Public enterprise is a generic term embracing departmental undertakings, public corporations and government companies. These public enterprises are the hopes and aspiration of a nation aspiring for social welfare, economic justice and sustained economic growth. In practice, most of them are running at a loss and are the topics of burning concern. Assam State Electricity Board (ASEB), our subject matter of present study, is not an exception to that. The persistent loss and operational inefficiency alleged from different quarters at different times have led the present researcher to make an indepth study on the causes and effect relationship of the connected issues.

Energy provides for productivity and prosperity of a state. Power development being included in the concurrent list of the Constitution bestows simultaneous responsibility on the State and Union Government to endeavour for its generation and equitable distribution.

The year 1913 was a landmark in the history of power development in Assam as the first electrical undertaking was set up in that year at Tepur in private sector. There were around twelve electrical undertakings in private sector during 1913 to 1958. Due to financial crisis, managerial incompetence their operational circumstance was limited. Power as a growth parameter deserves deeper insight from
independent authorities. With a view to ameliorate these problems and more importantly to fulfil the obligation bestowed upon the state immediately after independence, the responsibilities of ushering in a socialistic pattern of society in concord with directive principle of state policy, have instigated the State Government to intervene into power sector by nationalisation of those enterprises. Resultantly the APB was brought into being on 1st June 1958.

Though the aims and objectives of the Board were to provide qualitative and reliable power supply to consumers it could not fully materialise this since then. Apart from that Assam having hydro and thermal power potential could not have a long range power development plan. From the load forecast prepared by the Central Water and Power Commission, now Central Electricity Authority (CEA), in 1963, it was observed that even after commissioning of the first power house at Dhubri Hydro Power Station in erstwhile Assam, shortfall in power supply still persists. So, in the subsequent Five Year plans the Government of Assam has been emphasising on power development.

"Public sector undertakings are increasingly and rightly becoming a major area of study in Indian economic development but such study curiously enough are never extended to the field of power generation." An attempt has been made in this treatise to critically review certain interconnected variables such as ways and means adopted as an exercise of
improving financial working result, enhancement of tariff rate and its consequence on profit volume. There is enough evidence that mere increasing tariff cannot guarantee quality of service and operational efficiency. A significant departure from normal accounting practice in the treatment of contingent liability and presentation and analysis of accounting information has been observed and discussed in relevant chapters. The Board under study absorbed a jolt in its overall operational and potential areas caused by bifurcation of the erstwhile composite electricity organisation in view of reorganisation of political administrative units of the North Eastern Region.

All these variables reacted in the mind of the present researcher to evaluate the functional matrix of the organisation under study. The said reaction coupled with the thought and inspiration of my guide Dr. Sujit Sikidar have proliferated into present study.

Per capita consumption of power is the real indicator of standard of living of masses. The per capita power consumption in Assam is, however, only 45 KWh as against a national average of 145 KWh in 1985. But even the State average has gone down further in 1986 in view of newer impediments emerging thereafter. Similarly power generation during the year could not show any satisfactory result. This state of affairs has naturally widened the horizon of analysis.
The present work has been divided into nine chapters. First chapter deals with the nature and significance of Board's formation and the constituent elements of electricity organisation. The second chapter deals with the organisational structure and the determinants of administrative mechanism for electricity Board. This chapter devotes to the basic question of autonomy of the Board and administrative lacuna. The third chapter deals with the financial management of the Board and its related matters. Decision making pattern of the Board has been discussed in chapter four. The fifth chapter enumerates the sources of resources and their application. It also covers the time and cost overrun of different power projects. Chapter six focuses on the availability of natural resources for power generation and their utilization. Chapter seven score outs with the tariff policy of electricity undertaking, mechanism of fixation of rate structure and applicability of the same in actual parvisence. Chapter eight provides an analysis of profitability, accountability and social responsibility of the Board. Chapter nine in conclusion finally deals with an overall review of certain functional areas and justification or otherwise of the same. Probable suggestions in related matters have been extended from personal observation and analysis of facts and figures.

The work has been performed on hypothesis that (i) lead factor remains variable, (ii) forecasting of lead factor is not accurate and not based on facts, (iii) the
operational areas still provide vacuums for future betterment.

The methodology adopted comprises of field study, collection of data and materials from different State Electricity Boards and other connecting agencies in the country such as Central Electricity Authority, National Council of Power Utilities, New Delhi, World Bank, Rural Electrification Corporation (REC), Regional Electricity Board, North Eastern Council, Shillong. This is also well supported by the outcome of personal contact with Government officials, consumers, ex-executives and ex-employees of the Board. Advice of Dr. P. Chatterjee, Ex-Member (Finance) of the West Bengal State Electricity Board has been well accepted for which I owe to him. Statistical tests have also been used in relevant chapters to testify the accounting informations. Field surveys have been conducted over different power stations and respective findings on them have been incorporated in relevant chapters.

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(Ghanshyam Nath)