



**Dr. Sushil Khanna**, Professor (Emeritus) of Economics and Strategic Management at Indian Institute of Management Calcutta, has also taught in several universities abroad, including, Katholieke University, Leuven and Copenhagen Business School. He held, the ICCR Chair on Corporate Responsibility and Governance at Leipzig Graduate School of Business, Germany during 2015-16. He has a regular teaching assignment at University of Washington at Seattle. Professor Khanna's research interests include issues of development economics, industrial policy and technology transfer, and public sector.

Prof. Khanna has served as member of Board for Restructuring of Public Sector Enterprises (BRPSE), established by Government of India to restructure and turn around loss making state owned enterprises from 2004 to 2014. In this capacity he was involved in restructuring of 42 State-owned enterprises. He served as the Chairman of Kerala Financial Corporation during 2007-11.

Prof. Khanna has been an independent director on Boards of some of India's largest enterprises like National Thermal Power Corporation, Shipping Corporation of India, and Oil India, which was Asia's first petroleum Exploration and Production (E&P) company, besides several private sector firms. He is currently, a member of the Board of Kerala Infrastructure Investment Board and assisting Kerala Government in restructuring and turning around Kerala State Road Transport Corp.

#### **THE POLITICAL ECONOMY OF PRIVATIZATION AND REFORM OF PUBLIC SECTOR ENTERPRISES IN INDIA**

In this lecture Prof. Sushil Khanna explores the theoretical and practical march of privatization of state owned assets, especially those engaged in commercial and industrial production. There is little theoretical justification, argues Khanna, for privatization either in economic theory or in management science. The actual terrain of debate is political economy. The speaker presents evidence of the historic role and the recent performance of Central public sector enterprises in India, reason for their low returns and sickness of some. Drawing on his own experience at BRPSE, Prof. Khanna presents his analysis for their poor financial performance and their turnaround after restructuring of their liabilities.

The focus of his analysis is the large well-performing Nav Ratna PSUs that today, have emerged as highly profitable enterprises, dominating the stock market valuation, paying dividends to Central government alone of Rs. 85,000 crores, with cash balance exceeding Rs. 2.5 lakh crores and as the main drivers of investment in the Indian economy. The political economy of this superlative performance points to the desire of private monopolies to enter these sectors after they persuade government to deregulate or increase product prices. Since the forces behind deregulation are global and Indian big business, their thirst for picking of cheap state assets and market control make the future of the best performing Indian PSU Nav Ratna firms hang in balance.



**gIFT**

**5<sup>th</sup>**

## **I.S. GULATI COMMEMORATION LECTURE**

**Thiruvananthapuram, 21st August 2017**

*Gulati Institute of Finance and Taxation [GIFT], is an autonomous institution formed by Government of Kerala in 1992. Conceived by Government of India as a centre of excellence, the institute specialises in research, training & consultancy, conducting Courses and Training on Goods and Services Tax (GST). The Institute organises international and national Seminars and provides fiscal and policy inputs to Central and State Governments.*

## INVITATION

Director & staff of Gulati Institute of Finance and Taxation [GIFT] cordially invite you to the **Fifth I.S. Gulati Commemoration Lecture** by **Prof. Sushil Khanna**, the Professor (Emeritus) of Economics and Strategic Management at the Indian Institute of Management Calcutta

Topic:

**THE POLITICAL ECONOMY OF PRIVATIZATION AND REFORM OF PUBLIC SECTOR ENTERPRISES IN INDIA**

Venue : Auditorium, GIFT CAMPUS, Sreekariyam

Date: August 21, 2017

Time: 4 PM

### PROGRAMME

Welcome

**Dr.D.Narayana**  
Director, GIFT

Presidential Remarks

**Dr.Thomas Isaac**  
Hon'ble Minister for Finance

I.S. Gulati Commemoration Lecture  
**Prof. Sushil Khanna**

Open Forum

Vote of Thanks

**Dr.Thomas Joseph Thoomkuzhy**  
Registrar, GIFT



### I S GULATI [1924-2002]

Iqbal Singh Gulati was born on March 15, 1924 in the North-West province of undivided India. He moved to Delhi following partition of the country in 1947. After post graduation in Economics, he joined Planning Commission and later took Ph.D from London School of Economics in 1955. On his return he worked with Nicholas Kaldor on "Tax reforms in India." He was a teacher at M.S. University Baroda for over a decade (1956-68)

Professor Gulati came to Kerala to help EMS Government (1957) on the budget of the newly formed state. His bonds with Kerala grew stronger when he became a Fellow of Centre for Development Studies, Thiruvananthapuram in 1972. Kerala became his abode ever since and he remained an integral part of its public life till death. However tempting other offers might have been, he refused to leave Kerala. On 27th May 2002, he passed away in Thiruvananthapuram at the age of 78. His simplicity and nobility of character, commitment to the cause of the deprived and regard for the people of the state will be fondly remembered for long. Gulati is survived by his wife Leela and children Mitu and Prea.

Gulati served in many important Committees and Commissions. He was member of Sixth Finance Commission (1972-73) and twice Vice Chairman of the Kerala State Planning Board. He was Chairman, Taxation Review Committee of Kerala and Karnataka. He was Visiting Fellow at MIT Boston University and Chairman, Indian Institute of Management Calcutta. He has written extensively on taxation, federal finance, international finance, planning, decentralisation and development.

His colleagues, friends, students and admirers salute the memory of Professor I.S. Gulati.