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## Introduction

After independence, India has adopted mixed economy due to which there is a co-existence of public and private enterprises. In private sector business, the ownership rests on individual or group of individuals. Types of business Units are like individual ownership, partnership, co-operative society and joint stock company. Those units whose ownership, management and control rest in the hands of government are known as **public sector unit**. The ownership of such units are either partially or fully in the hands of central government or state government. Such units can be either government department or its part, could be set up through an act of Parliament. Through such enterprises government participates in the economic activities. Various objectives have been prescribed in the **Industrial Policy of 1956** for public sector and through that it was undertaken to speed up the industrialisation and development. The role of public sector was given more importance and along with that public and private sector were made complementary. There was a shift in emphasis in the **1991 Industrial Policy**. Government started disinvestment by selling stakes to private sector as and when required and accepted to offer greater autonomy to the private sector.

## 7 1 Public Sector

**7 1 1 Meaning :** Any enterprise, which is owned, managed and controlled by government is called public sector enterprise.

### 7 1 2 Characteristics

**(1) Establishment of Basic Industries :** The basic objective of setting up public sector enterprise is to provide basic infrastructure for a speedy industrialisation for which huge investment is needed. Immediately after independence, it was impossible for private enterprises to invest such huge amounts. Basic industries require huge investment in the initial stage, but returns in initial years will be low and hence private sector is not interested in ownership

of heavy industries. Government invests in such industries and makes it possible to achieve faster rate of growth.

**(2) Elimination of Monopoly :** When government owns industries, private monopoly vanishes.

**(3) Balanced Regional Development :** Private enterprises are not interested in investing in backward areas and government can play an important role in developing backward areas. For ex. government invested in Rourkela, Bokaro, Bhilai etc. in iron and steel industries and developed such backward areas.

**(4) Objective of Social Welfare :** Generally the objective of private sector is to maximise profit while public sector aims at achieving social welfare along with maximising profit. All sections of society receive benefits from public sector without any discrimination, by speeding up industrialisation basic industries are set up and through that the entire society will attain welfare.

**(5) Low Level of Profit :** Public sector provides services at very low level of profit. In the early years, even if public sector incurred losses, government has accepted. But after 1991, policy change led to an expectation that public sector should also earn normal profit.

**(6) Maintenance of National Interest :** Public sector is more suited for the protection of the national interest. For example the production of defence equipment is done by the government.

**(7) Generation of Employment Opportunities :** Developing country like India which is highly populated should have priority for employment generation. When investment of public sector increases, related industries also develop and that leads to employment generation.

**(8) Increase in Economic Development of the Country :** Every country needs economic development. Public sector industries create a base for further industrialisation. This will further increase economic development.

**(9) Social and Economic Justice :** The management of public sector is in the hands of the government and hence the implementation of government policies becomes essential. Hence we see positive trend of providing free or concessional service, job security, improving job conditions, labour laws are fully followed, priority to women is given etc. This helps public sector to provide social justice in a better way.

**(10) Ideal Wages and Facilities for Employees :** As the ownership of public sector rests with the government they pay decent wages to the workers. We can see better facilities given to employees of public sector as against private sector employees and strives to become an ideal employer.

### **7 1 3 Nature of Public Sector :**

(I) Government Department (II) Public Corporations (III) Government Companies

#### **(I) Government Department**

Government always handles its various functions through different departments. Any public sector managed by the government is known as government department. A public sector unit is managed by government authority and all workers are treated as government employees. Government departments are either managed by central or state government and hence the rules and regulations of central or state government are be applicable. For example; Postal Department, Railways etc.

### **Characteristics :**

(1) **Financial Allocation :** Government departments get financial allocation through the government budget. Their incomes are deposited in government treasury.

(2) **Maintenance of Accounts :** The maintenance of accounts of government department is done by the respective department and its audit is done by (CAG) i.e. The Comptroller and Auditor General.

(3) **Appointment of Employees :** The employees of the government departments are considered as government employees and hence their appointment and service conditions are the same as any other government employee.

(4) **Government Management and Control :** The management of government department and their control is directly through the minister concerned and through civil service officers.

