

# Business Standard

## Ideas secretaries could benefit from

Business Standard January 12, 2016 Last Updated at 00:56 IST



Even as top civil servants are still brainstorming among themselves before presenting their 'transformational' ideas in eight specific areas to Prime Minister Narendra Modi, Business Standard has prepared a list that might fit the bill. The PM, in a meeting with all secretaries on December 31 last year, had asked them to 'bring breakthroughs' in governance and not incremental changes. The 70-odd secretaries were divided into eight groups and given two weeks to work on eight themes - good governance, inclusive growth, innovative budgeting, health & education, job creation, Swachh Bharat & Ganga rejuvenation, energy and agriculture. The Business Standard list of breakthrough ideas is based on conversation with more than 20 business leaders, former bureaucrats and sectoral experts. Here's what they had to say:

### **CHECK GOOD GOVERNANCE ON HEAT MAP**

Jaijit Bhattacharya, partner, KPMG India, has suggested evaluation of government service delivery through a 'performance heat map'. "The heat map would be based on SMS-based responses of citizens who have interacted with

any government department." Under the plan, each department will prominently publish its code at the premises. On stepping out, a citizen simply sends an SMS with the department code and a rating, based on their experience. The cumulative rating of the department would position it on a red to green heat map, which gets automatically published on a public website.

In another step towards good governance, Vijay Shekhar Sharma, chief executive officer of One97 Communications, that runs mobile wallet service Paytm, recommends something that he knows best. "The government should transition from e-governance to m-governance to cut queues and time taken to issue licences and clearances."

### **TRY BOLIVIAN EXPERIMENT FOR INCLUSIVE GROWTH**

Public sector companies must be used to foster economic development by empowering the poor, says Hari Sankaran, vice-chairman of IL&FS. He cites the Bolivian experiment of the 1990s to restructure public sector units (PSUs). The plan, termed Capitalisation, transferred 50 per cent of equity in all the PSUs to pension accounts of every Bolivian family.

The remaining 50 per cent stake was offered to corporate investors but instead of proceeds from sales going to the government, they went into the companies to fund investment and expansion programmes. The plan failed but provides a useful starting point, according to Sankaran.

"Restructuring India's public sector is the most powerful mechanism to transform our economic and social landscape and an opportunity to trigger empowerment and redistribute wealth." The Capitalisation vision is an opportunity to lead again for India, says Sankaran.

### **RAISE INVESTMENT, LIST INSURANCE FIRMS**

Former Cabinet secretary K M Chandrasekhar suggests higher focus must be on lifting public and private investment and raising demand, rather than on inflation or fiscal deficit. "Measures that should be taken include vastly increased public investment at the central level, concentrating on projects that are short- to medium-term in nature, increasing capacity of states to borrow by relaxing their FRBM (Fiscal Responsibility & Budget Management) limits (only for capital formation), revival and strengthening of the PPP (public private partnership) concept." Also, rural demand must be stepped up, both through investment and mechanism of support prices, he adds.

Rajeev Thakkar, chief investment officer at PPFAS Mutual Fund, talks of "unconventional money raising". Among other things, the government should consider listing insurance companies such as Life Insurance Corporation of India and General Insurance Corporation. It should also sell some of the old stocks it owns in ITC or Larsen & Toubro under STUTI. The government should also explore corporatising the freight corridor, says Thakkar.

Pointing out that the response to the black money compliance window has been lukewarm, Deven Choksey, managing director at KR Choksey Shares & Securities, says, "Maybe the black money parked outside can come back in the form of FII (foreign institutional investment) flows if there are adequate tax breaks provided. The Centre should think on the lines of how it made equity tax-free in 2003."

Massive tax scheme to mobilise infrastructure spending is what Sudip Bandyopadhyay, managing director and CEO of Destimoney, wants. "The government can provide a tax exemption of say up to Rs 5 lakh. Such a scheme will be a lot of participation from tax payers and help fund the capital required for infrastructure spending."

