**Abstract**

Service industry is developing quality of services in accordance with the extremely changing and competitive market environment. Service industry must focus on its clients to meet the needs of customers and make them to be satisfied by the quality of service. In some cities, Taxis operate under a regular taxi permit, while in some cities, they are treated as tourist vehicles for hire. They often offer services at all times of the day. Call taxis are not officially recognized by the Motor Vehicles Act. They are preferred as they are considered safer, more convenient than ordinary taxis or auto rickshaws and reliable. The taxi market in India is estimated to be around Rs 11,000 crores, and growing in double digits. The business model has become so attractive that even educated people are opting to become drivers. The reason for the development of call taxi system in India – the growth of middle class, rise in disposable incomes and focus of the government on infrastructure development that has been identified as a key factor in boosting GDPgrowth.. Till 2003, the call taxi sector in India was unorganized. There were either private operators or state government controlled pre-paid taxis offering a standardized, costly but low quality service*.*