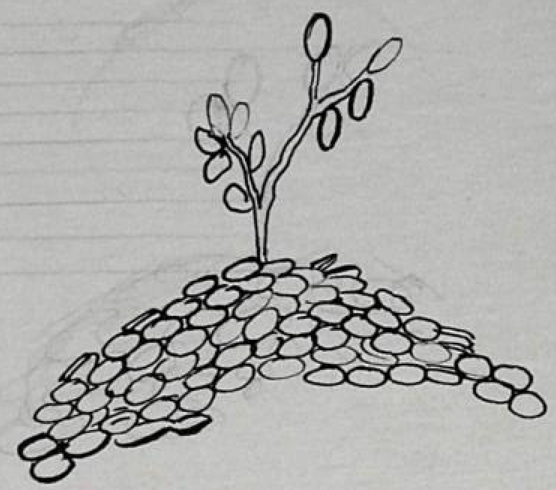
(2088) 22

2 THE PUBLIC SECTOR.- CONSOLIDATION OF -

(A) CONSIDERABLE PUBLIC FUNDS HAVE BEEN POURED INTO BUSINESS, INDUSTRY AND UTILITIES BY THE GOVERNMENT.

BEFORE INVESTING MORE MONEY, THESE INVESTMENTS SHOULD BE CONSOLIDATED TO YIELD AT LEAST 10% PROFIT :

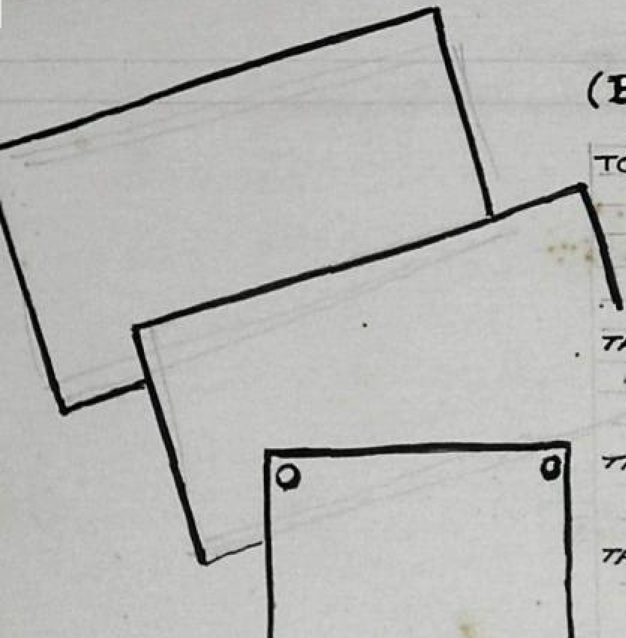


FOR INSTANCE, OVER RS. 7,000 CRORES HAS BEEN POURED INTO THE STATE ELECTRICITY BOARDS AND NOT ONE IS OPERATING AT A PROFIT.

TRANSMISSION LOSSES ARE UPTO 27% WHICH IS DUE TO INEFFICIENT MANAGEMENT.

IF, AS REMARKED BY THE 6TH FINANCE COMMISSION TRANSMISSION LOSSES SHOULD NOT BE MORE THAN 15%, STATE REVENUES WOULD BE UP BY 55 CRORES.

MORE POWER WILL BE AVAILABLE TO INDUSTRIES AND AGRICULTURAL PUMP SETS WHICH ARE NOW BEING STARVED OF POWER.



(B) POLICY MEASURES

49% OF THEIR SHARES SHOULD BE SOLD TO THE PUBLIC.

THIS WOULD ENABLE THE GOVERNMENT TO HAVE
(i) A CONTROLLING INTEREST
(ii) WITHDRAW RS. 2,500 CRORES.

THESE SHARES SHOULD BE LISTED ON THE STOCK EXCHANGE INDICATING THE HEALTH OF PUBLIC SECTOR UNITS.

THE UNITS SHOULD BE MADE AUTONOMOUS, PART OF THE SHARES BEING SOLD TO THE EMPLOYEES.

THESE UNITS SHOULD COMPETE WITH UNITS IN THE PRIVATE OR CO-OPERATIVE SECTOR, BORROWING FUNDS FROM FINANCIAL INSTITUTIONS AND NOT FROM GOVERNMENT.

3. PLANNING AND RESOURCES

PLANNING SHOULD TAKE PLACE WITHIN AVAILABLE GENUINE RESOURCES.

DEFICIT BUDGETS OF BOTH CENTRAL AND STATE GOVERNMENTS SHOULD STOP.

WITH A STABLE RUPEE, SMALL INVESTMENTS WILL PRODUCE MORE RATHER THAN LARGER INVESTMENTS IN AN INFLATIONARY ECONOMY.