### **LEVERAGE TECH TO ACCESS HEALTH & EDUCATION**

Use of technology to improve access to healthcare is one of the 'transformative' ideas suggested by Kiran Mazumdar-Shaw, chairman and managing director of Biocon. "The government can leverage technology to collect primary health record using Aadhaar." Linked to that, health coupons can be issued for people to access healthcare both for diagnostics and cure, according to Shaw.

The public health services need to focus on prevention rather than cure and this aspect has suffered due to lack of human resources at

primary health centres - the first port of call for citizens - according to Ashok Varma, partner (government reforms and infrastructure development), PwC. "The Centre should think of promoting paramedical and certification courses including three-year public health and medical courses to create practitioners to provide basic preventive healthcare and treat common ailments at primary health centres." He also recommends convergence of resources operating under various health schemes as well as promoting public-private partnerships in district hospitals and universal health coverage scheme linking insurance-based health financing mechanism.

In education, Varma talks about innovative training delivery models such as mobile training centers with virtual classrooms, mobile assessment and simulation labs. In education, Narayanan Ramaswamy, partner and head of social sector at KPMG, points out that location-based education is the need of the hour. "Popularise culinary institutes in Odisha as there's so much of natural talent for cooking in that state."

### **GO FOR SKILL BANK TO CREATE JOBS**

While skilling tuned to natural talent will result in job opportunities, there are other suggestions as well. D R Dogra, CEO and managing director of CARE Ratings, believes creation of a skill bank in services will help. "Jobs like plumbers or carpenters are going out of fashion. But, we need to develop such skills and then have them linked to the requisite industry like, say, construction, or an association of masons with certain skill sets can be given a certificate, which gives them an opportunity to work with companies involved in construction."

PwC's Varma is emphatic on building skill for global market to meet the international standards of one-quality and one-certificate.

### **WATER AUDITING MUST TO REVIVE GANGA**

According to KPMG's Ramaswamy, it is not enough to build toilets to achieve the targets of Swachh Bharat. It's important to change the opinion and mindset of people, he says. "Also, localised efforts are needed. For instance, Kerala could do better with community toilets, while people in Punjab could be encouraged to build their own."

For Ganga rejuvenation, water auditing of all major users (municipalities, urban local bodies, industry) in the Ganga basin should be made mandatory, according to Kapil Kumar Narula, executive director and CEO, CII-Triveni Water Institute (the CII centre of excellence on water). In addition, subsidies and incentives must be encouraged for recovery of pollutants and recycling/reuse.

### **OFF-GRID SOLAR IS THE WAY**

As the government plans to increase grid-connected solar power capacity, a major consensus is that off-grid solar is the way out for affordable power to remote locations. A leading renewables company said it would want government to auction village hamlets to companies to set up off-grid solar solutions/micro-grids. The reason is lack of transmission and distribution troubles in grid-connected projects. Solar product manufacturers want the government to start the same procurement programme, which it did for LED. This, they said, would lead to bringing down price and create awareness about the same. Experts said the coal sector needs to be opened up for commercial mining. For power, the wish is to centralise power distribution and clear all debt woes.

## **DON'T LET SMALL FARMERS OWN MACHINERY**

The Centre should involve real agriculturists and farmers in drawing the fine-print of a policy and not just the broad outlook, according to Ajay Jakhar, chairman of Bharat Krishak Samaj (Indian Farmers' Forum). "Also, I think small farmers, who own less than five acres of land, are debarred from owning farm machinery." This is because most times, small farmers spend their entire lifetime servicing the loan that he or she has taken for purchasing farm machinery and is perennially under debt. Instead, cooperative societies and farmers groups should be incentivised through tax-breaks etc to purchase farm machines to be commonly used by all.

Sudhir Panwar, president of Kisan Jagriti Manch and member of the Uttar Pradesh Planning Commission, is skeptical about bureaucrats giving transformative ideas. "If bureaucrats are asked to give transformative ideas for change, the Centre's efforts to seek suggestions from the ground are defeated." Topping his own wishlist is farmers getting remunerative price for his produce.