VOLUME NO. 7 (2017), ISSUE NO. 11 (NOVEMBER) *ISSN 2231-4245*

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

IJRCM

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar, Indian Citation Index (ICI), Open J-Gage, India [link of the same is duly available at Inflibnet of University Grants Commission (U.G.C.)], The American Economic Association's electronic bibliography, EconLit, U.S.A., Index Copernicus Publishers Panel, Poland with IC Value of 5.09 (2012) & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than **5771 Cities** in **192 countries/territories** are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

http://ijrcm.org.in/

CONTENTS

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography: Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** ***anytime*** in ***M.S. Word format*** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website (***FOR ONLINE SUBMISSION, CLICK HERE***).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION**:

DATED: _____________

THE EDITOR

IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF ____.**

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript titled '____' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR	:
Designation/Post*	:
Institution/College/University with full address & Pin Code	:
Residential address with Pin Code	:
Mobile Number (s) with country ISD code	:
Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No)	:
Landline Number (s) with country ISD code	:
E-mail Address	:
Alternate E-mail Address	:
Nationality	:

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation **etc**. ***The qualification of author is not acceptable for the purpose***.

NOTES:

a) The whole manuscript has to be in ***ONE MS WORD FILE*** only, which will start from the covering letter, inside the manuscript. ***pdf. version is liable to be rejected without any consideration***.

b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail**:

New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.

d) The total size of the file containing the manuscript is expected to be below **1000 KB**.

e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.

f) ***The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours*** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.

g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.

2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters**, **centered** and **fully capitalised**.

3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name**, **designation**, **affiliation** (s), **address**, **mobile/landline number** (s), and **email/alternate email address** should be given underneath the title.

4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.

5. **ABSTRACT:** Abstract should be in **fully Italic printing**, ranging between **150** to **300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA**. ***Abbreviations must be mentioned in full***.

6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.

7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aeaweb.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.

8. **MANUSCRIPT:** Manuscript must be in ***BRITISH ENGLISH*** prepared on a standard A4 size ***PORTRAIT SETTING PAPER***. *It should be free from any errors i.e.* ***grammatical, spelling*** *or* ***punctuation.*** *It must be thoroughly edited at your end*.

9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.

10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.

11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:

INTRODUCTION
REVIEW OF LITERATURE
NEED/IMPORTANCE OF THE STUDY
STATEMENT OF THE PROBLEM
OBJECTIVES
HYPOTHESIS (ES)
RESEARCH METHODOLOGY
RESULTS & DISCUSSION
FINDINGS
RECOMMENDATIONS/SUGGESTIONS
CONCLUSIONS
LIMITATIONS
SCOPE FOR FURTHER RESEARCH
REFERENCES
APPENDIX/ANNEXURE

The manuscript should preferably be in ***2000 to 5000 WORDS***, But the limits can vary depending on the nature of the manuscript.

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR**, **centered**, **separately numbered** & self-explained, and the **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. *It should be ensured that the tables/figures are referred to from the main text*.
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. ***The author (s) should mention only the actually utilised references in the preparation of manuscript*** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper**. The author (s) are supposed to follow the references as per the following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use (**ed.**) for one editor, and (**ed.s)** for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parenthesis.
- ***Headers, footers, endnotes** and **footnotes** should **not be used** in the document.* However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

