

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2920
ANSWERED ON:13.12.2005
GROSS DOMESTIC PRODUCT
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether West Bengal has emerged as a fast developing State as reported in 'Navbharat Times' dated 12th October, 2005;
- (b) if so, the details thereof;
- (c) whether the service industry in that State has recorded 25% increase as per the survey conducted by ASSOCHAM; and
- (d) if so, the details of other factors that would contribute to coverage State emerge as a fast developing State?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN)

(a) & (b) Yes, Sir. The "Nav Bharat Times" of 12th October, 2005, a Hindi Daily published a news item (in Hindi) titled (i.e. W. Bengal among the best performing States), quoting a survey conducted by ASSOCHAM ECO PULSE. The gist of the news item is as follows:

"Whether you call it the influence of foreign investment or the miracle of liberal ideology of Shri Budhdev Bhattacharya, West Bengal during the last three years has entered the category of the fast developing States. During 2001-02 to 2003-04, by registering 15% growth in GSDP, it has become the third most developing State. Service sector of West Bengal showed a spectacular growth of 25%, as a result of which its GDP made a record. After 2001-02, it became the third most developing State preceded by Uttar Pradesh and Maharashtra. Within services sector, Insurance & Banking registered the maximum growth (56%), followed by real estates and financial services. World class companies like Infosys is now eager to set up software business in West Bengal. The service sector of West Bengal is beating the growth rate of Gujarat and Maharashtra. During 1991 to 2002, FDI approval for West Bengal stood at Rs. 8802 crore."

(c) & (d): Yes, Sir. The Service sector industry of West Bengal grew by 25.9 percent as per the ASSOCHAM Survey. The factors contributing to the emergence of West Bengal as a fast developing State, inter alia, are the growth of its banking & insurance services by 56 percent; finance, real estate and other business services by 43 percent; industry-friendly business environment and improved image and initiative taken to attract investment including FDI.