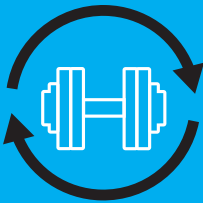


# Privatisation IN INDIA

In India privatization has been going on since the 1990s, when the government of the day realized that the government is losing public money due to inefficiencies of the public undertakings.



## STRENGTHS

- Improved performance and customer experience.
- Political class does not interfere.
- Short term outlook.
- Encourage shareholders to invest because of return.
- Increased competition.
- The government will increase revenue from the sale.

- Government loses its assets.
- It cannot get dividends in the future.
- Welfare of the people is not kept in mind by private players.
- Private companies get opportunities to acquire already running companies.



## WEAKNESSES



## OPPORTUNITIES

- The government gets money to cover up its fiscal deficit.
- Privatization will succeed in the telecom industries, where the incentive of profit can help increase efficiency.
- Privatization could speed up economic growth with the increase in competition.

- Privatization may create a private monopoly that is not in the interest of the people.
- It does not work well in industries, such as public transport or health care.
- Privatization could increase regional imbalances.
- It could lead to increase unemployment due to hire and fire policy in private companies.



## THREATS