RELATIVE INFLUENCE OF SECTORS ON REGIONAL PROSPERITY - A CASE STUDY OF WEST-BENGAL

BIKASH SAHA
ASST. PROFESSOR OF ECONOMICS
BOLPUR COLLEGE
BOLPUR

ABSTRACT

By the term regional prosperity, we mean wellbeing of population of a particular area. It depends upon the availability as well as proper utilization of human and non-human resources of that particular region. In economic sense we know that, the sources of available resources are subdivided into three sectors say primary, secondary and service. Therefore, regional prosperity means an increase of population's living standards through ultimate as well as sustainable utilization of three sectors. But it is reality that, due to natural or geographical disparity among regions, all sectors may not perform equally for economic growth. This is the room to take necessary decision about economic planning for future. Domestic product is one of the most pivotal factors of national prosperity. The growth of domestic product implies the growth of national income. Rise in national income increases the investment possibility of the nation which in turn increases employment as well as per-capita income. Thus, the generation of employment opportunity for all and creation of socio-economic infrastructure may increase the well-beings of population without plentiful problem of income distribution. Therefore, we need to emphasis on domestic production. However, we know that, our economy is subdivided into three sectors like primary/agriculture, secondary/industrial sector and service sector. In planning for higher domestic product, we must have to choose the sector which will have most influence on it. In this study, I have tried to analyze a comparative influence of three sectors of West-Bengal. For this I have used a time series data of period 2005-6 to 2013-14 on sectoral growth rate and the growth rate of Net State Domestic Product)NSDP .(Mainly secondary sources have been used. For the purpose of data analysis, I have calculated the elasticities of growth rate of NSDP with respect to sector's growth. Further, I have also run a multiple regression to compare the multiplier effect of sectors on domestic product. The result of my study shows that the service sector which include education, health, commerce and communication have the most pivotal influence on NSDP of West-Bengal.

KEYWORDS

regional prosperity, domestic product, sectoral growth, multiplier effect, elasticity of growth rate of NSDP, rural infrastructure and economic wellbeing.

INTRODUCTION

West Bengal is situated in eastern India and shares its borders with Jharkhand, Bihar, Odisha, Sikkim and Assam. The state also shares international borders with Bangladesh, Bhutan and Nepal. The Bay of Bengal is in the south of the state.

West Bengal is India's sixth largest economy, and recorded a gross state domestic product (GSDP) of US$ 140.56 billion in 2015-16. The state's GSDP expanded at a compound annual growth rate (CAGR) of 10.57 per cent from 2004-05 to 2015-16. Agriculture is the chief occupation in the state and contributed 18.8 per cent to the GSDP in 2014-15. West Bengal is the largest producer of rice in India. Rice production for the state totaled 16.1 million tonnes in FY 2015-16. West Bengal is also the largest fish producing state in India. During 2015-16, the state produced a total of 1.63 million tonnes of fish in comparison with a produce of 1.61 million tonnes during 2014-15. As of June 2016, West Bengal had a total installed power generation capacity of 9,988.4 megawatt (MW).

The State Domestic Product)SDP (at factor cost is regarded as the most important single economic indicator to measure the growth and pattern of economic development of a state. The structure of a state economy and its performance by economic activity can be looked upon by the estimates of its Gross/Net State Domestic Product by different sectors. The per-capita income is a useful measure of the prosperity of an economy. True, it cannot accurately capture some vital aspects of human welfare like the health and education standards of the society, nor does it take environmental degradation into account, but it is still believed to be the best single parameter of a region's welfare. This indicator is now frequently used by the Planning Commission) PC (and Finance Commission)FC (for devolution of a part of plan resources and distribution of proceeds of central taxes to different states. Considering this ground reality, in this study, I am going to see the relative influences of three sectors on NSDP of our state economy. This seems to be highly effectual to plan for immediate needs.

LITERATURE REVIEW

ECONOMY OF WEST BENGAL

A state in eastern India, is primarily dependent on agriculture and medium-sized industry, although services and heavy industries play an increasingly significant role in the economy of the state. A significant part of the state is economically backward, namely, large parts of six northern districts of Cooch Behar, Darjeeling, Jalpaiguri, Malda, North Dinajpur and South Dinajpur; three western districts of Purulia, Bankura, Birbhum; and the Sundarbans area. Years after independence, West Bengal was still dependent on the central government for meeting its demands for food; food production remained stagnant and the Green Revolution bypassed the state. However, there has been a significant spurt in food production since the 1980s, and the state is now one of the few Indian states with a surplus in food production. It is one of the most important food producing states in India, producing nearly 20 %of the rice and 33 %of the potato yield, although accounting for only 15 %of the population of India.) W.B HDR, 2004(The state's total financial debt stood at ₹1,918 billion (US$30 billion)as of 2011(*Economic Times 2011.*

