

## MICRO PRIVATIZATION FOR PROVISION OF RURAL INFRASTRUCTURE IN INDIA

**DR. SATISH M.K**

ASSOCIATE PROFESSOR,  
NMIMS SCHOOL OF BUSINESS MANAGEMENT,  
V.L.MEHTA ROAD,  
VILE PARLE (W),  
MUMBAI, MAHARASHTRA.

---

### ABSTRACT

Access to basic infrastructure plays an important role in economic development and empowerment of the rural population. It has the power to transform rural India as there is a positive linkage between infrastructure and social and economic development especially employment creation and poverty alleviation. In India, State is the authority entrusted with the responsibility of providing quality basic infrastructure. The State has failed in this regard and large proportion of the rural population is still deprived of safe drinking water, sanitation, electricity and all-weather roads. While sectors such as telecom has fared better, others such as water-supply and sanitation have performed very poorly. The State in the last two decades has increased its spending on rural infrastructure with the launch of programmes such as Bharat Nirman and Swachh Bharat Abhiyaan. Large private sector investment in rural infrastructure has not taken place. The non-performance of the State and inability of the private sector to invest in rural infrastructure has opened up new avenues and rural communities, non-governmental organizations and small entrepreneurs are trying to fill the gap between the demand and supply of rural infrastructure services.

**KEY WORDS:** State, Rural Infrastructure, Micro-privatization and Small Entrepreneurs.

---

### Bibliography

Das Keshab (2002). 'Issues in Promoting Rural Infrastructure in India', *Document de Travail No DT/67/2001*, Centre économie du développement, Université Montesquieu Bordeaux, France. Available Online, <http://ced.u-bordeaux4.fr/ceddt67.pdf> (Downloaded : Nov 9th 2016)

Econ One Research (2002). 'Uganda Telecommunications: A case study in the private provision of rural infrastructure', *Econ One Consultants*, Texas. Available Online: [http://rru.worldbank.org/Documents/Uganda%20Report%20\(Final\)%20\(7-30-02\).pdf](http://rru.worldbank.org/Documents/Uganda%20Report%20(Final)%20(7-30-02).pdf) (Downloaded on Nov12, 2016)

Fan Shenggen, Peter Hazell and Thorat Sukhadeo (2000). Government spending, Growth and Poverty in Rural India', *American Journal of Agricultural Economics*, Vol 82, No 4, pp 1038-1051.

Harper Malcom (2000). *Public services through private enterprise: Micro-privatization for improved delivery*, Vistaar Publications, New Delhi.

IDFC (2011). 'Biomass based decentralized distributed generation for universal energy access', *IDFC Quarterly*, No 11, March 2011.

IDFC Rural Development Network (2014). *India Development Report 2013|14*, Orient BlackSwan, Delhi.

IFC (2011). *Husk Power Systems, in Inclusive Business Models-Guide to the Inclusive Business Models in IFCs Portfolio*, International Finance Corporation, September 2011

National Sample Survey Office [NSSO(2014)]. *Drinking Water, Sanitation, Hygiene and Housing Condition in India*, NSSO 69<sup>th</sup> Round, July 2012 –December 2012, Ministry of Statistics and Programme Implementation, New Delhi

Planning Commission (1997). *Ninth Five-Year Plan*, Planning Commission, Government of India. Available online, <http://planning.commission.nic.in> (Downloaded on Nov 12, 2016)

Ram Kumar.M (2001). 'Privatization for sustained economic, social and political development, The Indian Context', *The Journal of Institute of Public Enterprise*, Vol 24, Jan-Mar, April-June (1&2), pp 13-27.

Rao.D.N and Govindarajan.S (undated). 'Community intermediation in rural power distribution', *Water Policy Research Highlight*, IWMI-TATA Water Policy Program. Available Online: <http://publications.iwmi.org/pdf/H031808.pdf> (Downloaded on Nov 12, 2016)

Salunkhe Vilasrao, Lokkur Vasuda and Pangare Ganesh (2000). 'Pani Panchayat Model of Water Management', in Chary.S.N and Vyasulu Vinod Ed. *Environmental Management, an Indian Perspective*, Macmillan India Limited.

Telecom Regulatory Authority of India [TRAI(2017)]. *Highlights of Telecom Subscription Data*, Press Release No 03/2017, Telecom Regulatory Authority of India, New Delhi

World Bank (1997). *Selecting an option for private sector participation*, Tool Kit, International Bank for Reconstruction and Development, World Bank, Washington. Available Online: [http://www.rru.worldbank.org/private\\_rural\\_infrastructure.asp](http://www.rru.worldbank.org/private_rural_infrastructure.asp) (Downloaded: Nov 28, 2016)

World Bank (2002). *Private Sector Development Strategy, Directions for the World Bank Group*. April 9. Available Online, <http://www.worldbank.org/privatesector/>  
(Downloaded: Nov 15, 2016)