ABSTRACT

This dissertation looks into the industrial determinants of three ownership groups, viz, public, private and foreign enterprises, in the Indian corporate sector. The question being addressed is what determines the variation of ownership across industries, which is seen in the form of predominance of a particular ownership group in a particular industry. Using a multinomial logit function for a cross-section of 20 industries, the study concludes that factors specific to the industry have been occupying more importance in determining the share of the three ownership groups in Indian corporate sector after liberalization. This is interpreted as a move towards allocative efficiency, in the sense that ownership pattern is being guided by factors that enable each ownership group to prevail in industries where it has a comparative advantage over the other two groups.