In 2009–10, the tertiary sector of the economy (service industries)was the largest contributor to the gross domestic product of the state, contributing 57.8 %of the state domestic product compared to 24 %from primary sector (agriculture, forestry, mining)and 18.2 %from secondary sector (industrial and manufacturing .(In 2009-10, the tertiary sector contributed 57.8 per cent to the state's GSDP at current prices, followed by primary sector (24.0 per cent) and secondary sector (18.2 per cent(. At a Compound Annual Growth Rate (CAGR)of 15.2 per cent, the tertiary sector has been the fastest growing among the three sectors from 2004-05 to 2009-10. The growth has been driven by trade, hotels, real estate, finance, insurance, transport, communications and other services. The primary sector grew at a CAGR of 12.7 per cent between 2004-05 and 2009-10. The secondary sector grew at a CAGR of 11.5 per cent between 2004-05 and 2009-10. It was driven by manufacturing, construction and electricity, gas and water supply. The per capita NSDP increased at an average rate of 11.6 per cent between 2004-05 and 2009-10. (West-Bengal, 2011)

NATIONAL PICTURE

India, the fourth largest economy after Japan, is emerging very fast as a global economy. It is the second most populous country in the world after China whereas China is the most populous country with the second largest economy in the world. At the time of Indian independence, the speed of economic growth was slow but now the economy is growing substantially due to changes in economic structure in the country. A series of economic reforms is taking place aimed at deregulating the country, and stimulating foreign investment has moved India into the front ranks in the Asian region. A primary reason for the surge in the economic growth rate in the first two decades after independence was the high priority attached to and large public investments undertaken in higher and technical education in the country immediately after independence. Since investments in public sector and education have a long gestation period, it is likely that these effects became visible only after the 1980s. The decline in public sector investments with the gradual dilution of Nehruvian economic agenda adversely affected the total factor productivity in India.

The Indian Economic policy after independent was influenced by the colonial experience, which was seen as exploitative by Indian leaders exposed to British social democracy and the planned economy of the Soviet Union. Domestic policy tended towards protectionism, with a strong emphasis on import substitution, industrialization, economic interventionism, a large govt.-run public sector, business regulation and central planning, while trade and foreign investment policies were relatively liberal. Five-Year Plans of India resembled central planning in Soviet Union. Steel, mining, machine tools, telecommunications, insurance and power plants, among other industries, were effectively nationalized in the mid-1950s. Jawaharlal Nehru, the first prime minister of India, along with the statistician Prasanta Chandra Mahalanobis, formulated and oversaw economic policy during the initial years of the country's independence. The expected favourable outcomes from their strategy, involving the rapid development of heavy industry by both public and private sectors, and based on direct and indirect state intervention, rather than the more extreme Soviet-Style central command system.

The recent spurt of economic growth during the NDA (National Democratic Alliance) regime was even more fragile than the earlier occurrences of growth in the 1980s and mid-1990s. The growth of over 8 per cent achieved in the year 2003-4 was only a recovery and not a consistent trend. It was based on the Business Process Outsourcing (BPO)upsurge which centered on a small fraction of the economy. By extrapolating the economic growth in a narrow segment of the economy, the NDA government started indulging in the self-created fantasy of 'India shining and feel good factor', indicating that India was on the verge of explosive economic growth. The fact is that it is the explosion of IT-related services that has propelled the recent growth, and economic reforms in India cannot be a sustainable source of growth because it currently accounts for a small share of GDP and employment. So, emphasis must be given to those sectors that have linkages and have a strong economy wide growth impact.

Changes in the economic scenario have started to accelerate economic growth recently when economic reforms were introduced during the 1980s in India. Since then, India has undergone major reforms consisting of opening up the economy to more foreign trade and investment and dismantling the industrial licensing system. But the speed of reforms accelerated actually in 1990s. By introducing new reforms policy India's growth rate picked up, foreign exchange started to flow into the country at an unprecedented rate, and the information technology sector boomed making India a major player on the global scene. This has led to a worldwide interest in the Indian economy not witnessed since the time of India's independence. No doubt, Indian economy is growing however; the question does remain about what is happening to poverty and inequality in India, whether the fiscal policy being followed is sustainable, whether the information technology boom is here to stay. The answer lies in the fact that there is an unequal growth in the agriculture, industry, and service sectors. In 1979-80, the GDP was Rs. 372,373 crore at factor cost. About 40 per cent of the GDP originated in the primary sector, around 22 per cent in the manufacturing sector, and 38 per cent in the services sector. *Kumar, Naresh (2008).*