(5) **Responsibility :** All responsibilities lies with the departmental minister and they are directly accountable to the Parliament or Legislative Assembly.

### **(II) Public Corporation :**

Public corporation is that, which comes into existence through a special Act of either the parliament or Legislative Assembly. In this act corporation's authorities-duties, rights, responsibilities, service rules for employees and relationship with government department is mentioned. i.e. Life Insurance Corporation of India, Food Corporation of India, Gujarat State Textbooks Board etc.

### **Characteristics :**

(1) **Establishment :** The establishment and management of public corporation is through a special act of either the Parliament or the Legislative Assembly. In this act, all objectives, powers, responsibilities and special facilities to public corporation are stated.

(2) **Ownership :** The ownership is either with the central or the state government or with both. Government decide the financial responsibility and profit sharing of these corporations. The burden of loss is naturally borne by the government.

(3) **Capital Accumulation through Government :** Government provides capital to this Corporation. They can also borrow capital from the government or the public, if needed.

(4) **Seperate Identity :** Public corporations has legal identity and it can command all the facilities structure like any other company.

(5) **Managerial Autonomy :** Ownership of public corporation lies with the government. Still it has complete autonomy. The minister does not interfere in the day today activities. The corporation gets enough freedom to take decisions and to implement them.

(6) **Service Rules :** The employees of public corporations are not bound by the service rules of the government employees. The job rules of the employees of corporation are determined by the concerned corporation and accordingly the employees will have to perform duties. Many times, government officers are sent on deputation to manage this corporation.

(7) **Management Through Board of Directors :** The Board of Directors manage the working of the public corporation. The government appoints the Board of Directors from celebrities, eminent personalities, prominent industrial experts, professionals etc. The Board of directors takes care of policy decisions. Managing director is responsible to implement the policy decisions and also takes care of day to day activities.

(8) **Answerable to Parliament/Legislative Assembly :** As periodical report has to be submitted to the Parliament/Legislative Assembly, corporation is unable to earn extra profit at the cost the public. As such Parliament and Legislative Assembly has control over these public corporations.



### (III) Government Company :

The establishment and organisation of a government company is done on the basis of Companies Act. According to the Companies Act, the objective of Government Company is pure business and they compete with private companies. According to Indian Companies Act government companies are those which have government's contribution, at least 51%, in the capital. Government capital is that which is contributed by either the central government or state government or both or by one or more than one state governments. Hence the government can exercise its control and supremacy on government company. The shares of government in government company are in the name of the President of India. As the government is the single largest shareholder in these companies, it has maximum control and hence such a company is known as Government Company.

#### Characteristics :

- (1) **Establishment** : These companies are set up according to the Indian Companies Act.
- (2) **Separate Identity** : The government company has legal identity and hence it can sue or can be sued as individuals in the court of law. It can own property or enter into any contract with any individual.
- (3) **Capital** : Government owns at least 51% share capital of these companies.
- (4) **Management** : The management of the government company is as per the guidelines of the Companies Act.
- (5) **Appointment of Employees** : The employees of these companies are appointed on the basis of rules and regulations of the each company.
- (6) **Appointment of Members of Board of Directors** : The Board of Directors are appointed by the government.
- (7) **Appointment of Auditors** : For the maintenance of accounts and rules of audit government companies are exempted from the rules and regulations of the Companies Act. But the government appoints auditors who submit annual report in the Parliament/Legislative Assembly.
- (8) **Arrangement of Capital** : Government companies accumulate capital from the shares issued to government and private shareholders as per requirement. It can sell shares to the private individuals too according to the requirements.
- (9) **Policy Decisions** : The policy decisions of the government companies are taken by the respective ministers.

