

Privatisation of P.S.U.s is on the Move!

While on one hand, the BJP government has been inciting national chauvinism, in the name of making surgical attacks on Pakistan and fighting terrorism, in the din of this nationalistic hysteria, on the other hand it has chosen to take up the privatisation programme of the public sector undertakings, by deflecting the public attention against Pakistan.

Modi has been repeatedly stressing that he is intending to bring about transformative change, in the economy, which means that the government wants to transform its role in the economy by way of giving the rein to the private sector by side stepping from its regulatory role.

In the last week of September, the cabinet committee on economic affairs decided, to privatise government controlled enterprise. It wants to raise Rs 20,500 crore this year from “strategic sales” viz to sell governmental equity in enterprise, to the extent that control passes to the private sector.

Initially it announced that Hindustan Cables and Bharat Pumps and Compressors will be closed since they are ‘sick’. The said cabinet committee chaired by Prime Minister Modi has also chalked out a plan to close down 24 more PSUs soon.

These decisions of the cabinet committee are based on the recommendations of a committee set up by NITI Aayog.

After closure of the PSUs and clearing the liabilities, it is mooted to monetise the asset, which means selling of their assets including the landholdings belonging to the closed PSUs. Mostly these land holdings will be sold through auctions, benefiting the private sector buyers who would naturally form in to a syndicate keeping the rate at a lower levels.

This sales of land-holdings to private sector will encourage cronyism whether sold to domestic players or foreign corporates attracting crony capitalism. It is apparent that this intention of sales of land is a part and parcel of the governmental policy to make land available to big capitalists of industry and corporates at cheaper rates without any legalistic hindrances in land acquisition. One of the intended Indian oil Biofuel Ltd of H.P.C.L. to be shut down, itself is having the land holdings to the extent of 15,000 hectares. By this we can easily discern the magnitude of land to be sold and handed over to the private sector on implementation of the dismantling of the entire PSUs.

When it comes to the distribution of land to the landless tillers, or to provide housing sites to the poor dalits, Girijans and toiling poor or to the industrial workers the governments and the rulers do not find any land. But when it comes to handing over large tracts of land to the big capital, the land belonging to the PSUs –the common and joint property of the people of India, but not of the government-it is being done without any scruples nor legalistic considerations.

Such has been the class nature of governments in dealing the question of land. Real estate business (private) is given precedence and priority over the poor and the landless toilers.

In fact the PSU are not loss making units in real sense. Whatever the losses that are attributed to the PSUs are in reality are caused by the policies of governments’ concerned.

During the financial year 2013-14, the PSUs have paid Rs 2,20,166 crores to the government in the form of taxes, interests, duties and dividends. In the year 2012-13 they paid Rs 1,63,212 crores. Thus huge amounts of income of the PSUs is being gobbled by the governments making them loss incurring PSUs.

For the past 8 years the government has been giving concessions to the Indian and foreign corporate sector to a tune of Rs 6.5 lakhs of crores. Added to this, the uncollected tax every year from the corporates is around Rs 4-6 lakhs crores. Besides these concessions 10 big corporate have not repaid their debts to the national banks to a tune of Rs 8 lakhs of crores; which are treated as NPAs and written off. When compared to these huge amounts handed over to the big capitalist corporates in a platter, the sum intended to be realised on sales of assets, land and equities is nothing but pea nuts. But as if all this giving away to big capital is not sufficient now the government moots to handover the highly valued lands of the PSUs in the name of ‘transformative change’; to the private sector.

Very recently BHEL – a PSU had announced 40% dividends, which itself speaks about the false arguments and tales of PSUs making losses. It is only a ruse that is, intended to cover up the intention of the rulers and the government for the implementation of their anti-people policies and plans of privatisation.

Unless and other-wise the workers and working class of this country could unitedly fight against these privatisation policies of the government with the support of the people it is highly impossible to protect the PSUs- the public property-from falling in to the hands of private players.