AGRICULTURE IN INDIA

India ranks second worldwide in farm output. Agriculture and allied sectors like forestry, logging and fishing accounted for 17 %of the GDP and employed 49 %of the total workforce in 2014. As the Indian economy has diversified and grown, agriculture's contribution to GDP has steadily declined from 1951 to 2011, yet it is still the country's largest employment source and a significant piece of its overall socio-economic development. Crop-yield-per-unit-area of all crops has grown since 1950, due to the special emphasis placed on agriculture in the five-year plans and steady improvements in irrigation, technology, application of modern agricultural practices and provision of agricultural credit and subsidies since the Green Revolution in India. However, international comparisons reveal the average yield in India is generally 30 %to 50 %of the highest average yield in the world. The states of Uttar Pradesh, Punjab, Haryana, Madhya Pradesh, Andhra Pradesh, Telangana, Bihar, West-Bengal, Gujarat and Maharashtra are key contributors to Indian agriculture.

India receives an average annual rainfall of 1,208 millimetres (47.6 in)and a total annual precipitation of 4000 billion cubic metres, with the total utilisable water resources, including surface and ground water, amounting to 1123 billion cubic metres. 546,820 square kilometres (211,130 sq mi) of the land area, or about 39 % of the total cultivated area, is irrigated. India's inland water resources and marine resources provide employment to nearly six million people in the fisheries sector. In 2010, India had the world's sixth-largest fishing industry. *Wikipedia*

INDUSTRY

Industry accounts for 26 %of GDP and employs 22 %of the total workforce. According to the World Bank, India's industrial manufacturing GDP output in 2015 was 6th largest in the world on current US dollar basis ($559 billion), and 9th largest on inflation-adjusted constant 2005 US dollar basis ($197.1 billion). The industrial sector underwent significant changes due to the 1991 economic reforms, which removed import restrictions, brought in foreign competition, led to the privatization of certain government-owned public-sector industries, liberalized the foreign direct investment (FDI)regime, improved infrastructure and led to an expansion in the production of fast-moving consumer goods. Post-liberalization, the Indian private sector was faced with increasing domestic and foreign competition, including the threat of cheaper Chinese imports. It has since handled the change by squeezing costs, revamping management, and relying on cheap labour and new technology. However, this has also reduced employment generation, even among smaller manufacturers who previously relied on labour-intensive processes.

SERVICE

The services sector has the largest share of India's GDP, accounting for 57 %in 2012, up from 15 %in 1950. It is the seventh largest service sector by nominal GDP, and third largest when purchasing power is taken into account. The services sector provides employment to 27 %of the work force. Information technology and business process outsourcing is among the fastest-growing sectors, having a cumulative growth rate of revenue 33.6 %between fiscal years 1997–98 and 2002–03, and contributing to 25 %of the country's total exports in 2007–08.

(…….Agriculture in India, Forestry in India, Animal husbandry in India, Fishing in India and Natural resource in India. Wikipedia)

Economic growth is the increase in the inflation-adjusted market value of the goods and services produced by an economy over time. It is conventionally measured as the percent rate of increase in real gross domestic product, or real GDP, usually in per capita terms. Growth is usually calculated in *real* terms –i.e., inflation-adjusted terms –to eliminate the distorting effect of inflation on the price of goods produced. Measurement of economic growth uses national income accounting since economic growth is measured as the annual percent change of gross domestic product (GDP); it has all the advantages and drawbacks of that measure.

The "rate of economic growth "refers to the geometric annual rate of growth in GDP between the first and the last year over a period of time. Implicitly, this growth rate is the trend in the average level of GDP over the period, which implicitly ignores the fluctuations in the GDP around this trend.·…) .Wikipedia).