#### 7.1.4 Comparison of the Government Enterprises :

| Sr. No. | Basis                        | Government Department                                   | Public Corporations                                | Government Companies   |
|---------|------------------------------|---|--|--|
| 1.      | Establishment                | Through government Department                           | Special act of the Parliament/Legislative Assembly | By the government according to the provision of Companies Act. |
| 2.      | Legal entity                 | Does not have any separate identity from the government | Separate identity on the basis of law              | Separate identity on the basis of law.                         |
| 3.      | Favourable in which sector ? | Public services and defence sector are suitable         | For industrial enterprise and public services      | For industrial enterprise and foreign venture companies        |
| 4.      | Source of capital            | Allocation from government budget.                      | Capital investment by the government               | Minimum 51% share investment by government                     |

|     |                        |  |   |  |
|-----|------------------------|--|---|--|
| 5.  | Working capital        | Allocation from government budget  | As per requirement it can raise funds   | On the basis of requirement it can raise funds   |
| 6.  | Responsibility         | Related minister of the department   | Responsibility lies with Parliament or Legislative Assembly   | Responsibility lies with Parliament or Legislative Assembly                            |
| 7.  | Autonomy in management | No autonomy  | Autonomy exists   | Autonomy exists  |
| 8.  | Employees              | Employees are considered government employees and hence government rules have to be followed | Not government employees and hence the service rules can be framed by the corporation itself                  | Not government employees and hence the service rules can be framed the company it self |
| 9.  | Management             | The officers of Indian Administrative Services take care of management                       | The Board of Directors and Managing Director take care of management and they are appointed by the government | Government appoints eminent personalities as Board of Directors                        |
| 10. | Control                | Direct control of the minister of concerned department                                       | Parliament/Legislative Assembly has a direct control  | Related ministry has control   |

**7 1 5 Changing role of public sector :** After the independence, it was expected that public sector would play a major role in fulfilling certain objectives of an economy. Public sector was expected to create systemic facilities or structure for the development of key industries which are necessary for economic development. In certain areas, huge investments are needed, where profitability is low, private sector will not prefer. In such areas public sector should play an active role. Public sector created infrastructure and produced necessary raw materials and services. The five year plans also gave very high importance to the public sector.

After 1991, the policy of liberalisation privatisation and globalisation was adopted due to which the role of public sector has changed. Public sector started competing with private sector. More importance given to Profitability. Those public sector units which were making continuous losses, started making structural change & few public sector units were closed. Equity shares of certain public enterprise were given to the general public or sold to private companies. Government appointed various committees to make unproductive public sector units more productive. The era of 1950-1990 was important for public sector.

## 7 2 Private Sector

Private sector is an oldest form of an economy. Business activities itself started through private sector. In the olden days business activities were managed by the private sector. Public sector came into existence due to certain limitations of private sector and also due to certain special requirements of the time. Even today private sector is important to our country. Economic development of any nation is mainly due to private sector. A lion's share of our national income comes from private sector. The existence of private sector is for ages. Time and circumstances bring changes in private sector. Government has accepted positive approach for existence of private sector and continuous steps are being taken by government.

**7 2 1 Meaning :** When a business is managed by an individual or group of individuals with the objective of earning profit, it is known as private sector. Individual ownership, Partnership, Hindu Undivided Family, Co-operative Society and Joint Stock Companies are all parts of private sector.

**7 2 2 Characteristics :**

(1) **Oldest Form :** Private sector is the oldest form of business units. The existence of business started with private sector and even today private sector is a very important entity in our economy.

(2) **A big Share in Economy :** Private sector occupies an important place in India's economy. It is difficult to imagine economy without private sector.

(3) **Changes According to the Requirement:** Private sector since its inception has been open to changes on the basis of time and circumstance.

(4) **Priority to Profit and Acceptance of Social Responsibilities :** The main objective of private sector is profit, but also accepted social responsibilities. Along with these environmental protection, women empowerment, literacy etc. are some of the social obligations which have been accepted by the private sector. So along with profit, social responsibilities also have been accepted.

(5) **Existence of Private Sector in all Countries :** Private sector prevails in one form or the other in all the countries of the world. Laws governing this private sector may be different in different countries. The existence of private sector, is accepted by all countries.

(6) **Inclusion of Multinational Corporation :** Any business activity undertaken by a firm in more than one country is known as multinational corporation. Multinational companies started more dominance in the 19th century. Many companies started producing and selling in more than one country due to which the standard of living of the people improved across the world.

