. According to the Periodic Labour Force Survey 2018-19, 68.07% of the urban workers in the state fall under the service sector whereas this is only around 15.6% in the rural areas . This is due to the diverse opportunities in trade, repair, hotels, real estate and other professional services available in urban areas.

Within the services sector, more than one-third of all workers (37.75%) are employed in the 'Trade, Hotels and Restaurants' sub-sector, whereas 21.48% of the Communication' sub-sector, together accounting for 59.23% of the employment in the services sector. In rural areas, the former employs a greater percentage of the persons (31.01%) in comparison to the latter (21.00%), together employing 52.01% of all service sector workers. The trend is similar in urban areas too, where the former sector employs 40.46% of all workers, while the latter employs 21.51% of all workers, together accounting for 61.97% of the service sector employment in urban areas .

## Way Forward

Advanced economies around the world have a relatively dominant services sector - both in terms of its contribution to the value added, as well as the share of employment held. The Government envisions enabling a service-oriented economic transformation in the state.

Recognizing the central role of technology in service-sector growth, the Government is trying to supplement the existing potential through institutional support to the firms, especially startups, via initiatives such as T-Hub, WE-Hub, TSIC and T-works. The Government is also actively promoting the use of Artificial Intelligence (AI), Blockchain technology and drone technologies. This is combined with efforts that target skill enhancement through institutions such as the Telangana Academy for Skill and Knowledge (TASK). This would train and gear up the workforce to adapt to technological changes.

In addition, the Government is also keen on other sectors like agriculture, which are dominant in rural areas, and would be able to benefit from the innovations in IT/ITeS currently focused in urban areas. Most prominently, the Government has shown initiative to increase the rural penetration of the IT sector through initiatives like the Dharani portal and the use of technology to prevent leakages in the Public Distribution System. To foster greater cross-sectoral integration, the Government is providing enabling infrastructures such as T-Fiber and a high-quality road network. Taken together, these initiatives would help foster economic growth, enhance productivity across sectors, and generate robust employment.

Question: Other services include which of the following ?

Ans : (i) Accommodation and Food service activities, (ii) Information and communication, (iii) Financial and insurance activities, (iv) Real estate activities, Professional, scientific and technical activities, (v) Administrative and support service activities, (vi) Public administration and defence; compulsory social security, (vii) Education, (viii) Human health and social work activities; (ix) Arts, entertainment and recreation; (x) Other service activities; (xi) Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use.