Economic reforms have affected all sectors of Indian economy. Before reforms, the pace of economic growth was slow and the growth rate of gross domestic product (GDP)was imperceptibly above the population growth rate. After reforms, Indian economy has transformed relatively from stagnation to a dynamic stage due to growth in primary, secondary, and tertiary or service sectors. However, pattern of growth in agriculture, industry, and service sectors along with developments in the reforms and liberalization process shows that growth in agriculture sector has not increased substantially though other sectors, particularly service sector demonstrates the boost. Therefore, the objective of the paper is to examine the nature of growth and direction of different sectors namely agriculture, industry, and service sectors in India using regression analysis.

In this study, I shall try to find the linkages between agriculture, industry, and services sectors with NDP and also try to analyses the expected path for economic growth in West-Bengal. The regression model will be estimated on annual data for the period 2004-05 to 2013–2014. Thus, the objective of my study is **to find the relative influence of three sectors on NDP in our state economy**. I think it will be helpful for regional planning for development.

Null hypothesis of the study :All sectors have equal influence in net state domestic product of West-Bengal.

Data :Mainly I have used secondary data from Bureau of Applied Economics and Statistics, Department of Statistic & Programme implementation. Some other sources have been used for the purpose of literature survey.

For detail analysis of my study let us go through collected data in following table-1.

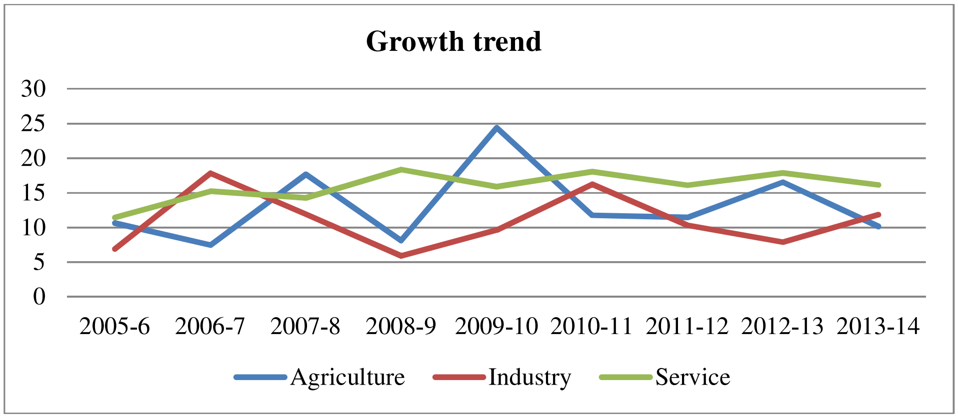
TABLE 1

Year	Agriculture & Allied (% growth)	Industry (% growth)	Service (% growth)	Per-capita NSDP (% growth)
	At current price	At current price	At current price	At current price (2004-5 to 2013-14)
2005-6	10.65	6.89	11.44	9.14
2006-7	7.48	17.85	15.23	12.55
2007-8	17.66	11.94	14.3	13.46
2008-9	8.1	5.89	18.37	12.42
2009-10	24.4	9.65	15.87	15.65
2010-11	11.76	16.24	18.04	15.12
2011-12	11.46	10.34	16.09	12.99
2012-13	16.56	7.89	17.88	12.99
2013-14	10.17	11.87	16.16	16.15

Source :Bureau of Applied Economics and Statistics, Department of Statistic & Programme implementation, Govt. of West-Bengal, August 2014.

Note that :here agriculture and allied sector includes Agriculture, Forestry & Fishery and Industry includes Mining and Quarrying, Manufacturing (registered and un-registered), Construction, Electricity, Gas & Water supply sectors. I have used only current price data for analysis.

CHART 1



In above chart, I have used only current price data and get a clear idea about the long run tendency of rate growth of three sectors in West-Bengal economy. The growth rate is more or less same in all three sectors except a sudden increase in growth rate of agriculture sector in 2009 -10. This picture however not says about expected future planning of the economy. We cannot determine the relative expected level of emphasis on sectors. If we need to do so we have to determine the relative impact of three sectors on State's per-capita net domestic product (PCNDP) .For the said purpose, we have regress the rate of growth of three sectors on PCNDP.