(7) **Employment Generation :** Private sector provides maximum employment opportunities to the people around the world even today. Due to the expansion of economic activities, people get more employment opportunities leading to rise in people's income and standard of living.

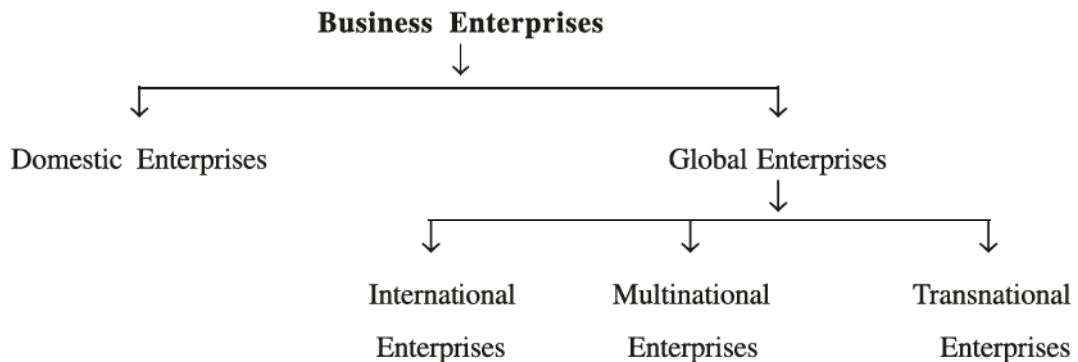
**7 2 3 Difference between Public Sector and Private Sector :**

| Sr. No. | Point of difference | Public Sector  | Private Sector   |
|---------|---------------------|--|--|
| (1)     | Ownership           | Ownership lies with centre or state or jointly owned by centre and state government              | Owned by individual or group of individuals  |
| (2)     | Control             | As it is owned by the government it can be controlled easily by the government                   | Through various laws government can control the private sector.  |
| (3)     | Main objective      | Main objective is welfare.   | Generally the main objective is profit   |
| (4)     | Profitability       | Due to government control it is not keen for profit maximisation                                 | Private sector is keen for profit maximisation   |
| (5)     | Nature              | Government department, Public Corporation and Government Companies are examples of public sector | Individual ownership, Partnership, Hindu Undivided Family, Co-Operative Society, Joint Stock Companies are examples of private sector. |



## 7 3 Global Enterprise

**7 3.1 Meaning :** Any business unit, when it expands its activities outside the political boundaries, known as global enterprises.



**(1) Domestic or Local Enterprise :** Those enterprises which limit their business activities within the political boundaries of their country are known as domestic enterprise. Normally based on the country's business environment, their business policies are formulated.

**(2) Global Enterprise :**

(i) When any business unit expands its business activities outside the political boundary. It is known as a global enterprises.

(ii) By using the experience of domestic business as a global enterprise when they spread their wings in foreign country, they are known as multinational enterprises.

(iii) Transnational enterprises produces, sells and invests across the world. They are such organised enterprise which use the factor of production and wealth of the entire world to earn profit from the world market.

### 7.3.2 Characteristics :

**(1) Business in More than One Countries :** Global enterprises work on a very large scale at the international level. They conduct business in different countries in different ways at a time.

**(2) Priority :** Global enterprises give priority to regional aspects while making investment, production and distribution. Every country has different religion, social structure, economic and behavioural set up and global enterprise takes note of these and accordingly business enterprises are expanded.

**(3) Size and Sales :** The size and sales of global enterprise is huge. In most cases the national income of some small countries are much lower than the sales of these global enterprises.

**(4) Economic Capability :** Financially global enterprise are very sound. Many a times they can afford to operate at negligible profit or can make losses also if needed to improve their market. As they have a very sound financial backing they can produce and sell on a massive scale.

**(5) Political Supremacy :** Due to their economic power, their political reach is also strong. In many cases they can influence the economic policy of the country by influencing the political leaders.

**(6) Loyalty :** Global enterprises do business with number of countries but many times they are not loyal to these countries. Their loyalty level is very high for their parent nation.

**(7) Emergence in Developed Countries :** Global enterprises have predominantly emerged in economically developed countries while they do business mostly in developing and under developed countries of the world.

**(8) Massive Expenditure on Research and Development (R&D) :** Global enterprises spend huge amount of money on R&D and improve their knowledge. A huge amount from their income is used for research and development and to develop new products, services and modern technology constantly. As a result they are able to afford capital intensive technology.

**(9) Changes in the Life Style:** To develop their products and services they bring changes in the life style of the people of home countries and for that global enterprises start from basic necessities.

**India and Global Enterprises :** Prior to 1991 the entry of global enterprises in India was slow. After adopting the policy of liberalisation, entry and expansion of global enterprise became faster. Global enterprises are also known as international companies or multinational companies. When a list of such companies is made there can be two ways of making it. Companies from other countries come to do business in India and their list is long like Coca-cola, Pepsi, Mcdonald, Nokia, Sony, General Motors etc. In recent years Indian origin companies like Infosys, Reliance, Maruti, Wipro, ONGC, Tata Steel, Asian Paints etc. are also spreading their business in other countries. Number of India based business houses are developing their business activities in foreign markets. These enterprises are supplying products and services to many countries of the world. The sales and income of global enterprise are more than that of domestic industries. Global enterprises are proving to be more effective because of their huge capital, good image and modern technology.

## **7 4 Joint Venture**

**7.4.1 Meaning :** A business unit which join hands with the other units for mutual benefits is known as joint venture. Such units joining hands can be private, government owned or global enterprises. These enterprises survive for a longer period. Business units of any size can join to fulfill and safe guard mutual interest. Joint ventures should fulfill the mutual requirements of the parties. If joint venture occurs between two enterprises of two different countries, then it becomes mandatory to follow the rules framed by both the countries. In joint venture two business units utilise the resources to the best of their activities by using their expertise and bear the business risk and divide the profits amicably.

The main objectives of creating joint venture are expansion of business, development of new products, creation and expansion of new market. Recently, number of industrial units have created joint ventures with other industrial units. Such joint ventures are started to utilise their excess capacity, to develop distribution channels, to improve production technique or for financial reasons. In India, there is no seperate law for joint ventures. The company listed in India is considered as domestic company. Number of joint ventures are operating successfully in India at present. Those global enterprises which want to have partnership or those non-resident Indians who want to invest in Indian industries should have government approval. Such approval can be available as per the polices of the Reserve Bank of India or from the Foreign Investment Promotion Board.

### **7.4.2 Characteristics :**

**(1) Profitable for Both Parties :** Joint venture proves to be beneficial for both parties. They complement each other due to their individual capabilities.

**(2) More Resources and Capabilities :** Both parties forming joint venture, share their resources and capabilities to increase their mutual benefits. Thus the accumulated resources and capabilities can improve the opportunities for the joint venture.



**(3) New Technology :** In joint venture exchange of technology is possible. Good quality products can be produced because of better technology. Time, capability, technology and effectiveness leads to increase in productivity.

**(4) Development of new market :** When one business unit joins with another business unit of another country to form a joint venture for possibility of developing new market. For example when any company of India enters into a joint venture with any other company of a foreign country, the doors of the market opens in India for foreign company. Many companies aim at continuous growth through joint venture and enter the foreign market when it reaches to maximum sales in the domestic market.

**(5) Innovation :** Through joint venture, new and creative products are placed in the market. Foreign partners often provide benefit through new technology and new ideas through joint venture.

**(6) Low production cost :** Large scale production is possible through the use of modern technology and this leads to low cost. Low cost of production leads to low sales price which in turn helps to increase demand for its product.

**(7) Increase in business credit :** The different business units join to form a joint venture. Their individual business credibility leads to a greater business credit to the joint venture. Some times a joint venture foreign company can allow an Indian partner to use its brand name.

## **7 5 Public-Private Partnership (PPP)**

**7.5.1 Meaning :** Public-private partnership is a new arrangement and it is a requirement of time. In 1991 the Indian government has accepted globalisation and many products which were earlier not available in the Indian market is now made available from the foreign market. For this the country required infrastructure which in turn required large scale investment. For example for air services we need airport and such other allied facilities. For new and modern car, a good road is must. For all these infrastructural development, government needed massive investments which was not possible for the government. Private sector was capable of such huge investments but there was danger of monopoly element if everything was handed over to the private sector permanently. Hence a new arrangement was acceptable according to which government gives land for developing infrastructure, private sector invest and allowed to collect fees from the beneficiaries of that services for a described duration. For that described duration, maintenance is a responsibility of private sector. After a described duration, private sector handover the infrastructure to the government and then entire responsibility of maintaining it also goes to the government e.g., Ahmedabad-Vadodara Express Highway.

## **7 6 Public Utility**

**7.6.1 Meaning :** There is a continuous increase in the requirement of basic infrastructure with the growth of village and cities. In modern civilised society, certain services and utilities are essential. Such services and utilities are provided continuously and efficiently which is known as public utility services. Public utility units provide such basic facilities like water supply, electricity, transportation, communication facilities, gas, sewerage etc. Any deterioration in the quality of service affect the public life and hence monopoly is offered to such services and at the same time it is controlled by the government.

Public utility services are available to every citizen regularly, at the nearest point, at low cost. This service are provided without any discrimination to every one.

Due to the adoption of the ideology of privatisation, competition has been accepted even in this field. A suitable changes have been done in public utility services by law of the Parliament. Initially, government had a monopoly but by a change in the law, more units were allowed to enter.

Telephone service is a public utility service. Initially as per law, government has established separate department and had monopoly but now by making changes in law, it accepted that telephone service can be provided by more than one company. Even after allowing competition in this field, government continues to control these private service providers to safeguard the interest of consumers and protect them from exploitation.

The management of public utility service is taken care by village panchayat, taluka panchayat, district panchayat, Nagarpalika and Mahanagarpalika. At the state level certain public utility service like transportation, electricity, health services etc. are taken care by government departments, Company or Corporation. At the national level, transportation, Post and Telegraph, Telephones are provided by Central Government Department, Company or Corporation. Gujarat Road Transport Corporation takes care of the Bus services in Gujarat.

Thus, the objective of public utility services is to provide basic services to make life easier to the people and due to such services life becomes simple.

### **What did you learn in this chapter**

#### **Public Sector Enterprise**

**Meaning :** Those enterprise which are owned, operated and controlled by the government is called public sector enterprises.

**Feature :** (1) Establishment of basic industries (2) Elimination of monopoly (3) Balanced regional development (4) Objective of social welfare (5) Low level of profit (6) Maintenance of national interest (7) Generation of employment opportunities (8) Increase in economic development of the country (9) Social and economic justice (10) Ideal wages and facilities for employees.

#### **Types of Public Sector :**

**(I) Departmental Management : Features :** (1) Financial allocation (2) Maintenance of account (3) Appointment of employees (4) Government Management and control (5) Responsibility.

**(II) Public Corporation : Features :** (1) Establishment (2) Ownership (3) Capital accumulation through government (4) Separate identity (5) Managerial Autonomy (6) Service Rules (7) Management through Board of Directors (8) Answerable to Parliament/Legislative Assembly.

**(III) Government Company : Features :** (1) Establishment (2) Separate identity (3) Capital (4) Management (5) Appointment (6) Appointment of members of Board of Directors (7) Appointment of auditors (8) Arrangement for capital (9) Policy Decisions.

**Comparison of Govt. Enterprises :** (1) Establishment (2) Legal identity (3) Favourable for which field ? (4) Capital acquisition (5) Working capital (6) Responsibilities (7) Operational freedom (8) Employees (9) Operation (10) Control.

#### **Changing of Public Enterprise :**

**Meaning of Private Sector :** When any business is managed by one individual or group of individuals with the objective of earning profit, it is known as private sector.

**Features :** (1) Oldest form (2) A big share in the economy (3) Changes according to the requirement (4) Priority to profit and acceptance of social responsibility (5) Existence of private sector in all countries (6) Inclusion of multinational companies (7) Employment generation.

**Difference Between Public Sector and Private Sector :** (1) Ownership (2) Control (3) Main objectives (4) Profitability (5) Nature.

**Global enterprises :** (1) International enterprises (2) Multinational enterprises (3) Transnational enterprises.

**Features of Global Enterprise :** (1) Business in more than one country (2) Priority (3) Size and sales (4) Economic capability (5) Political supremacy (6) Loyalty (7) Emergence in developed countries (8) Huge expenditure on research and development (9) Changes in the life style.

## India and Global Enterprise

**Meaning of Joint Venture :** When business units join hands to protect the mutual interest it is known as joint venture.

**Characteristics :** (1) Profitable for both parties, (2) More resources and capabilities, (3) New technology, (4) Development of new market, (5) Innovation (6) Low production cost, (7) Increase in business credit.

**Public-Private Partnership : Meaning :** In this system, government gives land for development, private sector invests for structure and in exchange they will be given licence to collect fees for a stipulated period from the beneficiaries of these infrastructures and takes responsibility of maintenance of the structure. After that stipulated period the system should be handed over to the government, who will also take the responsibility of maintaining the infrastructure from the private sector.

**Public Utility : Meaning :** Public utility refers to the availability of most essential services and facilities in a productive manner at a very low cost to the people of the country.

### EXERCISE

#### 1. Select the correct alternative and write answers to the following questions :

- (1) Which is not the type of public sector from the following ?
  - (a) Government department
  - (b) Individual ownership
  - (c) Public corporation
  - (d) Government company
- (2) In which of the following types, the employees are governed by government rules ?
  - (a) Government department
  - (b) Public corporation
  - (c) Government company
  - (d) Private company
- (3) Which of the following is considered the oldest form of business ?
  - (a) Public enterprise
  - (b) Private enterprise
  - (c) Global enterprise
  - (d) Public-Private Partnership
- (4) Which of the following statement is wrong for private global enterprise ?
  - (a) Active at international level
  - (b) Massive size and sales.
  - (c) Direct control of Parliament/Legislative Assembly.
  - (d) Political supremacy exists due to strong economic capability.
- (5) Which of the following is incorrect for public-private partnership ?
  - (a) Necessary land is to be purchased by them from the government.
  - (b) For a prescribed period fee is collected from the beneficiaries.
  - (c) Creation of Infrastructural facility from their own investment.
  - (d) After the stipulated time period infrastructure set up will have to be handed over to the government.

**Answer :** (1) (b) (2) (a) (3) (b) (4) (c) (5) (a)

#### 2. Answer the following questions in one sentence each :

- (1) Define public enterprises.
- (2) Give name of types of public sector.
- (3) How much is the minimum share proportion of the government in government companies ?



- (4) In whose name shares are held in Government company ?
- (5) Which is the oldest form of business ?
- (6) State the meaning of global enterprise.
- (7) What is public private partnership ?

**3. Answer the following questions in short.**

- (1) Give a list of various types of business unit.
- (2) How can balanced regional development be achieved through public sector enterprises?
- (3) What is government department ? Explain with an example.
- (4) “The only objective of private enterprise is to earn profit” - Discuss
- (5) State the importance of private enterprises in the economy.
- (6) What is the importance of global enterprise in the Indian economy?

**4. Answer the following questions in brief :**

- (1) What is departmental management ? state its features.
- (2) After giving the meaning of public corporation explain its features.
- (3) Define government company and write a note on its features.
- (4) State the changing role of public enterprise.
- (5) State the points of difference between public and private sector.
- (6) After giving the meaning of global enterprises, state its characteristic features.

**5. Answer the following questions in details :**

- (1) What is public sector ? explain in detail their characteristics.
- (2) Compare the three types of public enterprise.
- (3) Prepare a note on meaning and characteristics of private enterprise.
- (4) Give a detailed explanation of meaning and characteristics of joint enterprises.
- (5) What is public utility ? Explain its features.
- (6) “Public-private partnership is an arrangement due to the need of time.” - Explain,