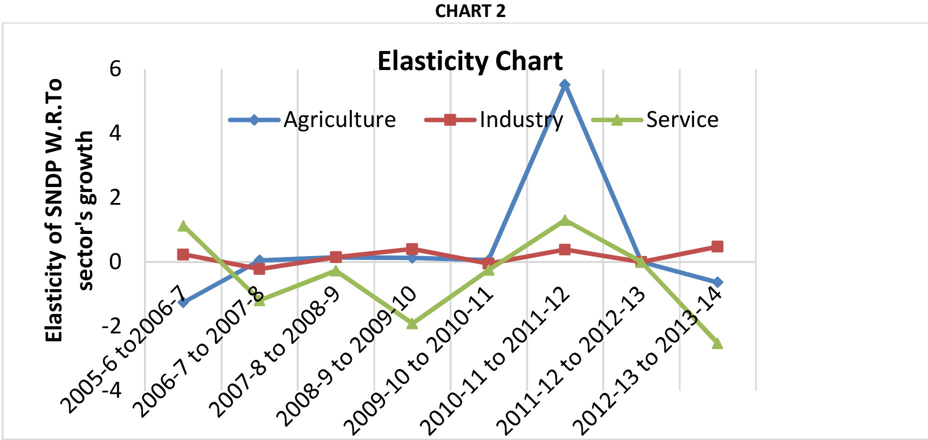
Now we shall look the sector sensitivity of SNDP in respect growth rate. The last three columns of following table represent the elasticity of SNDP with respect to Agriculture, Industry and Service sector's growth rate respectively which have termed as sector sensitivity of SNDP. To consider the sensitivity of NDP, I have used only the mod value of elasticity.

TABLE 2

Period / Sectors	Elasticity of SNDP with respect to sector's growth rate		
	Agriculture	Industry	Service
2005-6 to2006-7	-1.253425509	0.234539962	1.126146776
2006-7 to 2007-8	0.053278438	-0.219002164	-1.187448057
2007-8 to 2008-9	0.142731913	0.152488549	-0.271475041
2008-9 to 2009-10	0.129234463	0.407388135	-1.910953301
2009-10 to 2010-11	0.065373883	-0.049591064	-0.247673032
2010-11 to 2011-12	5.522222222	0.387758945	1.303256003
2011-12 to 2012-13	0	0	0
2012-13 to 2013-14	-0.630430776	0.482249585	-2.528814652
Average*	0.974587615	0.241626897	1.071970347

*Averages have calculated by considering only mod value of elasticity.

CHART 2



In above chart –2, we see that, throughout the year the sensitivity of NDP is most frequently fluctuated in agriculture sector and this is followed by service sector. In present scenario, we see that the sensitivity of NDP w.r.t. industrial growth rate is quite lesser than the other two sectors of West-Bengal. Therefore, we may think that agriculture and service are the most influencing sectors of our state economy. From table –2, we also see that the average service sensitivity of NDP is highest which is followed by agriculture sector. This may because, our economy is nature friendly agro-based economy. Skilled manpower, communication and technology are the primary conditions for this sector's growth; secondly, our service sector includes education, health and communication. Therefore, it is obvious that service sector's growth will have more multiplier effect on NDP via agriculture and industrial sectors. This is why the service sector's sensitivity on NDP is shown higher than other.

REGRESSION ANALYSIS

From the multiple regression of independent variables (rate of growth of three sectors) on dependent variable PCNDP (table :1)we also get the similar result.

TABLE 3

R	*R^2*	*Anova sig.*	*Constant*	*β_1*	*β_2*	*β_3*
.808[a]	.654	.125[a]	.032	.475	.442	.541

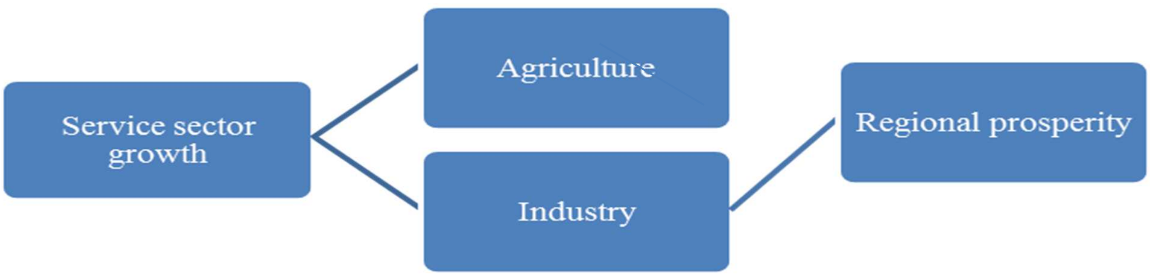
The regression equation is;

$Y = .032 + .475X_1 + .442X_2 + 541X_3$

Where, Y stands for PCNDP, X_1 stands for rate of growth of agriculture sector, X_2 stands for rate of growth of industry and X_3 stands for rate of growth of service sector. Here the Beta co-efficient of service sector is highest which is followed by agriculture sector. This implies that if we invest more in service sector, our NDP will be affected higher than that of other sectors.

From the above explanation, we may conclude that Service sector is the most influencing sector of West-Bengal economy. If we need to facilitate the SNDP rapidly, we must emphasis on services like education, health infrastructure and communication system (including village communication) .The development of these ensures a good socio-economic and virtual infrastructural setup.

FIG. 1



CONCLUSION

The results provide strong support for the long-run linkages between net domestic production and service sector's growth. The development of infrastructure, health facilities and higher communication system is generally synonymous with the growth of both rural and urban economy. The services sector influences the process of both agriculture and industrialization, and presently emerged as the dominant driver and key lever of economic growth. The development strategy needs to be rebalanced to revitalize socio-economic services in order to generate efficient labour force, proper infrastructure and technology. A high multiplier effect of it will lead our economy towards more net domestic product with high retrospective effect on other sectors.

REFERENCES

1. Development and Planning Department, Government of West Bengal. May 2004. pp. 4–6. ISBN 81-7955-030-3. Retrieved 26 August 2006.
2. https://en.wikipedia.org/wiki/Business_process_outsourcing
3. https://en.wikipedia.org/wiki/Economic_growth - cite_note-1
4. https://en.wikipedia.org/wiki/Economics
5. https://en.wikipedia.org/wiki/Economy_of_India - cite_note-136
6. https://en.wikipedia.org/wiki/Economy_of_India - cite_note-Datt-5-121
7. https://en.wikipedia.org/wiki/Economy_of_India - cite_note-irrigation-123.
8. https://en.wikipedia.org/wiki/Economy_of_India-cite_note-122.
9. https://en.wikipedia.org/wiki/Economy_of_India-cite_note-quandl.com-131.
10. https://en.wikipedia.org/wiki/Economy_of_Indi-cite_note-133.
11. https://en.wikipedia.org/wiki/Economy_of_West_Bengal - cite_note-hdrchap1-1
12. https://en.wikipedia.org/wiki/List_of_countries_by_GDP_sector_composition
13. https://en.wikipedia.org/wiki/Precipitation_(meteorology).
14. https://en.wikipedia.org/wiki/Real_vs._nominal_in_economics
15. Jump up to:a b "Mamata seeks debt restructuring plan for West Bengal". Economic Times. New Delhi. 22 October 2011. Retrieved 4 March 2012.
16. "Introduction and Human Development Indices for West Bengal" (PDF).
17. Kumar, Naresh(2008): PubDate:07/01/2008 Publication: Paradigm Publisher: Institute of Management Technology Audience: Academic Format: Magazine/Journal Subject: Business, general Copyright: COPYRIGHT 2008 Institute of Management Technology ISSN: 0971-8907 Issue:Date: July, 2008 Source Volume: 12 Source Issue: 2
18. West Bengal Human Development Report 2004 (PDF).
19. "West Bengal" (PDF). India Brand Equity Foundation. November 2011. Retrieved 6 February 2012.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, Economics & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as, on the journal as a whole, on our e-mail **infoijrcm@gmail.com** for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-
Co-ordinator

DISCLAIMER

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals